TITLE 19—CUSTOMS DUTIES

Chap.		Sec.
1.	**Collection Districts, Ports, and Officers**	**1**
1A.	**Foreign Trade Zones**	**81a**
2.	**The Tariff Commission [Repealed or Omitted]**	**91**
3.	**The Tariff and Related Provisions**	**121**
4.	**Tariff Act of 1930**	**1202**
5.	**Smuggling**	**1701**
6.	**Trade Fair Program**	**1751**
7.	**Trade Expansion Program**	**1801**
8.	**Automotive Products**	**2001**
9.	**Visual and Auditory Materials of Educational, Scientific, and Cultural Character**	**2051**
10.	**Customs Service**	**2071**
11.	**Importation of Pre-Columbian Monumental or Architectural Sculpture or Murals**	**2091**
12.	**Trade Act of 1974**	**2101**
13.	**Trade Agreements Act of 1979**	**2501**
14.	**Convention on Cultural Property**	**2601**
15.	**Caribbean Basin Economic Recovery**	**2701**
16.	**Wine Trade**	**2801**
17.	**Negotiation and Implementation of Trade Agreements**	**2901**
18.	**Implementation of Harmonized Tariff Schedule**	**3001**
19.	**Telecommunications Trade**	**3101**
20.	**Andean Trade Preference**	**3201**
21.	**North American Free Trade**	**3301**
22.	**Uruguay Round Trade Agreements**	**3501**

CHAPTER 1—COLLECTION DISTRICTS, PORTS, AND OFFICERS

Sec.

1. Organization of customs service.
2. Rearrangement and limitation of districts; changing locations.
3. Superintendence of collection of import duties.
4 to 5a. Omitted or Repealed.
6. Designation of customs officers for foreign service; status; rejection of designated customs officer; applicability of civil service laws.
6a to 6d. Repealed.
6e. Overtime compensation based on standard or daylight saving time.
7 to 51. Repealed.
52. Payment of compensation and expenses.
53 to 58. Repealed.
58a. Fees for services of customs officers.
58b. User fee for customs services at certain small airports and other facilities.
(a) Authorized airports, seaports, or other facilities.
(b) Liability for and amount of fee.
(c) Justification for service.
(d) Failure to pay fee.
(e) Small airport, seaport, or other facility account; expenditures for services.
(f) Customs services for foreign trade zones or subzones.
58c. Fees for certain customs services.
(a) Schedule of fees.
(b) Limitations on fees.
(c) Definitions.
(d) Collection.
(e) Provision of customs services.
(f) Disposition of fees.
(g) Regulations and enforcement.
(h) Omitted.
(i) Effect on other authority.
(j) Effective dates.
59. Repealed.
60. Penalty for extortion.
61 to 63. Repealed.
64. Laws imposing fines applicable to persons acting under customs laws.
66. Rules and forms prescribed by Secretary.
67. Repealed.
68. Enforcement of customs and immigration laws in Guam and the Virgin Islands and along Canadian and Mexican borders; cooperation by Secretary of the Treasury and Attorney General; erection of buildings.
69. Erection of protective gates and fences across and around roads crossing borders.
70. Obstruction of revenue officers by masters of vessels.

§ 1. Organization of customs service

Except as hereinafter provided the reorganization of the customs service made by the President and communicated to Congress under date of March 3, 1913, shall, until otherwise provided by Congress, constitute the permanent organization of the customs service.

(Aug. 24, 1912, ch. 355, 37 Stat. 434.)

CODIFICATION

Section was superseded in part by section 2071 et seq. of this title.

PRIOR PROVISIONS

This was a provision of the sundry civil appropriation act for the fiscal year 1913. Prior to its incorporation into the Code, it reads as follows: ''The President is authorized to reorganize the customs service and cause estimates to be submitted therefor on account of the fiscal year nineteen hundred and fourteen bringing the total cost of said service for said fiscal year within a sum not exceeding $10,150,000 instead of $10,500,000, the amount authorized to be expended therefor on account of the current fiscal year nineteen hundred and twelve; in making such reorganization and reduction in expenses he is authorized to abolish or consolidate collection districts, ports, and subports of entry and delivery,

to discontinue needless offices and employments, to reduce excessive rates of compensation below amounts fixed by law or Executive order, and to do all such other and further things that in his judgment may be necessary to make such organization effective and within the limit of cost herein fixed; such reorganization shall be communicated to Congress at its next regular session and shall constitute for the fiscal year nineteen hundred and fourteen and until otherwise provided by Congress the permanent organization of the customs service.'' Such of the foregoing provisions as were not carried into the Code were omitted as temporary and executed.

The plan of reorganization, with an estimate of the expenses of the same, was communicated by the President to Congress by Message dated March 3, 1913, as follows:

''Message from the President of the United States, Transmitting Plan of Reorganization of the Customs Service and Detailed Estimate of Expenses of the Same.

''To the Senate and House of Representatives:

''Whereas, by virtue of the provision of chapter 355 of the acts of 1912, approved August 24, 1912, being 'An act making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred and thirteen, and for other purposes,' I was authorized to reorganize the customs service and cause estimates to be submitted therefor on account of the fiscal year 1914, reducing the total cost of said service for said fiscal year by an amount not less than $350,000, and I was further authorized in making such reorganization and reduction in expenses to abolish or consolidate collection districts, ports and subports of entry and delivery, to discontinue needless offices and employments, to reduce excessive rates of compensation below amounts fixed by law or Executive order, and to do all such other and further things that in my judgment may be necessary to make such reorganization effective and within the said limit of cost; and

''Whereas, it was further provided that such reorganization should be communicated to Congress at its next regular session and should constitute for the fiscal year 1914, and until otherwise provided by Congress, the permanent organization of the customs service: Now, therefore,

''It is hereby ordered and communicated that the following plan shall be the organization of the customs service for the said fiscal year 1914, and unless otherwise provided by Congress the permanent organization of the customs service:

''I. CUSTOMS DISTRICTS

''In lieu of all customs-collection districts, ports, and subports of entry and ports of delivery now or heretofore existing there shall be 49 customs-collection districts with district headquarters and port of entry as follows:'' [The customs-collection districts, ports, and subports of entry and ports of delivery enumerated in the President's message to Congress have been changed since the date of the message and the districts and their boundaries and ports of entry are subject to further changes under section 2 of this title.]

''II. The use of the terms 'port of delivery' and 'subport of entry' is hereby discontinued, and all ports of entry, subports of entry, and ports of delivery not above specifically mentioned as ports of entry, are hereby abolished.

''III. The privileges of the first and seventh sections of the act of June 10, 1880, commonly known as the 'immediate transportation act' shall remain as heretofore existing with respect to the ports of entry above mentioned.

''IV. There shall be one collector of customs for each of the customs collection districts above established, who shall receive the compensation hereafter set forth, which shall constitute all the compensation and emoluments to be received by him and which shall be in lieu of all fees, commissions, salaries, or other emoluments of any name or nature (including the right to charge for blank manifests and clearances under the provisions of section 2648 of the Revised Statutes) heretofore received by or allowed to him.

''All moneys collected or received by such collectors of customs in their official capacities, whether as fees, storage, commissions, or from the sale of blank forms or otherwise, shall be covered into the Treasury.

''V. Such collectors shall maintain their principal offices at the headquarters of their respective districts, with the exception of the collectors for the districts of Virginia, Minnesota, and Duluth and Superior, who shall maintain a principal office at both Newport News and Norfolk, and at both St. Paul and Minneapolis, and at both Duluth and Superior, respectively.

''VI. The collector of customs or the surveyor of customs (if there be no collector) for any district heretofore existing in which the port above mentioned as the headquarters of a district hereby created is located shall continue to hold office as the collector of customs for such new district under his existing commission, or if the port so designated as the headquarters of any district hereby created by an independent port of delivery the collector or surveyor (if there be no collector) shall continue to hold office as the collector of customs for such new district under his existing commission, and the terms of office of all other collectors of customs, and the terms of office of all other surveyors of customs, except the surveyors of customs at the ports of Portland, Me., Boston, Mass., New York, N.Y., Philadelphia, Pa., Baltimore, Md., New Orleans, La., and San Francisco, Cal., shall cease and determine upon this reorganization going into effect.

''VII. The Secretary of the Treasury may appoint a deputy collector to have charge of each port of entry, who shall perform such duties and receive such compensation as the Secretary of the Treasury shall determine.

''VIII. The Secretary of the Treasury is hereby authorized to prescribe uniform blank forms to be used in connection with the entry and clearance of merchandise, and to cause such forms to be printed and to be kept on sale at the various ports of entry as he may direct, the net proceeds of such sales to be covered into the Treasury.

''IX. Merchandise shall not be entered or delivered from customs custody elsewhere than at one of the ports of entry hereinbefore designated, except at the expense of the parties in interest, upon express authority from the Secretary of the Treasury and under conditions to be prescribed by him. When it shall be made to appear to the Secretary of the Treasury that the interests of commerce or the protection of the revenue so require, he may cause to be stationed at places in the various collection districts, though not named as ports of entry, officers or employees of the customs with authority to enter and clear vessels, to accept entries of merchandise, to collect duties, and to enforce the various provisions of the customs and navigation laws.

''X. All persons now in the classified civil service whose employment may be discontinued by reason of this reorganization shall be retained upon the list of eligibles for appointment to fill any vacancies hereafter occurring in the customs service.

''XI. The notice of dissatisfaction and protest provided for by subsections 13 and 14 of section 28 of the act approved August 5, 1909, shall be deemed to be finally abandoned and waived unless within 30 days from the date of filing thereof the person who filed such notice or protest shall deposit with the collector of customs a fee of $1 with respect to each appraisement, entry, or payment objected to. Such fee shall be deposited and accounted for as 'Miscellaneous receipts,' and in case the notice of dissatisfaction or protest in connection with which such fee was deposited shall be finally sustained in whole or in part, such fee shall be refunded to the importer, with the duties found to be collected in excess, from the appropriation for the refund to importers of excess of deposits.

''Attached hereto is a detailed estimate of the expenses of the customs service under the reorganization

above provided. [Omitted as not permanent, and in any event superseded by section 6 of this title.]

''Done at Washington, D.C., this 3d day of March, 1913.

''WM. H. TAFT.''

REORGANIZATION PLAN NO. 1 OF 1965

Eff. May 25, 1965, 30 F.R. 7035, 79 Stat. 1317

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, March 25, 1965, pursuant to the provisions of the Reorganization Act of 1949, 63 Stat. 203, as amended [see 5 U.S.C. 901 et seq.].

BUREAU OF CUSTOMS

SECTION 1. ABOLITION OF OFFICES

All offices in the Bureau of Customs of the Department of the Treasury of collector of customs, comptroller of customs, surveyor of customs, and appraiser of merchandise to which appointments are required to be made by the President, by and with the advice and consent of the Senate, are abolished. The foregoing provisions shall become effective with respect to each office abolished thereby at such time, not later than December 31, 1966, as the Secretary of the Treasury shall specify, but nothing herein shall empower the Secretary to increase the term of any office beyond that provided by law for such office or affect his authority under the first paragraph under the heading ''TREASURY DEPARTMENT'' appearing in the Act of March 2, 1895 (ch. 187, 28 Stat. 844; 5 U.S.C. 252) [31 U.S.C. 309], to retain in office, prior to December 31, 1966, those persons whose offices are to be terminated under this reorganization plan.

SEC. 2. TRANSFER OF FUNCTIONS

There are transferred to the Secretary of the Treasury the functions, if any, that have been vested by statute in officers, agencies, or employees of the Bureau of Customs of the Department of the Treasury since the effective date of Reorganization Plan No. 26 of 1950 (64 Stat. 1280).

SEC. 3. PRESERVATION OF REMEDIES

The abolition of offices herein shall not prejudice any right to protest or to appeal to the United States Customs Court any action taken in the administration of the customs laws.

SEC. 4. INCIDENTAL PROVISIONS

Consonant with section 4 of the Reorganization Act of 1949, as amended [see 5 U.S.C. 904] and this reorganization plan, the Secretary of the Treasury shall make such provisions as he shall deem necessary respecting (1) the transfer or other disposition of the records, property, personnel, and unexpended balances of appropriations, allocations, and other funds, available or to be made available, which are affected by a reorganization contained in this reorganization plan; and (2) the winding up of the affairs of any officer whose office is abolished by the provisions of this reorganization plan.

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

All that we do to serve the people of this land must be done, as has been my insistent pledge, with the least cost and the most effectiveness.

In my state of the Union message, I announced it was this administration's intention to ''reshape and reorganize'' the executive branch. This goal had one objective: ''to meet more effectively the tasks of today.''

I report today now one step taken forward toward that goal as part of our progress ''on new economies we were planning to make.''

I submit today a plan for reorganization in the Bureau of Customs of the Department of the Treasury.

At present the Bureau maintains 113 independent field offices, each reporting directly to Customs headquarters in Washington, D.C. Under a modernization program of which this reorganization plan is an integral part, the Secretary of the Treasury proposes to establish six regional offices to supervise all Customs field activities. The tightened management controls achieved from these improvements will make possible a net annual saving of $9 million within a few years.

An essential feature will be the abolition of the offices of all Presidential appointees in the Customs Service. The program cannot be effectively carried out without this step.

The following offices, therefore, would be eliminated: Collectors of customs, comptrollers of customs, surveyors of customs, and appraisers of merchandise, to which appointments are now required to be made by the President by and with the advice and consent of the Senate.

Incumbents of abolished offices will be given consideration for suitable employment under the civil service laws in any positions in customs for which they may be qualified.

When this reorganization is completed, all officials and employees of the Bureau of Customs will be appointed under the civil service laws.

All of the functions of the offices which will be abolished are presently vested in the Secretary of the Treasury by Reorganization Plan No. 26 of 1950 which gives the Secretary power to redelegate these functions. He will exercise this power as the existing offices are abolished.

The estimate of savings that will be achieved by the program of customs modernization and improvement, of which this reorganization plan is a part, is based on present enforcement levels, business volume, and salary scales. Of the amounts saved, approximately $1 million a year will be from salaries no longer paid because of the abolition of offices.

The proposed new organizational framework looks to the establishment of new offices at both headquarters and field levels and abolition of present offices.

This results in a net reduction of more than 50 separate principal field offices by concentration of supervisory responsibilities in fewer officials in charge of regional and district activities. In addition to the six offices of regional commissioner, about 25 offices of district director will be established. The regional commissioners and district directors will assume the overall principal supervisory responsibilities and functions of collectors of customs, appraisers of merchandise, comptrollers of customs, laboratories, and supervising customs agents.

At the headquarters level, four new offices will be established to replace seven divisions. A new position of special assistant to the Commissioner will be created and charged with responsibility for insuring that all Customs employees conduct themselves in strict compliance with all applicable laws and regulations. Up to now this function has been one of a number lodged with an existing division.

After investigation I have found and hereby declare that each reorganization included in Reorganization Plan No. 1 of 1965 is necessary to accomplish one or more of the purposes set forth in section 2(a) of the Reorganization Act of 1949, as amended.

It should be emphasized that abolition by Reorganization Plan No. 1 of 1965 of the offices of collector of customs, comptroller of customs, surveyor of customs, and appraiser of merchandise will in no way prejudice any right of any person affected by the laws administered by the Bureau of Customs. The rights of importers and others, for example, before the Customs Court, arising out of the administration of such functions will remain unaffected. In addition it should be emphasized that all essential services to the importing, exporting, and traveling public will continue to be performed.

This reorganization plan will permit a needed modernization of the organization and procedure of the Bureau of Customs. It will permit a more effective administration of the customs laws.

I urge the Congress to permit Reorganization Plan No. 1 of 1965 to become effective.

LYNDON B. JOHNSON.

THE WHITE HOUSE, March 25, 1965.

§ 2. Rearrangement and limitation of districts; changing locations

The President is authorized from time to time, as the exigencies of the service may require, to rearrange, by consolidation or otherwise, the several customs-collection districts and to discontinue ports of entry by abolishing the same or establishing others in their stead. The President is authorized from time to time to change the location of the headquarters in any customs-collection district as the needs of the service may require.

(Aug. 1, 1914, ch. 223, 38 Stat. 623; May 29, 1928, ch. 901, § 1(19), 45 Stat. 987; June 2, 1970, Pub. L. 91–271, title III, § 302, 84 Stat. 291.)

AMENDMENTS

1970—Pub. L. 91–271 struck out provisions limiting the number of customs-collection districts and ports of entry to those established and authorized as of Aug. 1, 1914, except as thereafter provided by law, and provisions requiring the collector of customs of each customs-collection district to be officially designated by the number of the district for which appointed.

1928—Act May 29, 1928, provided for discontinuance of the statement or report as required by a proviso at end of section which read as follows: ''That the President shall, at the beginning of each regular session, submit to Congress a statement of all acts, if any, done under the provisions of this section and the reasons therefor.''

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91–271 effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after Oct. 1, 1970, and such other articles entered or withdrawn from warehouse for consumption prior to such date, or with respect to which a protest has not been disallowed in whole or in part before Oct. 1, 1970, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

All offices of collector of customs, comptroller of customs, surveyor of customs, and appraiser of merchandise in Bureau of Customs of Department of the Treasury to which appointments were required to be made by President with advice and consent of Senate ordered abolished, with such offices to be terminated not later than December 31, 1966, by Reorg. Plan No. 1 of 1965, eff. May 25, 1965, 30 F.R. 7035, 79 Stat. 1317, set out as a note under section 1 of this title.

Functions of all officers of Department of the Treasury, and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, set out in the Appendix to Title 5, Government Organization and Employees.

DELEGATION OF FUNCTIONS

For delegation to Secretary of the Treasury of authority vested in President by this section, see Ex. Ord. No. 10289, § 1(a), Sept. 17, 1951, 16 F.R. 9499, set out as a note under section 301 of Title 3, The President.

CUSTOMS DISTRICTS AND PORTS OF ENTRY

An alphabetical index of ports of entry is contained in Schedule D of the Harmonized Tariff Schedule. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

For list of international airports of entry, see section 6.13 of Part 6 of Chapter 1, United States Customs Service, of Title 19, Customs Duties, of the Code of Federal Regulations.

COLUMBIA-SNAKE CUSTOMS DISTRICT

Pub. L. 98–573, title II, § 238, Oct. 30, 1984, 98 Stat. 2993, required Commissioner of United States Customs Service to establish a customs district known as Columbia-Snake Customs District.

PEMBINA, NORTH DAKOTA, CUSTOMS DISTRICT; CHANGE IN BOUNDARIES PROHIBITED WITHOUT CONGRESSIONAL CONSENT

Pub. L. 93–245, ch. X, § 1000, Jan. 3, 1974, 87 Stat. 1083, prohibited use of funds to change boundaries of Pembina, North Dakota Customs District (Region IX), without consent of certain Congressional committees.

DISPLAY OF FLAG AT PORTS OF ENTRY

For provisions concerning display of flag of United States Customs Ports of Entry, see Proc. No. 4131, May 5, 1972, 37 F.R. 9311, set out as a note under section 174 of Title 36, Patriotic Societies and Observances.

§ 3. Superintendence of collection of import duties

The Secretary of the Treasury shall direct the superintendence of the collection of the duties on imports as he shall judge best.

(R.S. § 249.)

CODIFICATION

R.S. § 249 derived from act May 8, 1792, ch. 37, § 6, 1 Stat. 280.

Section, prior to its incorporation into the Code, contained the words ''and tonnage'' after ''duties on imports.'' These words were omitted as superseded by section 3 of Title 46, Appendix, Shipping, which charged the Chief of the Bureau of Navigation and Steamboat Inspection (now Commissioner of Customs) with the execution of the laws relating to the collection of the tonnage tax.

ANALYSIS REGARDING CES PROGRAM; EFFECT ON IMPLEMENTATION OF PROGRAM

Pub. L. 100–203, title IX, § 9501(c), Dec. 22, 1987, 101 Stat. 1330–380, as amended by Pub. L. 103–182, title VI, § 691(b)(1), Dec. 8, 1993, 107 Stat. 2224, provided that:

''(1) The Comptroller General of the United States shall conduct a comprehensive analysis, including a cost-benefit study, of the centralized cargo examination station (CES) concept from the perspective of both the United States Customs Service and business community users. The analysis shall be submitted on the same day to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate (hereinafter in this subsection referred to as the 'Committees') not later than March 30, 1988, and shall include recommendations as to how best to implement cargo inspection procedures.

''(2) The United States Customs Service—

''(A) may not, after the date of the enactment of this Act [Dec. 22, 1987], establish any new centralized cargo examination station at any ocean port, airport, or land border location unless the Customs Service provides to the Committees advance notice, in writing, of not less than 90 days regarding the proposed establishment; and

''(B) shall, on such date of enactment, suspend operations at each centralized cargo examination station that was operating at an airport on the day before such date until the 90th day after a date—

''(i) that is not earlier than the date on which the analysis required under paragraph (1) is submitted to the Committees, and

''(ii) on which the Customs Service provides to the Committees notice, in writing, that it intends to resume such operations at the station.

During the period of suspension of operations under subparagraph (B) at any centralized cargo examination station at an airport, the Secretary of the Treasury shall maintain customs operations and staffing at that airport at a level not less than that which was in effect immediately before the suspension took effect.

''(3) The Commissioner of Customs is authorized to obtain from the operators of centralized cargo examination stations information regarding the fees paid to them for the provision of services at these stations.''

CROSS REFERENCES

Instructions of Secretary of the Treasury and conclusiveness of decisions on customs officers, see section 1502 of this title.

Reversal or modification of rulings or decisions by Secretary, restrictions on, see section 1502 of this title.

§ 4. Omitted

CODIFICATION

Section, act Mar. 4, 1923, ch. 251, § 1, 42 Stat. 1453, related to appointment, compensation, and qualifications of director and assistant directors of customs. See sections 2071 to 2073 of this title.

§§ 5, 5a. Repealed. Pub. L. 91–271, title III, § 321(a), (b), June 2, 1970, 84 Stat. 293

Section 5, R.S. § 2613, act Sept. 21, 1922, ch. 356, title IV, § 523, 42 Stat. 974, provided that collectors, comptrollers, and surveyors be appointed for four year terms.

Section 5a, act July 5, 1932, ch. 430, title I, 47 Stat. 584, abolished, except at the Port of New York, the offices of surveyor and appraiser, and those of their assistants and deputies, and transferred the duties of such officers to such persons as designated by the Secretary of the Treasury.

EFFECTIVE DATE OF REPEAL

Repeal effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after Oct. 1, 1970, and such other articles entered or withdrawn from warehouse for consumption prior to such date, or with respect to which a protest has not been disallowed in whole or in part before Oct. 1, 1970, see section 203 of Pub. L. 91–271, set out as an Effective Date of 1970 Amendment note under section 1500 of this title.

§ 6. Designation of customs officers for foreign service; status; rejection of designated customs officer; applicability of civil service laws

Any officer of the customs service designated by the Secretary of the Treasury for foreign service, shall, through the Department of State, be regularly and officially attached to the diplomatic missions of the United States in the countries in which they are to be stationed, and when such officers are assigned to countries in which there are no diplomatic missions of the United States, appropriate recognition and standing with full facilities for discharging their official duties shall be arranged by the Department of State. The Secretary of State may reject the name of any such officer whose assignment to the foreign post for which he has been designated would, in his judgment, be prejudicial to the public policy of the United States. The appointment of such customs officers shall be made pursuant to the civil service laws and regulations upon the nomination of the principal officer in charge of the office to which such appointments are to be made.

(Mar. 4, 1923, ch. 251, § 2, 42 Stat. 1453; Jan. 13, 1925, ch. 76, 43 Stat. 748; May 28, 1926, ch. 411, § 1, 44 Stat. 669; June 17, 1930, ch. 497, title IV, §§ 518, 649, 46 Stat. 737, 762; June 25, 1948, ch. 646, § 39, 62 Stat. 992; June 2, 1970, Pub. L. 91–271, title III, § 303, 84 Stat. 292.)

REFERENCES IN TEXT

The civil service laws, referred to in text, are set forth in Title 5, Government Organization and Employees. See, particularly, section 3301 et seq. of Title 5.

AMENDMENTS

1970—Pub. L. 91–271 struck out provisions authorizing Secretary of the Treasury to appoint, prescribe designations and duties, and fix compensation of deputies and other customs officers, laborers, and other employees.

1948—Act June 25, 1948, struck out fourth sentence relating to appointment and compensation of clerks of Customs Court.

1930—Act June 17, 1930, § 518, authorized Secretary of the Treasury to appoint and fix compensation of clerks of Customs Court.

1926—Act May 28, 1926, substituted ''United States Customs Court'' for ''Board of General Appraisers''.

Act June 17, 1930, § 649, substituted ''Treasury attachés'' for ''Customs attachés''.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91–271 effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after Oct. 1, 1970, and such other articles entered or withdrawn from warehouse for consumption prior to such date, or with respect to which a protest has not been disallowed in whole or in part before Oct. 1, 1970, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1948 AMENDMENT

Section 38 of act June 25, 1948, provided that the amendment made by that act is effective Sept. 1, 1948.

TRANSFER OF FUNCTIONS

All offices of collector of customs, comptroller of customs, surveyor of customs, and appraiser of merchandise in Bureau of Customs of Department of the Treasury to which appointments were required to be made by President with advice and consent of Senate ordered abolished, with such offices to be terminated not later than December 31, 1966, by Reorg. Plan No. 1 of 1965, eff. May 25, 1965, 30 F.R. 7035, 79 Stat. 1317, set out as a note under section 1 of this title.

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by 1950 Reorg. Plan No. 26. §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, set out in the Appendix to Title 5, Government Organization and Employees.

CROSS REFERENCES

Extra pay for overtime services in connection with vessels, see section 2111 of Title 46, Shipping.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 52 of this title.

§§ 6a to 6d. Repealed. Sept. 3, 1954, ch. 1263, § 13(b), 68 Stat. 1231

Sections, act May 29, 1928, ch. 865, §§ 1–4, 45 Stat. 955, related to compensation. See sections 5101 et seq. and 5301 et seq. of Title 5, Government Organization and Employees.

Act Dec. 12, 1930, ch. 10, 46 Stat. 1026, formerly set out as a credit to these sections, was repealed by Pub. L. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 648.

§ 6e. Overtime compensation based on standard or daylight saving time

On and after June 30, 1949, overtime compensation of customs officers and employees, as authorized by law, shall be based either on standard or daylight saving time, whichever is observed where overtime services are performed.

(June 30, 1949, ch. 286, title I, 63 Stat. 360.)

§§ 7 to 11. Repealed. Pub. L. 91–271, title III, § 321(c)–(g), June 2, 1970, 84 Stat. 293

Section 7, act Mar. 4, 1923, ch. 251, § 3, 42 Stat. 1453, authorized collectors, comptrollers, surveyors, and appraisers to appoint assistants, and collector at New York to appoint a solicitor to collector, all such appointments subject to approval of Secretary of the Treasury.

Section 8, R.S. § 2629; acts Mar. 3, 1905, ch. 1413, § 1, 33 Stat. 983; Mar. 4, 1923, ch. 251, § 4, 42 Stat. 1453, set forth procedure for filling a vacancy in office of a collector, comptroller, surveyor, or appraiser.

Section 9, R.S. § 2625, act Mar. 4, 1923, ch. 251, § 3, 42 Stat. 1453, provided for performance of collector's duties in case of his disability.

Section 10, R.S. § 2630; acts Mar. 4, 1923, ch. 251, §§ 2, 3, 42 Stat. 1453; Jan. 13, 1925, ch. 76, 43 Stat. 748, provided that in cases of occasional and necessary absence, or of sickness, any collector could exercise his powers and perform his duties by deputy.

Section 11, R.S. § 2632; act June 17, 1930, ch. 497, title IV, § 523, 46 Stat. 740, provided that in cases of occasional and necessary absence, or of sickness, every comptroller and surveyor could, respectively, exercise and perform his functions, powers, and duties by deputy.

EFFECTIVE DATE OF REPEAL

Repeal effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after Oct. 1, 1970, and such other articles entered or withdrawn from warehouse for consumption prior to such date, or with respect to which a protest has not been disallowed in whole or in part before Oct. 1, 1970, see section 203 of Pub. L. 91–271, set out as an Effective Date of 1970 Amendment note under section 1500 of this title.

§§ 12 to 18. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(1)–(7), 70 Stat. 947

Sections 12 to 15 provided for appointment by Secretary of the Treasury of 30 special agents for purposes of checking the accounts of collectors and other customs officers for prevention of frauds, authorized regulations for the limitations on their number and compensation and authorized appointment of special agents to reside in foreign territory. Customs agents who perform functions formerly exercised by special agents are covered generally by section 2072 of this title.

Section 12 was based on R.S. § 2649.

Section 13 was based on acts Mar. 4, 1911, ch. 285, 36 Stat. 1393; Mar. 4, 1923, ch. 251, §§ 1, 2, 5, 7, 42 Stat. 1453, 1454; Mar. 3, 1927, ch. 348, § 3, 44 Stat. 1382.

Section 14 was based on R.S. § 2651.

Section 15 was based on R.S. § 2999.

Section 16, R.S. 2940; acts Mar. 4, 1923, ch. 251, § 2, 42 Stat. 1453; Jan. 13, 1925, ch. 76, 43 Stat. 748, prescribed qualifications and special oath for customs appraiser at New York.

Section 17, R.S. § 2941, prohibited only employees in office of appraiser at New York from engaging or being employed in any commercial activity.

Section 18, R.S. § 2942, related to duties of appraiser and assistant appraiser at New York.

§§ 19, 20. Repealed. Pub. L. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 646

Section 19, act Feb. 9, 1925, ch. 167, 43 Stat. 819, related to appraiser of merchandise at Baltimore.

Section 20, act Feb. 21, 1925, ch. 278, § 1, 43 Stat. 957, related to office of appraiser of merchandise at Portland, Oregon.

§§ 21 to 24. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(8)–(11), (13), 70 Stat. 947

Sections 21 to 23 prescribed oath of office for customs officers and assistant appraisers.

Section 24 related to designation of persons to administer oath of office.

Section 21 was based on R.S. § 2616.

Section 22 was based on R.S. § 2614; act July 5, 1932, ch. 430, title 1, 47 Stat. 584.

Section 23 was based on R.S. § 2615; July 5, 1932, ch. 430, title 1, 47 Stat. 584.

Section 24 was based on R.S. § 2617; act Feb. 8, 1875, ch. 36, § 11, 18 Stat. 309.

§§ 26 to 28. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(12)–(14), 70 Stat. 947

Section 26, R.S. § 2611; act Feb. 8, 1875, ch. 36, § 11, 18 Stat. 309, related to oath by special examiners of drugs. Functions formerly exercised by the special examiner of drugs are covered by section 381 of Title 21, Food and Drugs.

Section 27, acts Feb. 8, 1875, ch. 36, § 11, 18 Stat. 309; Mar. 2, 1895, ch. 177, § 5, 28 Stat. 807, related to oaths by subordinate customs officers.

Section 28, act Sept. 24, 1914, ch. 309, 38 Stat. 716, provided that headquarters of customs district of Florida should be at Tampa. Section 2 of this title vests authority in the President to change from time to time the location of headquarters of customs collection district and such authority was delegated to the Secretary of the Treasury by section 1 (a) of Executive Order 10289 of September 17, 1951, set out as a note under section 301 of Title 3, The President.

§ 29. Repealed. Aug. 26, 1935, ch. 689, § 2, 49 Stat. 864

Section, act Mar. 15, 1898, ch. 68, § 1, 30 Stat. 286, as supplemented by acts Jan. 28, 1915, ch. 20, § 1, 38 Stat. 800; Mar. 4, 1923, ch. 251, § 3, 42 Stat. 1453, related to administration of oaths by collectors and assistants.

Act Aug. 4, 1949, ch. 393, § 20, 63 Stat. 561, also repealed act Jan. 28, 1915, ch. 20, § 1, 38 Stat. 800, formerly credited to this section.

§ 30. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(34), 70 Stat. 948

Section, act Sept. 30, 1890, ch. 1126, 26 Stat. 511, related to administration of oaths by clerks and inspectors of customs.

§ 30a. Repealed. June 17, 1930, ch. 497, § 651(a)(3), 46 Stat. 762, eff. June 18, 1930

Section, Res. Apr. 2, 1928, ch. 309, 45 Stat. 401, related to administration of oaths by officers and employees of customs service.

§§ 31, 32. Repealed. Pub. L. 92–310, title II, § 226, June 6, 1972, 86 Stat. 206

Section 31, R.S. §§ 2619, 2620; act Feb. 27, 1877, ch. 69, 19 Stat. 245; Pub. L. 91–271, title III, § 304, June 2, 1970, 84 Stat. 292, related to bonds of customs officers.

Section 32, R.S. § 2620; Pub. L. 91–271, title III, § 305, June 2, 1970, 84 Stat. 292, related to amounts, conditions for filing, and procedures for approval of bonds required of customs officers.

§§ 33 to 35. Repealed. Aug. 8, 1953, ch. 397, § 2(a), 67 Stat. 507

Sections, R.S. §§ 2621 to 2623, prescribed various duties of the collectors of customs at each of the ports (1) where collectors, comptrollers and surveyors were appointed: (2) where only collectors and surveyors were appointed; and (3) where only collectors were appointed. The provisions of such sections, in so far as they related to accounting duties, are covered generally in chapters 33 and 35 of Title 31, Money and Finance.

EFFECTIVE DATE OF REPEAL; SAVINGS PROVISION

Repeal effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see sections 1 and 23 of act Aug. 8, 1953.

§§ 36, 37. Repealed. Pub. L. 91–271, title III, § 321(h), (i), June 2, 1970, 84 Stat. 293

Section 36, acts Feb. 6, 1907, ch. 471, 34 Stat. 880; Mar. 4, 1923, ch. 251, § 2, 42 Stat. 1453; Jan. 13, 1925, ch. 76, 43 Stat. 748, enumerated duties of deputy collectors.

Section 37, R.S. § 2633, authorized Secretary of the Treasury to clothe any deputy director at a port other than district headquarters with all powers of his principal appertaining to official acts.

EFFECTIVE DATE OF REPEAL

Repeal effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after Oct. 1, 1970, and such other articles entered or withdrawn from warehouse for consumption prior to such date, or with respect to which a protest has not been disallowed in whole or in part before Oct. 1, 1970, see section 203 of Pub. L. 91–271, set out as an Effective Date of 1970 Amendment note under section 1500 of this title.

§ 38. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title IV, § 523, 42 Stat. 974, related to powers and duties of comptrollers of customs. See section 1523 of this title.

§ 39. Repealed. Aug. 8, 1953, ch. 397, § 2(a), 67 Stat. 507

Section, R.S. § 2626, prescribed certain duties of comptrollers of customs at each of ports where collectors, comptrollers and surveyors were appointed. The provisions of such section, in so far as it related to accounting duties, is covered generally in chapters 33 and 35 of Title 31, Money and Finance.

EFFECTIVE DATE OF REPEAL; SAVINGS PROVISION

Repeal effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see sections 1 and 23 of act Aug. 8, 1953.

§ 40. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(15), 70 Stat. 947

Section, R.S. § 2627; act June 17, 1930, ch. 497, title IV, § 523, 46 Stat. 740, related to duties of surveyor of customs. Section 5a of this title abolished the offices of surveyor of customs at all ports except New York.

§ 41. Repealed. Feb. 28, 1933, ch. 131, § 1, 47 Stat. 1349

Section, R.S. § 2628, prescribed duties of surveyors where only surveyors were appointed.

§§ 42 to 45. Repealed. Aug. 8, 1953, ch. 397, § 2(a), 67 Stat. 507

Sections, R.S. §§ 2639 to 2641, 2643, related to various accounting duties of collectors, comptrollers, and surveyors of customs. Those provisions are covered generally in chapters 33 and 35 of Title 31, Money and Finance.

Section 42 was amended by act July 31, 1894, ch. 174, § 19, 28 Stat. 210.

EFFECTIVE DATE OF REPEAL; SAVINGS PROVISION

Repeal effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see sections 1 and 23 of act Aug. 8, 1953.

§§ 46, 47. Repealed. Feb. 28, 1933, ch. 131, § 1, 47 Stat. 1349

Sections, R.S. §§ 2644 and 2645, respectively, related to rendition of monthly and quarterly estimates and accounts of certain collectors.

§ 48. Repealed. Aug. 2, 1946, ch. 744, § 2, 60 Stat. 807, eff. Nov. 1, 1946

Section, acts Mar. 4, 1923, ch. 251, § 5, 42 Stat. 1454; June 17, 1930, ch. 497, title IV, § 645(b), 46 Stat. 761, related to travel, subsistence, and transportation expenses of customs officers and employees. These provisions are covered generally in chapter 57 of Title 5, Government Organization and Employees.

§ 49. Repealed. Aug. 26, 1935, ch. 689, § 1, 49 Stat. 864

Section, R.S. § 1790, related to restriction on payment for services of officers or other persons in customs service.

§§ 50, 51. Repealed. Pub. L. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 642, 645, 650

Section 50, acts Aug. 24, 1912, ch. 355, § 8, 37 Stat. 487; June 6, 1939, ch. 185, 53 Stat. 810, authorized collectors of customs to administer oaths to expense accounts.

Section 51, act Mar. 4, 1923, ch. 251, § 7, 42 Stat. 1454, provided limitations on compensation.

ADDITIONAL REPEAL

Section 51 was additionally repealed by Pub. L. 91–271, title III, § 321(j), June 2, 1970, 84 Stat. 293.

§ 52. Payment of compensation and expenses

The compensation of all customs officers and employees provided for by sections 6, 7, 8, 13, and 51 of this title, and the expenses authorized by section 48 of this title, shall be paid from the appropriation for the collection of the revenue from customs.

(Mar. 4, 1923, ch. 251, § 6, 42 Stat. 1454; Mar. 3, 1927, ch. 348, § 3(c), 44 Stat. 1382.)

REFERENCES IN TEXT

Sections 7 and 8 of this title, referred to in text, were repealed by Pub. L. 91–271, title III, § 321(c), (d), June 2, 1970, 84 Stat. 293.

Section 13 of this title, referred to in text, was repealed by act Aug. 2, 1956, ch. 887, § 4(a)(2), 70 Stat. 947.

Section 48 of this title, referred to in text, was repealed by act Aug. 2, 1946, ch. 744, § 2, 60 Stat. 807, eff. Nov. 1, 1946. See section 5724 of Title 5, Government Organization and Employees.

Section 51 of this title, referred to in text, was repealed by Pub. L. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 645. See, also, Additional Repeal note set out thereunder.

CODIFICATION

Act Mar. 3, 1927, abolished the offices of Director and Assistant Director of Customs.

§§ 53 to 57. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(16)–(20), 70 Stat. 947

Section 53, R.S. § 2687, provided for apportionment of compensation according to time served. See, generally,

sections 5504 and 6101 of Title 5, Government Organization and Employees.

Section 54, R.S. § 2646, related to books to be furnished to collectors and other officers. See section 481 of Title 40, Public Buildings, Property, and Works.

Section 55, R.S. § 2647; acts Aug. 24, 1912, ch. 355, 37 Stat. 434; June 17, 1930, ch. 497, title IV, § 523, 46 Stat. 740, provided that collectors of customs, and comptrollers and surveyors performing functions of collectors, should render quarterly accounts to Secretary of the Treasury of fines collected, moneys received as rents, etc.

Section 56, R.S. § 2944, related to additional hours of service at public stores in New York.

Section 57, R.S. § 2648; act Aug. 24, 1912, ch. 355, § 1, 37 Stat. 434, related to sale of blanks by collectors and surveyors.

§ 58. Repealed. Pub. L. 95–410, title II, § 214(a), Oct. 3, 1978, 92 Stat. 904

Section, R.S. § 2654; acts Aug. 24, 1912, ch. 355, 37 Stat. 434; June 2, 1970, Pub. L. 91–271, title III, § 307, 84 Stat. 292, provided for fees of customs officers for eleven enumerated types of services. See section 58a of this title.

§ 58a. Fees for services of customs officers

The Secretary may charge such fees as may be necessary to cover the costs of providing services similar to or the same as services furnished by customs officers under the sections repealed by subsection (a).

(Pub. L. 95–410, title II, § 214(b), Oct. 3, 1978, 92 Stat. 904.)

REFERENCES IN TEXT

The sections repealed by subsection (a), referred to in text, means the sections repealed by Pub. L. 95–410, § 214(a), which provided: ''Sections 2654, 4381, 4382, and 4383 of the Revised Statutes of the United States (19 U.S.C. 58 and 46 U.S.C. 329, 330, and 333) are each repealed.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 58c of this title.

§ 58b. User fee for customs services at certain small airports and other facilities

(a) Authorized airports, seaports, or other facilities

The Secretary of the Treasury shall make customs services available and charge a fee for the use of such customs services at—

(1) the airport located at Lebanon, New Hampshire,

(2) the airport located at Pontiac/Oakland, Michigan, and

(3) any other airport, seaport, or other facility designated by the Secretary of the Treasury under subsection (c) of this section.

(b) Liability for and amount of fee

The fee which is charged under subsection (a) of this section shall be paid by each person using the customs services at the airport, seaport, or other facility and shall be in an amount equal to the expenses incurred by the Secretary of the Treasury in providing the customs services which are rendered to such person at such airport, seaport, or other facility (including the salary and expenses of individuals employed by the Secretary of the Treasury to provide such customs services).

(c) Justification for service

The Secretary of the Treasury may designate airports, seaports, and other facilities under this subsection. An airport, seaport, or other facility may be designated under this subsection only if—

(1) the Secretary of the Treasury has made a determination that the volume or value of business cleared through such airport, seaport, or other facility is insufficient to justify the availability of customs services at such airport, seaport, or other facility, and

(2) the governor of the State in which such airport, seaport, or other facility is located approves such designation.

(d) Failure to pay fee

Any person who, after notice and demand for payment of any fee charged under subsection (a) of this section, fails to pay such fee shall be guilty of a misdemeanor and if convicted thereof shall pay a fine that does not exceed an amount equal to 200 percent of such fee.

(e) Small airport, seaport, or other facility account; expenditures for services

Fees collected by the Secretary of the Treasury under subsection (a) of this section with respect to the provision of services at an airport, seaport, or other facility shall be deposited in an account within the Treasury of the United States that is specially designated for such airport, seaport, or other facility. The Secretary of the Treasury is authorized and directed to pay out of any funds available in such account any expenses incurred by the Federal Government in providing customs services at such airport, seaport, or other facility (including expenses incurred for the salaries and expenses of individuals employed to provide such services). None of the funds deposited into such account shall be available for any purpose other than making payments authorized under the preceding sentence.

(f) Customs services for foreign trade zones or subzones

For purposes of this section, customs services provided in connection with, or with respect to, any foreign trade zone or subzone that is located at, or in the vicinity of, any airport, seaport, or other facility described in subsection (a) of this section or designated under subsection (c) of this section shall be considered to be customs services provided at such airport, seaport, or other facility.

(Pub. L. 98–573, title II, § 236, Oct. 30, 1984, 98 Stat. 2992; Pub. L. 99–190, § 142, Dec. 19, 1985, 99 Stat. 1324; Pub. L. 99–272, title XIII, § 13032, Apr. 7, 1986, 100 Stat. 310; Pub. L. 100–418, title I, § 1905, Aug. 23, 1988, 102 Stat. 1313; Pub. L. 101–207, § 3(c)(2), (f)(1), Dec. 7, 1989, 103 Stat. 1834, 1835.)

AMENDMENTS

1989—Pub. L. 101–207, § 3(f)(1)(C), inserted ''and other facilities'' after ''airports'' in section catchline.

Subsecs. (a)(3), (b). Pub. L. 101–207, § 3(f)(1)(A), inserted '', seaport, or other facility'' after ''airport'' wherever appearing.

Subsec. (c). Pub. L. 101–207, § 3(f)(1)(A), (B), inserted '', seaports, and other facilities'' after ''airports'' in introductory provisions and '', seaport, or other facility'' after ''airport'' wherever appearing.

Subsec. (e). Pub. L. 101–207, § 3(f)(1)(A), inserted '', seaport, or other facility'' after ''airport'' wherever appearing.

Subsec. (f). Pub. L. 101–207, § 3(c)(2), (f)(1)(A), added subsec. (f) and inserted ", seaport, or other facility" after "airport" in two places.

1988—Subsec. (a)(2), (3). Pub. L. 100–418, § 1905(1)–(3), added par. (2) and redesignated former par. (2) as (3).

Subsec. (c). Pub. L. 100–418, § 1905(4), struck out "20" before "airports".

1986—Subsec. (c). Pub. L. 99–272, § 13032(1), made amendment identical to Pub. L. 99–190, substituting "20 airports" for "4 airports".

Subsec. (e). Pub. L. 99–272, § 13032(2), substituted last two sentences for former last sentence which read as follows: "The funds in such account shall only be available, as provided by appropriation Acts, for expenditures relating to the provision of customs services at such airport (including expenditures for the salaries and expenses of individuals employed to provide such services)."

1985—Subsec. (c). Pub. L. 99–190 substituted "20 airports" for "4 airports".

EFFECTIVE DATE

Section effective on 15th day after Oct. 30, 1984, see section 214(a), (b) of Pub. L. 98–573, set out as an Effective Date of 1984 Amendment note under section 1304 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 58c of this title.

§ 58c. Fees for certain customs services

(a) Schedule of fees

In addition to any other fee authorized by law, the Secretary of the Treasury shall charge and collect the following fees for the provision of customs services in connection with the following:

(1) For the arrival of a commercial vessel of 100 net tons or more, $397.

(2) For the arrival of a commercial truck, $5.

(3) For the arrival of each railroad car carrying passengers or commercial freight, $7.50.

(4) For all arrivals made during a calendar year by a private vessel or private aircraft, $25.

(5)(A) For fiscal years 1994, 1995, 1996, and 1997, for the arrival of each passenger aboard a commercial vessel or commercial aircraft from outside the customs territory of the United States, $6.50.

(B) For fiscal year 1998 and each fiscal year thereafter, for the arrival of each passenger aboard a commercial vessel or commercial aircraft from a place outside the United States (other than a place referred to in subsection (b)(1)(A) of this section), $5.

(6) For each item of dutiable mail for which a document is prepared by a customs officer, $5.

(7) For each customs broker permit held by an individual, partnership, association, or corporate customs broker, $125 per year.

(8) For the arrival of a barge or other bulk carrier from Canada or Mexico, $100.

(9)(A) For the processing of merchandise that is formally entered or released during any fiscal year, a fee in an amount equal to 0.21 percent ad valorem, unless adjusted under subparagraph (B).

(B)(i) The Secretary of the Treasury may adjust the ad valorem rate specified in subparagraph (A) to an ad valorem rate (but not to a rate of more than 0.21 percent nor less than 0.15 percent) and the amounts specified in subsection (b)(8)(A)(i) (but not to more than $485 nor less than $21) to rates and amounts which would, if charged, offset the salaries and expenses that will likely be incurred by the Customs Service in the processing of such entries and releases during the fiscal year in which such costs are incurred.

(ii) In determining the amount of any adjustment under clause (i), the Secretary of the Treasury shall take into account whether there is a surplus or deficit in the fund established under subsection (f) of this section with respect to the provision of customs services for the processing of formal entries and releases of merchandise.

(iii) An adjustment may not be made under clause (i) with respect to the fee charged during any fiscal year unless the Secretary of the Treasury—

(I) not later than 45 days after the date of the enactment of the Act providing full-year appropriations for the Customs Service for that fiscal year, publishes in the Federal Register a notice of intent to adjust the fee under this paragraph and the amount of such adjustment;

(II) provides a period of not less than 30 days following publication of the notice described in subclause (I) for public comment and consultation with the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives regarding the proposed adjustment and the methodology used to determine such adjustment;

(III) upon the expiration of the period provided under subclause (II), notifies such committees in writing regarding the final determination to adjust the fee, the amount of such adjustment, and the methodology used to determine such adjustment; and

(IV) upon the expiration of the 15-day period following the written notification described in subclause (III), submits for publication in the Federal Register notice of the final determination regarding the adjustment of the fee.

(iv) The 15-day period referred to in clause (iii)(IV) shall be computed by excluding—

(I) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die; and

(II) any Saturday and Sunday, not excluded under subclause (I), when either House is not in session.

(v) An adjustment made under this subparagraph shall become effective with respect to formal entries and releases made on or after the 15th calendar day after the date of publication of the notice described in clause (iii)(IV) and shall remain in effect until adjusted under this subparagraph.

(C) If for any fiscal year, the Secretary of the Treasury determines not to make an adjustment under subparagraph (B), the Secretary shall, within the time prescribed under subparagraph (B)(iii)(I), submit a written report to the Committee on Finance of the Sen-

ate and the Committee on Ways and Means of the House of Representatives detailing the reasons for maintaining the current fee and the methodology used for computing such fee.

(D) Any fee charged under this paragraph, whether or not adjusted under subparagraph (B), is subject to the limitations in subsection (b)(8)(A) of this section.

(10) For the processing of merchandise that is informally entered or released, other than at—

(A) a centralized hub facility,

(B) an express consignment carrier facility, or

(C) a small airport or other facility to which section 58b of this title applies, if more than 25,000 informal entries were cleared through such airport or facility during the fiscal year preceding such entry or release,

a fee of—

(i) $2 if the entry or release is automated and not prepared by customs personnel;

(ii) $6 if the entry or release is manual and not prepared by customs personnel; or

(iii) $9 if the entry or release, whether automated or manual, is prepared by customs personnel.

For provisions relating to the informal entry or release of merchandise at facilities referred to in subparagraphs (A), (B), and (C), see subsection (b)(9) of this section.

(b) Limitations on fees

(1) No fee may be charged under subsection (a) of this section for customs services provided in connection with—

(A) the arrival of any passenger whose journey—

(i) originated in—

(I) Canada,

(II) Mexico,

(III) a territory or possession of the United States, or

(IV) any adjacent island (within the meaning of section 1101(b)(5) of title 8,[1] or

(ii) originated in the United States and was limited to—

(I) Canada,

(II) Mexico,

(III) territories and possessions of the United States, and

(IV) such adjacent islands;

(B) the arrival of any railroad car the journey of which originates and terminates in the same country, but only if no passengers board or disembark from the train and no cargo is loaded or unloaded from such car while the car is within any country other than the country in which such car originates and terminates; or

(C) the arrival of any ferry.

Subparagraph (A) shall not apply to fiscal years 1994, 1995, 1996, and 1997.

(2) No fee may be charged under subsection (a)(2) of this section for the arrival of a commercial truck during any calendar year after a total of $100 in fees has been paid to the Secretary of the Treasury for the provision of customs services for all arrivals of such commercial truck during such calendar year.

(3) No fee may be charged under subsection (a)(3) of this section for the arrival of a railroad car whether passenger or freight during any calendar year after a total of $100 in fees has been paid to the Secretary of the Treasury for the provision of customs services for all arrivals of such passenger or freight rail car during such calendar year.

(4) No fee may be charged under subsection (a)(5) of this section with respect to the arrival of any passenger—

(A) who is in transit to a destination outside the customs territory of the United States, and

(B) for whom customs inspectional services are not provided.

(5) No fee may be charged under subsection (a)(1) of this section for the arrival of—

(A) a vessel during a calendar year after a total of $5,955 in fees charged under paragraph (1) or (8) of subsection (a) of this section has been paid to the Secretary of the Treasury for the provision of customs services for all arrivals of such vessel during such calendar year,

(B) any vessel which, at the time of the arrival, is being used solely as a tugboat, or

(C) any barge or other bulk carrier from Canada or Mexico.

(6) No fee may be charged under subsection (a)(8) of this section for the arrival of a barge or other bulk carrier during a calendar year after a total of $1,500 in fees charged under paragraph (1) or (8) of subsection (a) of this section has been paid to the Secretary of the Treasury for the provision of customs services for all arrivals of such barge or other bulk carrier during such calendar year.

(7) No fee may be charged under paragraphs (2), (3), or (4) of subsection (a) of this section for the arrival of any—

(A) commercial truck,

(B) railroad car, or

(C) private vessel,

that is being transported, at the time of the arrival, by any vessel that is not a ferry.

(8)(A)(i) Subject to clause (ii), the fee charged under subsection (a)(9) of this section for the formal entry or release of merchandise may not exceed $485 or be less than $25, unless adjusted pursuant to subsection (a)(9)(B) of this section.

(ii) A surcharge of $3 shall be added to the fee determined after application of clause (i) for any manual entry or release of merchandise.

(B) No fee may be charged under subsection (a)(9) or (10) of this section for the processing of any article that is—

(i) provided for under any item in chapter 98 of the Harmonized Tariff Schedule of the United States, except subheading 9802.00.60 or 9802.00.80,

(ii) a product of an insular possession of the United States, or

(iii) a product of any country listed in subdivision (c)(ii)(B) or (c)(v) of general note 3 to such Schedule.

[1] So in original. A closing parenthesis probably should precede the comma.

(C) For purposes of applying subsection (a)(9) or (10) of this section—

(i) expenses incurred by the Secretary of the Treasury in the processing of merchandise do not include costs incurred in—

(I) air passenger processing,

(II) export control, or

(III) international affairs, and

(ii) any reference to a manual formal or informal entry or release includes any entry or release filed by a broker or importer that requires the inputting of cargo selectivity data into the Automated Commercial System by customs personnel, except when—

(I) the broker or importer is certified as an ABI cargo release filer under the Automated Commercial System at any port within the United States, or

(II) the entry or release is filed at ports prior to the full implementation of the cargo selectivity data system by the Customs Service at such ports.

(D) The fee charged under subsection (a)(9) or (10) of this section with respect to the processing of merchandise shall—

(i) be paid by the importer of record of the merchandise;

(ii) except as otherwise provided in this paragraph, be based on the value of the merchandise as determined under section 1401a of this title;

(iii) in the case of merchandise classified under subheading 9802.00.60 of the Harmonized Tariff Schedule of the United States, be applied to the value of the foreign repairs or alterations to the merchandise;

(iv) in the case of merchandise classified under heading 9802.00.80 of such Schedule, be applied to the full value of the merchandise, less the cost or value of the component United States products; and

(v) in the case of agricultural products of the United States that are processed and packed in a foreign trade zone, be applied only to the value of material used to make the container for such merchandise, if such merchandise is subject to entry and the container is of a kind normally used for packing such merchandise.

With respect to merchandise that is classified under subheading 9802.00.60 or heading 9802.00.80 of such Schedule and is duty-free, the Secretary may collect the fee charged on the processing of the merchandise under subsection (a)(9) or (10) of this section on the basis of aggregate data derived from financial and manufacturing reports used by the importer in the normal course of business, rather than on the basis of entry-by-entry accounting.

(E) For purposes of subsection (a)(9) and (10) of this section, merchandise is entered or released, as the case may be, if the merchandise is—

(i) permitted or released under section 1448(b) of this title,

(ii) entered or released from customs custody under section 1484(a)(1)(A) of this title, or

(iii) withdrawn from warehouse for consumption.

(9)(A) With respect to the processing of merchandise that is informally entered or released at a centralized hub facility, an express consignment carrier facility, or a small airport or other facility, the following reimbursements and payments are required:

(i) In the case of a centralized hub facility or small airport or other facility—

(I) the reimbursement which such facility is required to make during the fiscal year under section 9701 of title 31 or section 58b of this title; and

(II) an annual payment by the facility to the Secretary of the Treasury, which is in lieu of the payment of fees under subsection (a)(10) of this section for such fiscal year, in an amount equal to the reimbursement under subclause (I).

(ii) In the case of an express consignment carrier facility—

(I) an amount, for which the Customs Service shall be reimbursed under section 1524 of this title, equal to the cost of the customs inspectional services provided by the Customs Service at the facility during the fiscal year; and

(II) an annual payment by the facility to the Secretary of the Treasury, which is in lieu of the payment of fees under subsection (a)(10) of this section for such fiscal year, in an amount equal to the reimbursement made under subclause (I).

(B) For purposes of this paragraph:

(i) The terms ''centralized hub facility'' and ''express consignment carrier facility'' have the respective meanings that are applied to such terms in part 128 of chapter I of title 19, Code of Federal Regulations, as in effect on July 30, 1990.

(ii) The term ''small airport or other facility'' means any airport or facility to which section 58b of this title applies, if more than 25,000 informal entries were cleared through such airport or facility during the preceding fiscal year.

(10)(A) The fee charged under subsection (a)(9) or (10) with respect to goods of Canadian origin (as determined under section 202 of the United States-Canada Free-Trade Agreement)[2] when the United States-Canada Free-Trade Agreement is in force shall be in accordance with section[3] 403 of that Agreement.

(B) For goods qualifying under the rules of origin set out in section 3332 of this title, the fee under subsection (a)(9) or (10)—

(i) may not be charged with respect to goods that qualify to be marked as goods of Canada pursuant to Annex 311 of the North American Free Trade Agreement, for such time as Canada is a NAFTA country, as defined in section 3301(4) of this title; and

(ii) may not be increased after December 31, 1993, and may not be charged after June 29, 1999, with respect to goods that qualify to be marked as goods of Mexico pursuant to such Annex 311, for such time as Mexico is a NAFTA country.

Any service for which an exemption from such fee is provided by reason of this paragraph may

[2] See References in Text note below.

[3] So in original. Probably should be ''article''.

not be funded with money contained in the Customs User Fee Account.

(11) No fee may be charged under subsection (a)(9) or (10) of this section with respect to products of Israel if an exemption with respect to the fee is implemented under section 112 of the Customs and Trade Act of 1990.

(c) Definitions

For purposes of this section—

(1) The term ''ferry'' means any vessel which is being used—

(A) to provide transportation only between places that are no more than 300 miles apart, and

(B) to transport only—

(i) passengers, or

(ii) vehicles, or railroad cars, which are being used, or have been used, in transporting passengers or goods.

(2) The term ''arrival'' means arrival at a port of entry in the customs territory of the United States.

(3) The term ''customs territory of the United States'' has the meaning given to such term by general note 2 of the Harmonized Tariff Schedule of the United States.

(4) The term ''customs broker permit'' means a permit issued under section 1641(c) of this title.

(5) The term ''barge or other bulk carrier'' means any vessel which—

(A) is not self-propelled, or

(B) transports fungible goods that are not packaged in any form.

(d) Collection

(1) Each person that issues a document or ticket to an individual for transportation by a commercial vessel or commercial aircraft into the customs territory of the United States shall—

(A) collect from that individual the fee charged under subsection (a)(5) of this section at the time the document or ticket is issued; and

(B) separately identify on that document or ticket the fee charged under subsection (a)(5) of this section as a Federal inspection fee.

(2) If—

(A) a document or ticket for transportation of a passenger into the customs territory of the United States is issued in a foreign country; and

(B) the fee charged under subsection (a)(5) of this section is not collected at the time such document or ticket is issued;

the person providing transportation to such passenger shall collect such fee at the time such passenger departs from the customs territory of the United States and shall provide such passenger a receipt for the payment of such fee.

(3) The person who collects fees under paragraph (1) or (2) shall remit those fees to the Secretary of the Treasury at any time before the date that is 31 days after the close of the calendar quarter in which the fees are collected.

(4)(A) Notice of the date on which payment of the fee imposed by subsection (a)(7) of this section is due shall be published by the Secretary of the Treasury in the Federal Register by no later than the date that is 60 days before such due date.

(B) A customs broker permit may be revoked or suspended for nonpayment of the fee imposed by subsection (a)(7) of this section only if notice of the date on which payment of such fee is due was published in the Federal Register at least 60 days before such due date.

(C) The customs broker's license issued under section 1641(b) of this title may not be revoked or suspended merely by reason of nonpayment of the fee imposed under subsection (a)(7) of this section.

(e) Provision of customs services

(1) Notwithstanding section 1451 of this title or any other provision of law (other than paragraph (2)), the customs services required to be provided to passengers upon arrival in the United States shall be adequately provided in connection with scheduled airline flights at customs serviced airports when needed and at no cost (other than the fees imposed under subsection (a) of this section) to airlines and airline passengers.

(2)(A) This subsection shall not apply with respect to any airport, seaport, or other facility to which section 58b of this title applies.

(B) Subparagraph (C) of paragraph (6) shall not apply with respect to any foreign trade zone or subzone that is located at, or in the vicinity of, an airport, seaport, or other facility to which section 58b of this title applies.

(3) Notwithstanding section 1451 of this title or any other provision of law—

(A) the customs services required to be provided to passengers upon arrival in the United States shall be adequately provided in connection with scheduled airline flights when needed at places located outside the customs territory of the United States at which a customs officer is stationed for the purpose of providing such customs services, and

(B) other than the fees imposed under subsection (a) of this section, the airlines and airline passengers shall not be required to reimburse the Secretary of the Treasury for the costs of providing overtime customs inspectional services at such places.

(4) Notwithstanding any other provision of law, all customs services (including, but not limited to, normal and overtime clearance and preclearance services) shall be adequately provided, when requested, for—

(A) the clearance of any commercial vessel, vehicle, or aircraft or its passengers, crew, stores, material, or cargo arriving, departing, or transiting the United States;

(B) the preclearance at any customs facility outside the United States of any commercial vessel, vehicle or aircraft or its passengers, crew, stores, material, or cargo; and

(C) the inspection or release of commercial cargo or other commercial shipments being entered into, or withdrawn from, the customs territory of the United States.

(5) For purposes of this subsection, customs services shall be treated as being ''adequately provided'' if such of those services that are nec-

essary to meet the needs of parties subject to customs inspection are provided in a timely manner taking into account factors such as—

(A) the unavoidability of weather, mechanical, and other delays;

(B) the necessity for prompt and efficient passenger and baggage clearance;

(C) the perishability of cargo;

(D) the desirability or unavoidability of late night and early morning arrivals from various time zones;

(E) the availability (in accordance with regulations prescribed under subsection (g)(2) of this section) of customs personnel and resources; and

(F) the need for specific enforcement checks.

(6) Notwithstanding any other provision of law except paragraph (2), during any period when fees are authorized under subsection (a) of this section, no charges, other than such fees, may be collected—

(A) for any—

(i) cargo inspection, clearance, or other customs activity, expense, or service performed (regardless whether performed outside of normal business hours on an overtime basis), or

(ii) customs personnel provided,

in connection with the arrival or departure of any commercial vessel, vehicle, or aircraft, or its passengers, crew, stores, material, or cargo, in the United States;

(B) for any preclearance or other customs activity, expense, or service performed, and any customs personnel provided, outside the United States in connection with the departure of any commercial vessel, vehicle, or aircraft, or its passengers, crew, stores, material, or cargo, for the United States; or

(C) in connection with—

(i) the activation or operation (including Customs Service supervision) of any foreign trade zone or subzone established under the Act of June 18, 1934 (commonly know[4] as the Foreign Trade Zones Act, 19 U.S.C. 81a et seq.), or

(ii) the designation or operation (including Customs Service supervision) of any bonded warehouse under section 1555 of this title.

(f) Disposition of fees

(1) There is established in the general fund of the Treasury a separate account which shall be known as the ''Customs User Fee Account''. Notwithstanding section 1524 of this title, there shall be deposited as offsetting receipts into the Customs User Fee Account all fees collected under subsection (a) of this section except—

(A) the portion of such fees that is required under paragraph (3) for the direct reimbursement of appropriations, and

(B) the portion of such fees that is determined by the Secretary to be excess fees under paragraph (5).

(2) Except as otherwise provided in this subsection, all funds in the Customs User Fee Account shall be available, to the extent provided for in appropriations Acts, to pay the costs (other than costs for which direct reimbursement under paragraph (3) is required) incurred by the United States Customs Service in conducting commercial operations, including, but not limited to, all costs associated with commercial passenger, vessel, vehicle, aircraft, and cargo processing. So long as there is a surplus of funds in the Customs User Fee Account, the Secretary of the Treasury may not reduce personnel staffing levels for providing commercial clearance and preclearance services.

(3)(A) The Secretary of the Treasury, in accordance with section 1524 of this title and subject to subparagraph (B), shall directly reimburse, from the fees collected under subsection (a) of this section (other than the fees under subsection (a)(9) and (10) of this section and the excess fees determined by the Secretary under paragraph (5)), each appropriation for the amount paid out of that appropriation for the costs incurred by the Secretary—

(i) in—

(I) paying overtime compensation under section 267(a) of this title,

(II) paying premium pay under section 267(b) of this title, but the amount for which reimbursement may be made under this subclause may not, for any fiscal year, exceed the difference between the total cost of all the premium pay for such year calculated under section 267(b) of this title and the cost of the night and holiday premium pay that the Customs Service would have incurred for the same inspectional work on the day before August 10, 1993,

(III) paying agency contributions to the Civil Service Retirement and Disability Fund to match deductions from the overtime compensation paid under subclause (I),

(IV) providing all preclearance services for which the recipients of such services are not required to reimburse the Secretary of the Treasury, and

(V) paying foreign language proficiency awards under section 267a of this title, and

(ii) to the extent funds remain available to make reimbursements under clause (i), in providing salaries for full-time and part-time inspectional personnel and equipment that enhance customs services for those persons or entities that are required to pay fees under paragraphs (1) through (8) of subsection (a) of this section (distributed on a basis proportionate to the fees collected under subsection (a)(1) through (a)(8) of this section).

The transfer of funds required under subparagraph (C)(iii) has priority over reimbursements under this subparagraph to carry out subclauses (II), (III), (IV), and (V) of clause (i). Funds described in clause (ii) shall only be available to reimburse costs in excess of the highest amount appropriated for such costs during the period beginning with fiscal year 1990 and ending with the current fiscal year.

(B) Reimbursement of appropriations under this paragraph—

(i) shall be subject to apportionment or similar administrative practices;

(ii) shall be made at least quarterly; and

(iii) to the extent necessary, may be made on the basis of estimates made by the Sec-

[4] So in original. Probably should be ''known''.

retary of the Treasury and adjustments shall be made in subsequent reimbursements to the extent that the estimates were in excess of, or less than, the amounts required to be reimbursed.

(C)(i) For fiscal year 1991 and subsequent fiscal years, the amount required to reimburse costs described in subparagraph (A)(i) shall be projected from actual requirements, and only the excess of collections over such projected costs for such fiscal year shall be used as provided in subparagraph (A)(ii).

(ii) The excess of collections over inspectional overtime and preclearance costs (under subparagraph (A)(i)) reimbursed for fiscal years 1989 and 1990 shall be available in fiscal year 1991 and subsequent fiscal years for the purposes described in subparagraph (A)(ii), except that $30,000,000 of such excess shall remain without fiscal year limitation in a contingency fund and, in any fiscal year in which receipts are insufficient to cover the costs described in subparagraph (A)(i) and (ii), shall be used for—

(I) the costs of providing the services described in paragraph (A)(i), and

(II) after the costs described in subclause (I) are paid, the costs of providing the personnel and equipment described in subparagraph (A)(ii) at the preceding fiscal year level.

(iii) For each fiscal year, the Secretary of the Treasury shall calculate the difference between—

(I) the estimated cost for overtime compensation that would have been incurred during that fiscal year for inspectional services if sections 261 and 267 of this title, as in effect before the enactment of section 13811 of the Omnibus Budget Reconciliation Act of 1993, had governed such costs, and

(II) the actual cost for overtime compensation, premium pay, and agency retirement contributions that is incurred during that fiscal year in regard to inspectional services under section 267 of this title, as amended by section 13811 of the Omnibus Budget Reconciliation Act of 1993, and under section 8331(3) of title 5, as amended by section 13812(a)(1) of such Act of 1993, plus the actual cost that is incurred during that fiscal year for foreign language proficiency awards under section 267a of this title,

and shall transfer from the Customs User Fee Account to the General Fund of the Treasury an amount equal to the difference calculated under this clause, or $18,000,000, whichever amount is less. Transfers shall be made under this clause at least quarterly and on the basis of estimates to the same extent as are reimbursements under subparagraph (B)(iii).

(D) At the close of each fiscal year, the Secretary of the Treasury shall submit a report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives summarizing the expenditures, on a port-by-port basis, for which reimbursement has been provided under subparagraph (A)(ii).

(4) At the close of fiscal year 1988 and each even-numbered fiscal year occurring thereafter, the Secretary of the Treasury shall submit a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate regarding how the fees imposed under subsection (a) of this section (other than the excess fees determined by the Secretary under paragraph (5)) should be adjusted in order that the balance of the Customs User Fee Account approximates a zero balance. Before making recommendations regarding any such adjustments, the Secretary of the Treasury shall provide adequate opportunity for public comment. The recommendations shall, as precisely as possible, propose fees which reflect the actual costs to the United States Government for the commercial services provided by the United States Customs Service.

(5) At the close of each of fiscal years 1994, 1995, 1996, and 1997, the Secretary of the Treasury shall determine the amount of the fees collected under paragraph (5)(A) of subsection (a) of this section for that fiscal year that exceeds the amount of such fees that would have been collected for such fiscal year if the fees that were in effect on the day before the effective date of this paragraph applied to such fiscal year. The amount of the excess fees determined under the preceding sentence shall be deposited in the Customs User Fee Account and shall be available for reimbursement of inspectional costs (including passenger processing costs) not otherwise reimbursed under this section, and shall be available only to the extent provided in appropriations Acts.

(g) Regulations and enforcement

(1) The Secretary of the Treasury may prescribe such rules and regulations as may be necessary to carry out the provisions of this section. Regulations issued by the Secretary of the Treasury under this subsection with respect to the collection of the fees charged under subsection (a)(5) of this section and the remittance of such fees to the Treasury of the United States shall be consistent with the regulations issued by the Secretary of the Treasury for the collection and remittance of the taxes imposed by subchapter C of chapter 33 of title 26, but only to the extent the regulations issued with respect to such taxes do not conflict with the provisions of this section.

(2) Except to the extent otherwise provided in regulations, all administrative and enforcement provisions of customs laws and regulations, other than those laws and regulations relating to drawback, shall apply with respect to any fee prescribed under subsection (a) of this section, and with respect to persons liable therefor, as if such fee is a customs duty. For purposes of the preceding sentence, any penalty expressed in terms of a relationship to the amount of the duty shall be treated as not less than the amount which bears a similar relationship to the amount of the fee assessed. For purposes of determining the jurisdiction of any court of the United States or any agency of the United States, any fee prescribed under subsection (a) of this section shall be treated as if such fee is a customs duty.

(h) Omitted

(i) Effect on other authority

Except with respect to customs services for which fees are imposed under subsection (a) of this section, nothing in this section shall be construed as affecting the authority of the Secretary of the Treasury to charge fees under section 58a of this title.

(j) Effective dates

(1) Except as otherwise provided in this subsection, the provisions of this section, and the amendments and repeals made by this section, shall apply with respect to customs services rendered after the date that is 90 days after April 7, 1986.

(2) Fees may be charged under subsection (a)(5) of this section only with respect to customs services rendered in regard to arriving passengers using transportation for which documents or tickets were issued after the date that is 90 days after April 7, 1986.

(3) Fees may not be charged under subsection (a) of this section after September 30, 2003.

(Pub. L. 99–272, title XIII, § 13031, Apr. 7, 1986, 100 Stat. 308; Pub. L. 99–509, title VIII, § 8101, Oct. 21, 1986, 100 Stat. 1965; Pub. L. 99–514, § 2, title XVIII, § 1893(a)–(c)(1), (d), (e), Oct. 22, 1986, 100 Stat. 2095, 2927–2930; Pub. L. 100–203, title IX, § 9501(a), Dec. 22, 1987, 101 Stat. 1330–377; Pub. L. 100–418, title I, § 1214(g), Aug. 23, 1988, 102 Stat. 1156; Pub. L. 100–449, title II, § 203, Sept. 28, 1988, 102 Stat. 1861; Pub. L. 100–647, title IX, § 9001(a)(13), Nov. 10, 1988, 102 Stat. 3807; Pub. L. 101–207, § 3(c)(1), (f)(2), Dec. 7, 1989, 103 Stat. 1834, 1835; Pub. L. 101–382, title I, §§ 111(a)–(e), 139(c), Aug. 20, 1990, 104 Stat. 635–639, 654; Pub. L. 101–508, title X, § 10001(a), (b), (e), (f), Nov. 5, 1990, 104 Stat. 1388–385 to 1388–387; Pub. L. 103–66, title XIII, §§ 13801, 13813, Aug. 10, 1993, 107 Stat. 667, 671; Pub. L. 103–182, title II, § 204, title V, § 521(a), title VI, § 682, Dec. 8, 1993, 107 Stat. 2092, 2160, 2218; Pub. L. 103–465, title VI, §§ 611(a), 612(a), Dec. 8, 1994, 108 Stat. 4991, 4992.)

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States, referred to in subsecs. (b)(8)(B), (D) and (c)(3), are not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

Section 58b of this title, referred to in subsec. (b)(9)(B)(ii), was in the original ''section 236 of the Tariff and Trade Act of 1984'' which was translated as reading ''section 236 of the Trade and Tariff Act of 1984'' to reflect the probable intent of Congress.

Section 202 of the United States-Canada Free-Trade Agreement, referred to in subsec. (b)(10)(A), probably means section 202 of the United States-Canada Free-Trade Agreement Implementation Act of 1988, which is section 202 of Pub. L. 100–449, and is set out as a note under section 2112 of this title.

Section 112 of the Customs and Trade Act of 1990, referred to in subsec. (b)(11), is section 112 of Pub. L. 101–382, which is set out below.

Act of June 18, 1934 (commonly known as the Foreign Trade Zones Act, 19 U.S.C. 81a et seq.), referred to in subsec. (e)(6)(C)(i), is act June 18, 1934, ch. 590, 48 Stat. 998, as amended, which is classified generally to chapter 1A (§ 81a et seq.) of this title. For complete classification of this Act to the Code, see Tables.

Sections 261 and 267 of this title, as in effect before the enactment of section 13811 of the Omnibus Budget Reconciliation Act of 1993, referred to in subsec. (f)(3)(C)(iii), means sections 261 and 267 of this title as in effect before the amendment made by section 13811 of Pub. L. 103–66, which amended section 267 of this title and omitted section 261 of this title.

Section 267 of this title, as amended by section 13811 of the Omnibus Budget Reconciliation Act of 1993, referred to in subsec. (f)(3)(C)(iii)(II), means section 267 of this title as amended by section 13811 of Pub. L. 103–66.

Section 8331(3) of title 5, as amended by section 13812(a)(1) of such Act of 1993, referred to in subsec. (f)(3)(C)(iii)(II), means section 8331(3) of title 5, as amended by section 13812(a)(1) of Pub. L. 103–66.

For the effective date of this paragraph, referred to in subsec. (f)(5), see section 521(b) of Pub. L. 103–182, set out in the Effective Date of 1993 Amendment note below.

Customs laws, referred to in subsec. (g)(2), are classified generally to this title.

The amendments and repeals made by this section, referred to in subsec. (j)(1), mean the amendment of section 545(i) of Title 45, Railroads, and the repeal of section 1741(e) of former Title 49, Transportation, by subsec. (h) of this section.

CODIFICATION

Section is comprised of section 13031 of Pub. L. 99–272. Subsec. (h) of section 13031 of Pub. L. 99–272 amended section 545(i) of Title 45, Railroads, and repealed section 1741(e) of former Title 49, Transportation.

AMENDMENTS

1994—Subsec. (a)(9)(A). Pub. L. 103–465, § 612(a)(1)(A), substituted ''0.21'' for ''0.17''.

Subsec. (a)(9)(B). Pub. L. 103–465, § 612(a)(1)(B), (C), in cl. (i), substituted ''(but not to a rate of more than 0.21 percent nor less than 0.15 percent) and the amounts specified in subsection (b)(8)(A)(i) (but not to more than $485 nor less than $21) to rates and amounts which would'' for ''(but not to a rate of more than 0.19 percent nor less than 0.15 percent) that would'' and in cl. (ii), substituted ''subsection (f) of this section'' for ''section 1613b of this title''.

Subsec. (a)(10). Pub. L. 103–465, § 612(a)(2)(B), (C), substituted ''$6'' for ''$5'' in cl. (ii) and ''$9'' for ''$8'' in cl. (iii).

Subsec. (a)(10)(C). Pub. L. 103–465, § 612(a)(2)(A), which directed the amendment of subpar. (C) by substituting a comma for a period after ''entry or release'', could not be executed because a comma, rather than a period, already appeared after ''entry or release''.

Subsec. (b)(8)(A)(i). Pub. L. 103–465, § 612(a)(3), substituted ''$485 or be less than $25, unless adjusted pursuant to subsection (a)(9)(B) of this section'' for ''$400 or be less than $21''.

Subsec. (f)(3)(A)(i)(II). Pub. L. 103–465, § 611(a), amended subcl. (II) generally. Prior to amendment, subcl. (II) read as follows: ''paying premium pay under section 267(b) of this title, but the amount for which reimbursement may be made under this subclause may not, for any fiscal year, exceed the difference between the cost of the premium pay for that year calculated under such section 267(b) of this title as amended by section 13811 of the Omnibus Budget Reconciliation Act of 1993 and the cost of such pay calculated under subchapter V of chapter 55 of title 5,''.

1993—Subsec. (a)(5). Pub. L. 103–182, § 521(a)(1), amended par. (5) generally. Prior to amendment, par. (5) read as follows: ''For the arrival of each passenger aboard a commercial vessel or commercial aircraft from a place outside the United States (other than a place referred to in subsection (b)(1)(A) of this section), $5.''

Subsec. (b)(1). Pub. L. 103–182, § 521(a)(2), inserted after subpar. (C) ''Subparagraph (A) shall not apply to fiscal years 1994, 1995, 1996, and 1997.''

Subsec. (b)(10). Pub. L. 103–182, § 204, amended par. (10) generally. Prior to amendment, par. (10) read as follows: ''The fee charged under subsection (a)(9) or (10) of this section with respect to goods of Canadian origin

(as determined under section 202 of the United States-Canada Free-Trade Agreement Implementation Act of 1988) shall be in accordance with article 403 of the United States-Canada Free-Trade Agreement. Any service for which an exemption from such fee is provided by reason of this paragraph may not be funded with money contained in the Customs User Fee Account.''

Subsec. (f)(1). Pub. L. 103–182, § 521(a)(3)(A), substituted ''except—'' and subpars. (A) and (B) for ''except that portion of such fees that is required under paragraph (3) for the direct reimbursement of appropriations.''

Subsec. (f)(3)(A). Pub. L. 103–182, § 521(a)(3)(B), in introductory provisions, substituted ''(other than the fees under subsection (a)(9) and (10) of this section and the excess fees determined by the Secretary under paragraph (5))'' for ''(other than subsection (a)(9) or (10) of this section)''.

Pub. L. 103–66, § 13813(2), in closing provisions, inserted ''The transfer of funds required under subparagraph (C)(iii) has priority over reimbursements under this subparagraph to carry out subclauses (II), (III), (IV), and (V) of clause (i).''

Subsec. (f)(3)(A)(i). Pub. L. 103–66, § 13813(1), amended cl. (i) generally. Prior to amendment, cl. (i) read as follows: ''in providing—

''(I) inspectional overtime services, and

''(II) all preclearance services for which the recipients of such services are not required to reimburse the Secretary of the Treasury, and''.

Subsec. (f)(3)(B)(i). Pub. L. 103–66, § 13813(3), struck out ''except for costs described in subparagraph (A)(i)(I) and (II),'' before ''shall be subject''.

Subsec. (f)(3)(C)(i), (iii). Pub. L. 103–66, § 13813(4), substituted ''to reimburse costs described in subparagraph (A)(i)'' for ''to fully reimburse inspectional overtime and preclearance costs'' in clause (i) and added clause (iii).

Subsec. (f)(4). Pub. L. 103–182, § 521(a)(3)(C), substituted ''under subsection (a) of this section (other than the excess fees determined by the Secretary under paragraph (5))'' for ''under subsection (a) of this section''.

Subsec. (f)(5). Pub. L. 103–182, § 521(a)(3)(D), added par. (5).

Subsec. (g). Pub. L. 103–182, § 682, in par. (1), substituted ''The'' for ''In addition to the regulations required under paragraph (2), the'', redesignated par. (3) as (2), and struck out former par. (2) which read as follows: ''The Secretary of the Treasury shall prescribe regulations governing the work shifts of customs personnel at airports. Such regulations shall provide, among such other factors considered appropriate by the Secretary, that—

''(A) the work shifts will be adjusted, as necessary, to meet cyclical and seasonal demands and to minimize the use of overtime;

''(B) the work shifts will not be arbitrarily reduced or compressed; and

''(C) consultation with the Advisory Committee on Commercial Operations of the United States Customs Service (established under section 9501(c) of the Omnibus Budget Reconciliation Act of 1987) will be carried out before adjustments are made in the work shifts.''

Subsec. (j)(3). Pub. L. 103–182, § 521(a)(4), substituted ''2003'' for ''1998''.

Pub. L. 103–66, § 13801, substituted ''1998'' for ''1995''.

1990—Subsec. (a)(9). Pub. L. 101–508, § 10001(b), amended par. (9) generally. Prior to amendment, par. (9) read as follows: ''For the processing of merchandise that is formally entered or released during any fiscal year, a fee, subject to the limitations in subsection (b)(8)(A) of this section, in an amount equal to 0.17 percent ad valorem.''

Pub. L. 101–382, § 111(a), amended par. (9) generally. Prior to amendment, par. (9) read as follows: ''For the processing of any merchandise (other than an article that is—

''(A) provided for under any item in chapter 98 of the Harmonized Tariff Schedule of the United States, except subheading 9802.00.60 or 9802.00.80,

''(B) a product of an insular possession of the United States, or

''(C) a product of any county listed in general note 3(c)(v) of such Schedule)

that is formally entered, or withdrawn from warehouse for consumption—

''(i) after November 30, 1986, and

''(ii) before October 1, 1987;

a fee in an amount equal to 0.22 percent ad valorem.''

Subsec. (a)(10). Pub. L. 101–508, § 10001(e)(1), inserted ''if more than 25,000 informal entries were cleared through such airport or facility during the fiscal year preceding such entry or release,'' after ''applies,'' in subpar. (C).

Pub. L. 101–382, § 111(a), amended par. (10) generally. Prior to amendment, par. (10) read as follows: ''For the processing of any merchandise (other than an article described in subparagraph (A), (B), or (C) of paragraph (9)) that is formally entered, or withdrawn from warehouse for consumption, during any fiscal year occurring after September 30, 1987; a fee in an amount equal to the lesser of—

''(A) 0.17 percent ad valorem, or

''(B) an ad valorem rate which the Secretary of the Treasury estimates will provide a total amount of revenue during the fiscal year equal to—

''(i) the total amount authorized to be appropriated for such fiscal year to the United States Customs Service for salaries and expenses incurred in conducting commercial operations during such fiscal year, reduced by

''(ii) the excess, if any, of—

''(I) the total amount authorized to be appropriated for such salaries and expenses for such fiscal year, over

''(II) the total amount actually appropriated for such salaries and expenses for such fiscal year;

except that if appropriations are not authorized for a fiscal year, the fee imposed under this paragraph with respect to that year shall be in an amount equal to 0.17 percent ad valorem.''

Subsec. (b)(1)(B). Pub. L. 101–382, § 111(b)(1), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: ''the arrival of any railroad car that is part of a train which originates and terminates in the same country, but only if—

''(i) such car is part of such train when such train departs from the United States, and

''(ii) no passengers board or disembark from such train, and no cargo is loaded or unloaded from such train, while such train is within any country other than the country in which such train originates and terminates; or''.

Subsec. (b)(8)(A). Pub. L. 101–382, § 111(b)(2)(C), added subpar. (A). Former subpar. (A) redesignated (D).

Subsec. (b)(8)(B). Pub. L. 101–382, § 111(b)(2)(B), (C), added subpar. (B) and struck out former subpar. (B) which read as follows:

''(i) By no later than the date that is 5 days after the date on which any funds are appropriated to the United States Customs Service for salaries or expenses incurred in conducting commercial operations, the Secretary of the Treasury shall determine the ad valorem rate of the fee charged under subsection (a)(10) of this section and shall publish the determination in the Federal Register. Such ad valorem rate shall apply with respect to services provided for the processing of entries, and withdrawals from warehouse, for consumption made after the date that is 60 days after the date of such determination.

''(ii) No determination is required under clause (i) with respect to an appropriation to the United States Customs Service if the funds appropriated are available for less than 60 days.''

Subsec. (b)(8)(C). Pub. L. 101–508, § 10001(f), amended cl. (ii) generally. Prior to amendment, cl. (ii) read as follows: ''any reference to a manual entry or release includes—

''(I) any entry or release filed by a broker or importer that requires the recording of cargo selectivity data by customs personnel, except when the recording of such data is required because of a temporary administrative or technical failure in the Customs Service automated commercial system that prevents the filing of entries or release in that system by brokers and importers that are certified by the Customs Service to do so; and

''(II) any entry or release filed by a broker or importer that is not certified by the Customs Service to file entries and releases in the Customs Service automated commercial system.''

Pub. L. 101–382, § 111(b)(2)(C), added subpar. (C).

Subsec. (b)(8)(D). Pub. L. 101–382, § 139(c)(3), substituted ''subheading 9802.00.60 or heading 9802.00.80 of such Schedule'' for ''subparagraph 9802.00.60 or 807.00 of such Schedules'' in concluding provisions.

Pub. L. 101–382, § 111(b)(2)(A), redesignated subpar. (A) as (D).

Subsec. (b)(8)(D)(ii). Pub. L. 101–382, § 111(b)(2)(D)(i), substituted ''except as otherwise provided in this paragraph, be based'' for ''be based''.

Subsec. (b)(8)(D)(iii). Pub. L. 101–382, § 139(c)(1), substituted ''subheading 9802.00.60 of the Harmonized Tariff Schedule of the United States'' for ''subparagraph 9802.00.60 of the Tariff Schedules of the United States''.

Subsec. (b)(8)(D)(iv). Pub. L. 101–382, § 139(c)(2), which directed amendment of cl. (iv) by substituting ''heading 9802.00.80 of such Schedule'' for ''subparagraph 9802.00.80 of Schedules'', was executed by making the substitution for ''subparagraph 9802.00.80 of such Schedules'' to reflect the probable intent of Congress.

Subsec. (b)(8)(D)(v). Pub. L. 101–382, § 111(b)(2)(D)(ii)–(iv), added cl. (v).

Subsec. (b)(8)(E). Pub. L. 101–382, § 111(b)(2)(E), added subpar. (E).

Subsec. (b)(9). Pub. L. 101–508, § 10001(e)(2), inserted '', if more than 25,000 informal entries were cleared through such airport or facility during the preceding fiscal year'' after ''applies'' in subpar. (B)(ii).

Pub. L. 101–382, § 111(b)(3), amended par. (9) generally. Prior to amendment, par. (9) read as follows: ''The Secretary may reduce by an amount he considers equitable the fees charged under subsection (a) of this section for the processing of merchandise entries at facilities at which users reimburse the United States Customs Service, pursuant to section 9701 of title 31 or section 58b of this title, for the services that it provides at the facilities.''

Subsec. (b)(10). Pub. L. 101–382, § 111(b)(4), inserted reference to subsec. (a)(9) of this section.

Subsec. (b)(11). Pub. L. 101–382, § 111(b)(5), added par. (11).

Subsec. (f)(2). Pub. L. 101–382, § 111(c)(1), substituted ''Except as otherwise provided in this subsection, all funds'' for ''All funds''.

Subsec. (f)(3). Pub. L. 101–382, § 111(c)(2), amended par. (3) generally. Prior to amendment, par. (3) read as follows: ''The Secretary of the Treasury, in accordance with section 1524 of this title and without regard to apportionment or any other administrative practice or limitation, shall directly reimburse, from the fees collected under subsection (a) of this section, each appropriation for the amount paid out of that appropriation for the costs incurred by the Secretary in providing—

''(A) inspectional overtime services; and

''(B) all preclearance services;

for which the recipients of such services are not required to reimburse the Secretary of the Treasury. Reimbursement under this paragraph shall apply with respect to each fiscal year occurring after September 30, 1987, and shall be made at least quarterly. To the extent necessary, reimbursement of appropriations under this paragraph may be made on the basis of estimates made by the Secretary of the Treasury of the costs for inspectional overtime and preclearance services, and adjustments shall be made in subsequent reimbursements to the extent that the estimates were in excess of, or less than, the amounts required to be reimbursed.''

Subsec. (g). Pub. L. 101–382, § 111(d), inserted ''and enforcement'' after ''Regulations'' in heading and added par. (3).

Subsec. (j)(3). Pub. L. 101–508, § 10001(a), substituted ''1995'' for ''1991''.

Pub. L. 101–382, § 111(e), substituted ''1991'' for ''1990''.

1989—Subsec. (e)(2). Pub. L. 101–207 inserted subpar. (A) designation, added subpar. (B), and inserted '', seaport or other facility'' after ''airport'' in subpars. (A) and (B).

1988—Subsec. (a)(9)(A). Pub. L. 100–418, § 1214(g)(1), as amended by Pub. L. 100–647, § 9001(a)(13), substituted ''chapter 98 of the Harmonized Tariff Schedule of the United States, except subheading 9802.00.60 or 9802.00.80'' for ''schedule 8 of the Tariff Schedules of the United States except item 806.30 or 807.00''.

Subsec. (a)(9)(C). Pub. L. 100–418, § 1214(g)(2), (3), as amended by Pub. L. 100–647, § 9001(a)(13), substituted ''general note 3(c)(v) of such Schedule'' for ''General Headnote 3(e)(vi) or (vii) of such Schedules''.

Subsec. (b)(8)(A). Pub. L. 100–418, § 1214(g)(4), (5), as added by Pub. L. 100–647, § 9001(a)(13), substituted ''subparagraph 9802.00.60'' for ''item 806.30'' in cl. (iii) and concluding provisions and ''subparagraph 9802.00.80'' for ''item 807.00'' in cl. (iv).

Subsec. (b)(10). Pub. L. 100–449 added par. (10).

Subsec. (c)(3). Pub. L. 100–418, § 1214(g)(6), formerly § 1214(g)(3), as renumbered by Pub. L. 100–647, § 9001(a)(13), substituted ''general note 2 of the Harmonized Tariff Schedule of the United States'' for ''headnote 2 of the General Headnotes and Rules of Interpretation of the Tariff Schedules of the United States''.

1987—Subsec. (a)(9)(A). Pub. L. 100–203, § 9501(a)(1)(A), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: ''provided for in schedule 8 of the Tariff Schedules of the United States,''.

Subsec. (b)(8)(A). Pub. L. 100–203, § 9501(a)(1)(B), added cls. (iii) and (iv) and last sentence.

Subsec. (e)(4) to (6). Pub. L. 100–203, § 9501(a)(2), added pars. (4) and (5), and redesignated former par. (4) as (6) and amended it generally. Prior to amendment, par. (6) read as follows: ''Notwithstanding any other provision of law, during any period when fees are authorized under subsection (a) of this section, no charges, other than such fees, may be collected for—

''(A) any cargo inspection, clearance, or other customs service performed (regardless whether performed outside of normal business hours on an overtime basis); or

''(B) any customs personnel provided;

in connection with the arrival or departure of any commercial vessel, vehicle or aircraft, or its passengers, crew, and cargo, in the United States.''

Subsec. (f)(1) to (3). Pub. L. 100–203, § 9501(a)(3), added pars. (1) to (3) and struck out former pars. (1) to (3) which read as follows:

''(1) Notwithstanding section 1524 of this title, all of the fees collected under subsection (a) of this section shall be deposited in a separate account within the general fund of the Treasury of the United States. Such account shall be known as the 'Customs User Fee Account'.

''(2)(A) The Secretary of the Treasury shall refund out of the Customs User Fee Account to any appropriation the amount paid out of such appropriation for expenses incurred by the Secretary of the Treasury in providing overtime customs inspectional services for which the recipient of such services is not required to reimburse the Secretary of the Treasury.

''(B) The amounts which are required to be refunded under subparagraph (A) shall be refunded at least quarterly on the basis of estimates made by the Secretary of the Treasury of the expenses referred to in subparagraph (A). Proper adjustments shall be made in the amounts subsequently refunded under subparagraph (A) to the extent prior estimates were in excess of, or less than, the amounts required to be refunded under subparagraph (A).

''(3) Except as provided in paragraph (2), all funds in the Customs User Fee Account shall only be available,

to the extent provided for in appropriation Acts, for the salaries and expenses of the United States Customs Service incurred in conducting commercial operations.''

Subsec. (g). Pub. L. 100–203, § 9501(a)(4), designated existing provisions as par. (1), substituted ''In addition to the regulations required under paragraph (2), the'' for ''The'', and added par. (2).

Subsec. (j)(3). Pub. L. 100–203, § 9501(a)(5), substituted ''1990'' for ''1989''.

1986—Subsec. (a)(2). Pub. L. 99–514, § 1893(a)(1)(A), substituted ''For'' for ''Subject to the limitation in subsection (b)(2) of this section, for''.

Subsec. (a)(3). Pub. L. 99–514, § 1893(a)(2), amended par. (3) generally. Prior to amendment, par. (3) read as follows: ''Subject to the limitations in subsection (b)(1)(B) and (3) of this section, for the arrival of each railroad car, whether passenger or freight, $5.''

Subsec. (a)(8). Pub. L. 99–514, § 1893(a)(1)(B), which directed the amendment of subsec. (a) by adding par. (8) at the end thereof, was executed by adding par. (8) after par. (7) as the probable intent of Congress in view of the intervening addition of pars. (9) and (10) by Pub. L. 99–509.

Subsec. (a)(9), (10). Pub. L. 99–509, § 8101(a), added pars. (9) and (10).

Subsec. (b)(1)(A). Pub. L. 99–514, § 1893(b)(2), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: ''the arrival of any passenger whose journey originated in—

''(i) Canada,

''(ii) Mexico,

''(iii) a territory or possession of the United States, or

''(iv) any adjacent island (within the meaning of section 1101(b)(5) of title 8; or''.

Subsec. (b)(1)(C). Pub. L. 99–514, § 1893(b)(3), added subpar. (C).

Subsec. (b)(4) to (7). Pub. L. 99–514, § 1893(b)(1), which directed the amendment of subsec. (b) by adding pars. (4) to (7) at the end thereof, was executed by adding pars. (4) to (7) after par. (3) as the probable intent of Congress in view of the intervening addition of pars. (8) and (9) by Pub. L. 99–509.

Subsec. (b)(8), (9). Pub. L. 99–509, § 8101(b), added pars. (8) and (9).

Subsec. (c)(1). Pub. L. 99–514, § 1893(b)(4)(A), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''The term 'vessel' does not include any ferry.''

Subsec. (c)(5). Pub. L. 99–514, § 1893(b)(4)(B), added par. (5).

Subsec. (d)(4). Pub. L. 99–514, § 1893(c)(1), added par. (4).

Subsec. (e)(1). Pub. L. 99–514, § 1893(d)(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''Notwithstanding section 1451 of this title or any other provision of law (other than paragraph (2)), the customs services required to be provided to passengers upon arrival in the United States on scheduled airline flights at customs serviced airports shall be adequately provided when needed and at no cost (other than the fees imposed under subsection (a) of this section) to airlines and airline passengers.''

Subsec. (e)(2). Pub. L. 99–509, § 8101(c)(2), substituted ''This subsection'' for ''Paragraph (1)'' in par. (2) as amended by § 1893 of Pub. L. 99–514 below.

Pub. L. 99–514, § 1893(d)(2)(A), substituted ''Paragraph (1)'' for ''this subsection''.

Subsec. (e)(3). Pub. L. 99–514, § 1893(d)(2)(B), which directed the amendment of subsec. (e) by adding par. (3) at the end thereof, was executed by adding par. (3) after par. (2) as the probable intent of Congress in view of the intervening addition of par. (4) by Pub. L. 99–509.

Subsec. (e)(4). Pub. L. 99–509, § 8101(c), added par. (4).

Subsec. (f)(3), (4). Pub. L. 99–509, § 8101(d), added pars. (3) and (4).

Subsec. (g). Pub. L. 99–514, § 1893(e), inserted provisions relating to regulations with respect to collection and remittance of fees.

Pub. L. 99–514, § 2, substituted ''Internal Revenue Code of 1986'' for ''Internal Revenue Code of 1954'', which for purposes of codification was translated as ''title 26'' thus requiring no change in text.

Subsec. (j)(1), (3). Pub. L. 99–509, § 8101(e), substituted ''otherwise provided in this subsection'' for ''provided in paragraph (2)'' in par. (1) and added par. (3).

EFFECTIVE DATE OF 1994 AMENDMENT

Section 611(b) of Pub. L. 103–465 provided that: ''The amendment made by this section [amending this section] shall apply to customs inspectional services performed on or after January 1, 1994.''

Section 612(b) of Pub. L. 103–465 provided that: ''The amendments made by this section [amending this section] apply to articles entered, or withdrawn from warehouse for consumption, on or after January 1, 1995.''

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by section 204 of Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 213(b) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

Section 521(b) of Pub. L. 103–182 provided that: ''The amendments made by this section [amending this section] shall take effect on the date the Agreement [North American Free Trade Agreement] enters into force with respect to the United States [Jan. 1, 1994].''

Section 692 of title VI of Pub. L. 103–182 provided that: ''This title [see Tables for classification] takes effect on the date of the enactment of this Act [Dec. 8, 1993].''

EFFECTIVE DATE OF 1990 AMENDMENTS

Section 10001(g) of Pub. L. 101–508 provided that:

''(1) IN GENERAL.—The amendments made by subsections (b), (c), and (d) [amending this section and section 2082 of this title and amending provisions set out below] shall take effect on the date of the enactment of the Act providing full-year appropriations for the Customs Service for fiscal year 1992 [Pub. L. 102–141, Oct. 28, 1991, 105 Stat. 837], and shall apply to fiscal years beginning on and after October 1, 1991.

''(2) MERCHANDISE PROCESSING FEES FOR SMALL AIRPORTS.—The amendments made by subsection (e) [amending this section] shall take effect as if included in section 111 of the Customs and Trade Act of 1990 [Pub. L. 101–382, set out below].

''(3) MANUAL ENTRIES AND RELEASES.—The amendment made by subsection (f) [amending this section] shall take effect on the date of the enactment of this Act [Nov. 5, 1990].''

Section 115 of Pub. L. 101–382 provided that:

''(a) IN GENERAL.—Except as provided in subsection (b), this subtitle [subtitle B (§§ 111–115) of title I of Pub. L. 101–382, enacting section 2082 of this title, amending this section, and enacting provisions set out as notes below], and the amendments made by this subtitle, take effect October 1, 1990, but the amendment made by section 111(b)(1) [amending this section] applies with respect to railroad cars arriving in the United States on or after July 7, 1986.

''(b) EXCEPTIONS.—The amendment made by section 111(d) [amending this section], and section 112 [enacting provisions set out below], take effect on the date of the enactment of this Act [Aug. 20, 1990].''

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENTS

Section 9001(b) of Pub. L. 100–647 provided that: ''The amendments made by this section [amending this section, sections 1330, 1332, 1337, 1671, 1677, 1677–2, 2131, 2138, 2212, 2253, 2254, 2296, and 2703 of this title, and provisions set out as notes under sections 1507, 1671, and 2397 of this title] shall be applied as if such amendments took effect on August 23, 1988.''

Amendment by Pub. L. 100–449 effective on date the United States-Canada Free-Trade Agreement enters

into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

Amendment by Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.

EFFECTIVE DATE OF 1987 AMENDMENT

Section 9501(d) of Pub. L. 100–203 provided that:

''(1) Except as otherwise provided in this subsection, the provisions of this section [amending this section, enacting provisions set out as a note under section 3 of this title, and amending provisions set out below] take effect on the date of the enactment of this Act [Dec. 22, 1987].

''(2) The amendments made by subsection (a)(1) [amending this section] apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of enactment of this Act.

''(3) The amendment made by subsection (a)(3) [amending this section] shall take effect on October 1, 1987.''

EFFECTIVE DATE OF 1986 AMENDMENT; REFUNDS

Section 1893(g) of Pub. L. 99–514, as amended by Pub. L. 100–203, title IX, § 9501(b), Dec. 22, 1987, 101 Stat. 1330–379, provided that:

''(1) The amendments made by this section [amending this section and section 1741 of former Title 49, Transportation, and enacting provisions set out below] shall apply with respect to services rendered after the date that is 15 days after the date of enactment of this Act [Oct. 22, 1986].

''(2) Upon written request filed by any person with the Secretary of the Treasury (hereafter in this subsection referred to as the 'Secretary') before the date that is 90 days after the date of the enactment of the Omnibus Budget Reconciliation Act of 1987 [Dec. 22, 1987] which is accompanied by such documentation establishing proof of payment as the Secretary may require, the Secretary shall refund (out of funds in the Treasury of the United States not otherwise appropriated) to such person an amount equal to the excess of—

''(A) the amount of fees imposed by section 13031 of the Consolidated Omnibus Budget Reconciliation Act of 1985 [this section] that were paid by such person to the Secretary with respect to customs services provided—

''(i) after July 6, 1986, and

''(ii) on or before the date that is 15 days after the date of enactment of this Act, over

''(B) the amount of fees such person would have been required to pay to the Secretary by reason of such section with respect to such services if the amendments made by subsections (a)(1) and (b) [amending this section] applied with respect to such services.

''(3) If the customs broker permit fee paid by any person for calendar year 1986 under section 13031(a)(7) of the Consolidated Omnibus Budget Reconciliation Act of 1985 exceeds $62.50, the Secretary shall either—

''(A) refund (out of funds in the Treasury of the United States not otherwise appropriated) to such person the amount of the excess, or

''(B) if requested by such person, credit the amount of the excess to the fee due under such section 13031(a)(7) with respect to such permit for calendar year 1987.''

CONSTRUCTION OF 1993 AMENDMENT

Section 212 of title II of Pub. L. 103–182 provided that: ''Any amendment in this title [amending this section and sections 81c, 1304, 1311 to 1313, 1508, 1509, 1514, 1520, 1562, 1592, and 1628 of this title] to a law that is also amended under title VI [see Tables for classification] shall be made after the title VI amendment is executed.''

AGGREGATION OF MERCHANDISE PROCESSING FEES

Section 111(f) of Pub. L. 101–382, as amended by Pub. L. 101–508, title X, § 10001(c), Nov. 5, 1990, 104 Stat. 1388–386, provided that:

''(1) Notwithstanding any provision of section 13031 of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c), in the case of entries of merchandise made under the temporary monthly entry programs established by the Commissioner of Customs before July 1, 1989, for the purpose of testing entry processing improvements, the fee charged under section 13031(a)(9) of the Consolidated Omnibus Budget Reconciliation Act of 1985 for each day's importations at each port by the same importer from the same exporter shall be the lesser of—

''(A) $400, or

''(B) the amount determined by applying the ad valorem rate currently in effect under such section 13031(a)(9) to the total value of each day's importations at each port by the same importer from the same exporter.

''(2) The fees described in paragraph (1) that are payable under the program described in paragraph (1) shall be paid with each monthly consumption entry. Interest shall accrue on the fees paid monthly in accordance with section 6621 of the Internal Revenue Code of 1986 [26 U.S.C. 6621].''

EXEMPTION OF ISRAELI PRODUCTS FROM CERTAIN USER FEES

Section 112 of Pub. L. 101–382 provided that: ''If the United States Trade Representative determines that the Government of Israel has provided reciprocal concessions in exchange for the exemption of the products of Israel from the fees imposed under section 13031(a)(9) and (10) of the Consolidated Omnibus Budget Reconciliation Act of 1985 [19 U.S.C. 58c(a)(9), (10)] (as amended by section 111), such fees may not be charged with respect to any product of Israel that is entered, or withdrawn from warehouse for consumption, on or after the 15th day (which day may not be before October 1, 1990) after the date on which the determination is published in the Federal Register.''

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

FEE FOR CUSTOMS BROKER PERMIT FOR 1986; REINSTATEMENT OF REVOKED OR SUSPENDED CUSTOMS BROKERS' LICENSES AND PERMITS

Section 1893(c)(2), (3) of Pub. L. 99–514 provided that:

''(2) Notwithstanding section 13031(a)(7) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(a)(7)), the fee imposed by section 13031(a) of such Act with respect to each customs broker permit held by an individual, partnership, association, or corporate customs broker for calendar year 1986 is $62.50.

''(3)(A) The Secretary of the Treasury shall reinstate any customs broker's license or customs broker permit issued under subsection (b) or (c) of section 641 of the Tariff Act of 1930 (19 U.S.C. 1641) that was suspended or revoked on or before the date of enactment of this Act [Oct. 22, 1986] solely by reason of nonpayment of the fee imposed by section 13031(a)(7) of the Consolidated Omnibus Budget Reconciliation Act of 1985.

''(B) Notwithstanding any other provision of law, the Secretary of the Treasury may not suspend or revoke

any customs broker permit issued under section 641(c) of the Tariff Act of 1930 (19 U.S.C. 1641(c)) solely by reason of nonpayment of the fee imposed by section 13031(a)(7) of the Consolidated Omnibus Budget Reconciliation Act of 1985 before the date that is 60 days after the date of enactment of this Act [Oct. 22, 1986].''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1499, 2075 of this title; title 49 section 80503.

§ 59. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(21), 70 Stat. 947

Section, R.S. § 2635; act June 17, 1930, ch. 497, title IV, § 523, 46 Stat. 740, required posting of a table of fees.

§ 60. Penalty for extortion

Every officer of the customs who demands or receives any other or greater fee, compensation, or reward than is allowed by law, for performing any duty or service required from him by law, shall be liable to a penalty of $200 for each offense, recoverable to the use of the party aggrieved.

(R.S. § 2636.)

CODIFICATION

R.S. § 2636 derived from act Mar. 2, 1799, ch. 22, § 73, 1 Stat. 680.

§§ 61, 62. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(22), (23), 70 Stat. 947

Section 61, R.S. § 2580, related to reports by inspectors on routes by which goods withdrawn from bonded warehouse could be exported to Mexico.

Section 62, acts Dec. 18, 1890, ch. 22, 26 Stat. 690; June 17, 1930, ch. 497, title IV, § 523, 46 Stat. 740, related to suspension for neglect or delinquency of officers or employees. See chapter 75 of Title 5, Government Organization and Employees, and Office of Personnel Management regulations.

§ 63. Repealed. Pub. L. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 636

Section, act Aug. 28, 1890, ch. 812, §§ 1, 2, 26 Stat. 362, provided for leaves of absence of officers and employees in customs service who receive per diem compensation.

Section was additionally repealed by Pub. L. 91–271, title III, § 321(k), June 2, 1970, 84 Stat. 293.

§ 64. Laws imposing fines applicable to persons acting under customs laws

All Acts and parts of Acts imposing fines, penalties, or other punishment for offenses committed by an internal revenue officer or other officer of the Department of the Treasury of the United States, or under any bureau thereof, shall apply to all persons whomsoever, employed, appointed, or acting under the authority of any customs law, when such persons are designated or acting as officers or deputies, or persons having the custody or disposition of any public money.

(Feb. 8, 1875, ch. 36, § 23 [part], 18 Stat. 312.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

CODIFICATION

Section is based on section 23 (as related to persons acting under any customs law) of act Feb. 8, 1875. Provisions of section 23 (as related to persons acting under any internal revenue law or any revenue provisions of any law of the United States) were repealed effective Feb. 11, 1939, by section 4 of act Feb. 10, 1939 (53 Stat. 1) and incorporated as section 4048 of Title 26, Internal Revenue Code of 1939. The Internal Revenue Code of 1939 was repealed by the Internal Revenue Code of 1954. The Internal Revenue Code of 1954 was redesignated the Internal Revenue Code of 1986 by Pub. L. 99–514, § 2, Oct. 22, 1986, 100 Stat. 2095. Provisions of former section 4048 are covered by section 7344 of Title 26, Internal Revenue Code.

§ 66. Rules and forms prescribed by Secretary

The Secretary of the Treasury shall prescribe forms of entries, oaths, bonds, and other papers, and rules and regulations not inconsistent with law, to be used in carrying out the provisions of law relating to raising revenue from imports, or to duties on imports, or to warehousing, and shall give such directions to customs officers and prescribe such rules and forms to be observed by them as may be necessary for the proper execution of the law.

(R.S. § 251 [part]; June 2, 1970, Pub. L. 91–271, title III, § 308, 84 Stat. 292.)

CODIFICATION

R.S. § 251 derived from acts Feb. 10, 1830, ch. 11, §§ 14, 15, 3 Stat. 543; Aug. 6, 1846, ch. 84, § 5, 9 Stat. 55; May 14, 1856, Res. 9, 11 Stat. 144; June 30, 1864, ch. 172, § 8, 13 Stat. 221; July 14, 1870, ch. 255, § 34, 16 Stat. 271. R.S. § 251, which was also classified in part to section 427 of former Title 31, was repealed in part and reenacted as section 321(a)(5) of Title 31, Money and Finance, by Pub. L. 97–258, § 4(b), Sept. 13, 1982, 96 Stat. 1067.

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to customs officers for reference to collectors.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91–271 effective with respect to articles entered, or withdrawn from warehouse for consumption on or after Oct. 1, 1970, and such other articles entered or withdrawn from warehouse for consumption prior to such date, or with respect to which a protest has not been disallowed in whole or in part before Oct. 1, 1970, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

All offices of collector of customs, comptroller of customs, surveyor of customs, and appraiser of merchandise in Bureau of Customs of Department of the Treasury to which appointments were required to be made by President with advice and consent of Senate ordered abolished, with such offices to be terminated not later than December 31, 1966, by Reorg. Plan No. 1 of 1965, eff. May 25, 1965, 30 F.R. 7035, 79 Stat. 1317, set out as a note under section 1 of this title. All functions of offices eliminated were already vested in Secretary of the Treasury by Reorg. Plan No. 26 of 1950, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, set out in the Appendix to Title 5, Government Organization and Employees.

§ 67. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(24), 70 Stat. 947

Section, R.S. § 258, provided for a report to each session of Congress by the Secretary on customhouse business and is covered by section 331 of Title 31, Money and Finance.

§ 68. Enforcement of customs and immigration laws in Guam and the Virgin Islands and along Canadian and Mexican borders; cooperation by Secretary of the Treasury and Attorney General; erection of buildings

To aid in the enforcement of the customs and immigration laws along the Canadian and Mexican borders and to provide better facilities for such enforcement at points along such borders at which no Federal or other buildings adapted or suitably located for the purpose are available, and for similar purposes in the Virgin Islands of the United States, the Secretary of the Treasury and the Attorney General are hereby authorized to expend, and for similar purposes in Guam the Attorney General is hereby authorized to expend, from the funds appropriated for the general maintenance and operation of the Customs and the Immigration and Naturalization Services, respectively, the necessary amounts for the acquisition of land and the erection of buildings, sheds, and office quarters, including living quarters for officers where none are otherwise available: *Provided*, That the total amount which may be so expended for any one project, including the site, shall not exceed $200,000 and that where the project is for the joint use of the Customs Service and the Immigration and Naturalization Service, the combined cost of the project, including the site, shall be charged to the two appropriations concerned.

(June 26, 1930, ch. 617, § 1, 46 Stat. 817; Oct. 10, 1940, ch. 837, 54 Stat. 1091; Sept. 26, 1951, ch. 414, 65 Stat. 336; May 18, 1956, ch. 282, 70 Stat. 159; May 13, 1960, Pub. L. 86–466, 74 Stat. 130; May 31, 1962, Pub. L. 87–465, 76 Stat. 87; July 24, 1965, Pub. L. 89–87, 79 Stat. 264; Aug. 29, 1974, Pub. L. 93–396, 88 Stat. 794.)

AMENDMENTS

1974—Pub. L. 93–396 substituted "$200,000" for "$100,000".

1965—Pub. L. 89–87 extended to Guam and the Virgin Islands the authority of the Attorney General and the Secretary of the Treasury to construct facilities for the enforcement of the customs and immigration laws.

1962—Pub. L. 87–465 substituted "$100,000" for "$40,000" and "$80,000".

1960—Pub. L. 86–466 substituted "$40,000" and "$80,000" for "$30,000" and "$60,000", respectively.

1956—Act May 18, 1956, substituted "$30,000" and "$60,000" for "$15,000" and "$30,000", respectively.

1951—Act Sept. 26, 1951, substituted "$15,000" and "$30,000" for "$5,000" and "$10,000", respectively.

1940—Act Oct. 10, 1940, substituted "$5000" and "$10,000" for "$3000" and "$6000", respectively.

TRANSFER OF FUNCTIONS

Functions of all other officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, set out in the Appendix to Title 5, Government Organization and Employees. Customs Service is under Department of the Treasury.

Immigration and Naturalization Service of Department of Labor (including Office of Commissioner of Immigration and Naturalization) and its functions were transferred to Department of Justice, to be administered under direction and supervision of Attorney General; and functions and powers of Secretary of Labor relating to administration of the Service and its functions or to administration of immigration and naturalization laws were transferred to Attorney General, by Reorg. Plan No. V of 1940, eff. June 15, 1940, 5 F.R. 2223, 54 Stat. 1238, set out in the Appendix to Title 5.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 40 section 613.

§ 69. Erection of protective gates and fences across and around roads crossing borders

The Secretary of the Treasury is authorized to expend, from the funds appropriated for the general maintenance and operation of the Customs Service, such amounts as may be necessary for the erection of protective gates across international highways and roads crossing the Canadian and Mexican borders and for the erection of such fences in the immediate vicinity of such highways and roads as may be necessary to prevent unlawful entry or smuggling.

(June 26, 1930, ch. 617, § 2, as added Oct. 10, 1940, ch. 837, 54 Stat. 1092.)

TRANSFER OF FUNCTIONS

Functions of all other officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, set out in the Appendix to Title 5, Government Organization and Employees. Customs Service is under Department of the Treasury.

Functions vested by law in Attorney General, Department of Justice, or any other officer or any agency of that Department, with respect to inspection at regular inspection locations at ports of entry of persons, and documents of persons, entering or leaving United States, were to have been transferred to Secretary of the Treasury by 1973 Reorg. Plan No. 2, § 2, eff. July 1, 1973, 38 F.R. 15932, 87 Stat. 1091, set out in the Appendix to Title 5. The transfer was negated by section 1(a)(1), (b) of Pub. L. 93–253, Mar. 16, 1974, 88 Stat. 50, which repealed section 2 of 1973 Reorg. Plan No. 2, eff. July 1, 1973.

§ 70. Obstruction of revenue officers by masters of vessels

If the master of any vessel shall obstruct or hinder, or shall intentionally cause any obstruction or hindrance to any officer in lawfully going on board such vessel, for the purpose of carrying into effect any of the revenue or navigation laws of the United States, he shall for every such offense be liable to a penalty of not more than $2,000 nor less than $500.

(R.S. § 3068; Aug. 5, 1935, ch. 438, title III, § 307, 49 Stat. 528.)

REFERENCES IN TEXT

The navigation laws, referred to in text, are classified generally to Title 33, Navigation and Navigable Waters.

CODIFICATION

R.S. § 3068 derived from act Mar. 2, 1799, ch. 22, § 71, 1 Stat. 678.

AMENDMENTS

1935—Act Aug. 5, 1935, inserted reference to navigation laws, and increased penalty from $500 and $50 to $2,000 and $500, respectively.

CHAPTER 1A—FOREIGN TRADE ZONES

Sec.
81a. Definitions.
81b. Establishment of zones.
(a) Board authorization to grant zones.
(b) Number of zones per port of entry.
(c) Preference to public corporations.
(d) Ownership of harbor facilities by State.
81c. Exemption from customs laws of merchandise brought into foreign trade zone.
(a) Handling of merchandise in zone; shipment of foreign merchandise into customs territory; appraisal; reshipment to zone.
(b) Applicability to bicycle component parts.
(c) Articles manufactured or produced from denatured distilled spirits withdrawn free of tax from distilled spirits plant; products unfit for beverage purposes.
(d) Foreign trade zones.
81d. Customs officers and guards.
81e. Vessels entering or leaving zone; coastwise trade.
81f. Application for establishment and expansion of zone.
(a) Application for establishment; requirements.
(b) Amendment of application; expansion of zone.
81g. Granting of application.
81h. Rules and regulations.
81i. Cooperation of Board with other agencies.
81j. Cooperation of other agencies with Board.
81k. Agreements as to use of property.
81*l*. Facilities to be provided and maintained.
81m. Permission to others to use zone.
81n. Operation of zone as public utility; cost of customs service.
81*o*. Residents of zone.
(a) Persons allowed to reside in zone.
(b) Rules and regulations for employees entering and leaving zone.
(c) Exclusion from zone of goods or process of treatment.
(d) Retail trade within zone.
(e) Exemption from State and local ad valorem taxation of tangible personal property.
81p. Accounts and recordkeeping.
(a) Manner of keeping accounts.
(b) Annual report by grantee.
(c) Report to Congress.
81q. Transfer of grant.
81r. Revocation of grants.
(a) Procedure for revocation.
(b) Attendance of witnesses and production of evidence.
(c) Nature of order of revocation; appeal.
81s. Offenses.
81t. Separability.
81u. Right to alter, amend, or repeal chapter.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in sections 58c, 3332 of this title; title 25 section 941m.

§ 81a. Definitions

When used in this chapter—

(a) The term ''Secretary'' means the Secretary of Commerce;

(b) The term ''Board'' means the Board which is established to carry out the provisions of this chapter. The Board shall consist of the Secretary of Commerce, who shall be chairman and executive officer of the Board, the Secretary of the Treasury, and the Secretary of the Army;

(c) The term ''State'' includes any State, the District of Columbia, Alaska, Hawaii, and Puerto Rico;

(d) The term ''corporation'' means a public corporation and a private corporation, as defined in this chapter;

(e) The term ''public corporation'' means a State, political subdivision thereof, a municipality, a public agency of a State, political subdivision thereof, or municipality, or a corporate municipal instrumentality of one or more States;

(f) The term ''private corporation'' means any corporation (other than a public corporation) which is organized for the purpose of establishing, operating, and maintaining a foreign-trade zone and which is chartered under special Act enacted after June 18, 1934, of the State or States within which it is to operate such zone;

(g) The term ''applicant'' means a corporation applying for the right to establish, operate, and maintain a foreign-trade zone;

(h) The term ''grantee'' means a corporation to which the privilege of establishing, operating, and maintaining a foreign-trade zone has been granted;

(i) The term ''zone'' means a ''foreign-trade zone'' as provided in this chapter.

(June 18, 1934, ch. 590, § 1, 48 Stat. 998; July 26, 1947, ch. 343, title II, § 205(a), 61 Stat. 501.)

CHANGE OF NAME

Department of War designated Department of the Army and title of Secretary of War changed to Secretary of the Army by section 205(a) of act July 26, 1947, ch. 343, title II, 61 Stat. 501. Section 205(a) of act July 26, 1947, was repealed by section 53 of act Aug. 10, 1956, ch. 1041, 70A Stat. 641. Section 1 of act Aug. 10, 1956, enacted ''Title 10, Armed Forces'' which in sections 3010 to 3013 continued Department of the Army under administrative supervision of Secretary of the Army.

SHORT TITLE

This chapter is popularly known as the ''Foreign Trade Zones Act''.

FLOOR STOCKS TAX TREATMENT OF ARTICLES IN FOREIGN TRADE ZONES

Notwithstanding this chapter, articles located in a foreign trade zone on the effective date of increases in tax under specific amendments by Pub. L. 101–508 subject to floor stocks taxes under certain circumstances, see section 11218 of Pub. L. 101–508, set out as a note under section 5001 of Title 26, Internal Revenue Code.

ADMISSION OF ALASKA AND HAWAII TO STATEHOOD

Alaska was admitted into the Union on Jan. 3, 1959, on issuance of Proc. No. 3269, Jan. 3, 1959, 24 F.R. 81, 73 Stat. c16, and Hawaii was admitted into the Union on Aug. 21, 1959, on issuance of Proc. No. 3309, Aug. 21, 1959, 24 F.R. 6868, 73 Stat. c74. For Alaska Statehood Law, see Pub. L. 85–508, July 7, 1958, 72 Stat. 339, set out as a note preceding section 21 of Title 48, Territories and Insular Possessions. For Hawaii Statehood Law, see Pub. L. 86–3, Mar. 18, 1959, 73 Stat. 4, set out as a note preceding section 491 of Title 48.

SECRETARY OF THE AIR FORCE

For transfer of certain functions, insofar as they pertain to Air Force, and to extent that they were not previously transferred from Secretary of the Army to Secretary of the Air Force, see Secretary of Defense Transfer Order No. 40, July 22, 1949.

§81b. Establishment of zones

(a) Board authorization to grant zones

The Board is authorized, subject to the conditions and restrictions of this chapter and of the rules and regulations made thereunder, upon application as hereinafter provided, to grant to corporations the privilege of establishing, operating, and maintaining foreign-trade zones in or adjacent to ports of entry under the jurisdiction of the United States.

(b) Number of zones per port of entry

Each port of entry shall be entitled to at least one zone, but when a port of entry is located within the confines of more than one State such port of entry shall be entitled to a zone in each of such States, and when two cities separated by water are embraced in one port of entry, a zone may be authorized in each of said cities or in territory adjacent thereto. Zones in addition to those to which a port of entry is entitled shall be authorized only if the Board finds that existing or authorized zones will not adequately serve the convenience of commerce.

(c) Preference to public corporations

In granting applications preference shall be given to public corporations.

(d) Ownership of harbor facilities by State

In case of any State in which harbor facilities of any port of entry are owned and controlled by the State and in which State harbor facilities of any other port of entry are owned and controlled by a municipality, the Board shall not grant an application by any public corporation for the establishment of any zone in such State, unless such application has been authorized by an Act of the legislature of such State (enacted after June 18, 1934).

(June 18, 1934, ch. 590, §2, 48 Stat. 999.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 81i of this title.

§81c. Exemption from customs laws of merchandise brought into foreign trade zone

(a) Handling of merchandise in zone; shipment of foreign merchandise into customs territory; appraisal; reshipment to zone

Foreign and domestic merchandise of every description, except such as is prohibited by law, may, without being subject to the customs laws of the United States, except as otherwise provided in this chapter, be brought into a zone and may be stored, sold, exhibited, broken up, repacked, assembled, distributed, sorted, graded, cleaned, mixed with foreign or domestic merchandise, or otherwise manipulated, or be manufactured except as otherwise provided in this chapter, and be exported, destroyed, or sent into customs territory of the United States therefrom, in the original package or otherwise; but when foreign merchandise is so sent from a zone into customs territory of the United States it shall be subject to the laws and regulations of the United States affecting imported merchandise: *Provided*, That whenever the privilege shall be requested and there has been no manipulation or manufacture effecting a change in tariff classification, the appropriate customs officer shall take under supervision any lot or part of a lot of foreign merchandise in a zone, cause it to be appraised and taxes determined and duties liquidated thereon. Merchandise so taken under supervision may be stored, manipulated, or manufactured under the supervision and regulations prescribed by the Secretary of the Treasury, and whether mixed or manufactured with domestic merchandise or not may, under regulations prescribed by the Secretary of the Treasury, be exported or destroyed, or may be sent into customs territory upon the payment of such liquidated duties and determined taxes thereon. If merchandise so taken under supervision has been manipulated or manufactured, such duties and taxes shall be payable on the quantity of such foreign merchandise used in the manipulation or manufacture of the entered article. Allowance shall be made for recoverable and irrecoverable waste; and if recoverable waste is sent into customs territory, it shall be dutiable and taxable in its condition and quantity and at its weight at the time of entry. Where two or more products result from the manipulation or manufacture of merchandise in a zone the liquidated duties and determined taxes shall be distributed to the several products in accordance with their relative value at the time of separation with due allowance for waste as provided for above: *Provided further*, That subject to such regulations respecting identity and the safeguarding of the revenue as the Secretary of the Treasury may deem necessary, articles, the growth, product, or manufacture of the United States, on which all internal-revenue taxes have been paid, if subject thereto, and articles previously imported on which duty and/or tax has been paid, or which have been admitted free of duty and tax, may be taken into a zone from the customs territory of the United States, placed under the supervision of the appropriate customs officer, and whether or not they have been combined with or made part, while in such zone, of other articles, may be brought back thereto free of quotas, duty, or tax: *Provided further*, That if in the opinion of the Secretary of the Treasury their identity has been lost, such articles not entitled to free entry by reason of noncompliance with the requirements made hereunder by the Secretary of the Treasury shall be treated when they reenter customs territory of the United States as foreign merchandise under the provisions of the tariff and internal-revenue laws in force at that time: *Provided further*, That under the rules and regulations of the controlling Federal agencies, articles which have been taken into a zone from customs territory for the sole purpose of exportation, destruction (except destruction of distilled spirits, wines, and fermented malt liquors), or storage shall be considered to be exported for the purpose of—

(1) the draw-back, warehousing, and bonding, or any other provisions of the Tariff Act of 1930, as amended, and the regulations thereunder; and

(2) the statutes and bonds exacted for the payment of draw-back, refund, or exemption from liability for internal-revenue taxes and for the purposes of the internal-revenue laws generally and the regulations thereunder.

Such a transfer may also be considered an exportation for the purposes of other Federal laws insofar as Federal agencies charged with the enforcement of those laws deem it advisable. Such articles may not be returned to customs territory for domestic consumption except where the Foreign-Trade Zones Board deems such return to be in the public interest, in which event the articles shall be subject to the provisions of paragraph 1615(f) of section 1201 of this title: *Provided further*, That no operation involving any foreign or domestic merchandise brought into a zone which operation would be subject to any provision or provisions of section 1807, chapter 15, chapter 16, chapter 17, chapter 21, chapter 23, chapter 24, chapter 25, chapter 26, or chapter 32 of the Internal Revenue Code if performed in customs territory, or involving the manufacture of any article provided for in paragraphs 367 or 368 of section 1001 of this title, shall be permitted in a zone except those operations (other than rectification of distilled spirits and wines, or the manufacture or production of alcoholic products unfit for beverage purposes) which were permissible under this chapter prior to July 1, 1949: *Provided further*, That articles produced or manufactured in a zone and exported therefrom shall on subsequent importation into the customs territory of the United States be subject to the import laws applicable to like articles manufactured in a foreign country, except that articles produced or manufactured in a zone exclusively with the use of domestic merchandise, the identity of which has been maintained in accordance with the second proviso of this section may, on such importation, be entered as American goods returned: *Provided, further*, That no merchandise that consists of goods subject to NAFTA drawback, as defined in section 3333(a) of this title, that is manufactured or otherwise changed in condition shall be exported to a NAFTA country, as defined in section 3301(4) of this title, without an assessment of a duty on the merchandise in its condition and quantity, and at its weight, at the time of its exportation (or if the privilege in the first proviso to this subsection was requested, an assessment of a duty on the merchandise in its condition and quantity, and at its weight, at the time of its admission into the zone) and the payment of the assessed duty before the 61st day after the date of exportation of the article, except that upon the presentation, before such 61st day, of satisfactory evidence of the amount of any customs duties paid or owed to the NAFTA country on the article, the customs duty may be waived or reduced (subject to section 508(b)(2)(B) of the Tariff Act of 1930 [19 U.S.C. 1508(b)(2)(B)]) in an amount that does not exceed the lesser of (1) the total amount of customs duties paid or owed on the merchandise on importation into the United States, or (2) the total amount of customs duties paid on the article to the NAFTA country: *Provided, further*, That, if Canada ceases to be a NAFTA country and the suspension of the operation of the United States-Canada Free-Trade Agreement thereafter terminates, with the exception of drawback eligible goods under section 204(a) of the United States-Canada Free-Trade Agreement Implementation Act of 1988, no article manufactured or otherwise changed in condition (except a change by cleaning, testing or repacking) shall be exported to Canada during the period such Agreement is in operation without the payment of a duty that shall be payable on the article in its condition and quantity, and at its weight, at the time of its exportation to Canada unless the privilege in the first proviso to this subsection was requested..[1]

(b) Applicability to bicycle component parts

The exemption from the customs laws of the United States provided under subsection (a) of this section shall not be available on or before December 31, 1992, to bicycle component parts unless such parts are reexported from the United States, whether in the original package, as components of a completely assembled bicycle, or otherwise.

(c) Articles manufactured or produced from denatured distilled spirits withdrawn free of tax from distilled spirits plant; products unfit for beverage purposes

(1) Notwithstanding the provisions of the fifth proviso of subsection (a) of this section, any article (within the meaning of section 5002(a)(14) of title 26) may be manufactured or produced from denatured distilled spirits which have been withdrawn free of tax from a distilled spirits plant (within the meaning of section 5002(a)(1) of title 26), and articles thereof, in a zone.

(2) Notwithstanding the provisions of the fifth proviso of subsection (a) of this section, distilled spirits which have been removed from a distilled spirits plant (as defined in section 5002(a)(1) of title 26) upon payment or determination of tax may be used in the manufacture or production of medicines, medicinal preparation, food products, flavors, or flavoring extracts, which are unfit for beverage purposes, in a zone. Such products will be eligible for drawback under the internal revenue laws under the same conditions applicable to similar manufacturing or production operations occurring in customs territory.

(d) Foreign trade zones

In regard to the calculation of relative values in the operations of petroleum refineries in a foreign trade zone, the time of separation is defined as the entire manufacturing period. The price of products required for computing relative values shall be the average per unit value of each product for the manufacturing period. Definition and attribution of products to feedstocks for petroleum manufacturing may be either in accordance with Industry Standards of Potential Production on a Practical Operating Basis as verified and adopted by the Secretary of the Treasury (known as producibility) or such other inventory control method as approved by the Secretary of the Treasury that protects the revenue.

(June 18, 1934, ch. 590, § 3, 48 Stat. 999; June 17, 1950, ch. 296, § 1, 64 Stat. 246; June 2, 1970, Pub. L. 91–271, title III, § 309, 84 Stat. 292; Oct. 30, 1984, Pub. L. 98–573, title II, § 231(a)(2), 98 Stat. 2990; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1894, 100 Stat. 2931; Aug. 23, 1988, Pub. L. 100–418, title I, § 1783(f), 102 Stat. 1300; Sept. 28, 1988, Pub. L.

[1] So in original.

100–449, title II, §204(c)(5), 102 Stat. 1863; Nov. 10, 1988, Pub. L. 100–647, title IX, §9002, 102 Stat. 3808; Aug. 20, 1990, Pub. L. 101–382, title III, §§481, 484F, 104 Stat. 706, 710; Dec. 8, 1993, Pub. L. 103–182, title II, §203(b)(5), 107 Stat. 2091.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

The Tariff Act of 1930, as amended, referred to in subsec. (a)(1), is act June 17, 1930, ch. 497, 46 Stat. 590, as amended, which is classified generally to chapter 4 (§1202 et seq.) of this title. For complete classification of this Act to the Code, see Tables.

Sections 1001 and 1201 of this title, referred to in subsec. (a), which comprised the dutiable and free lists for articles imported into the United States, were repealed by Pub. L. 87–456, title I, §101(a), May 24, 1962, 76 Stat. 72, which act also revised the Tariff Schedules of the United States. The Tariff Schedules of the United States were replaced by the Harmonized Tariff Schedule of the United States which is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

References in subsec. (a) to section and chapters of the Internal Revenue Code are references to section and chapters of the Internal Revenue Code, 1939, which was repealed by section 7851 of Title 26, I.R.C. 1954. The Internal Revenue Code of 1954 was redesignated the Internal Revenue Code of 1986 by Pub. L. 99–514, §2, Oct. 22, 1986, 100 Stat. 2095. Corresponding sections of I.R.C. 1986 to section and chapters of I.R.C. 1939 referred to in the text are set out below. For provision deeming a reference in other laws to a provision of I.R.C. 1939, also as a reference to corresponding provision of I.R.C. 1986, see section 7852(b) of Title 26, I.R.C. 1986.

I.R.C. 1939	*I.R.C. 1986*
§1807	Omitted
Chapter 15	§5701 et seq.
Chapter 16	§4591 et seq., §4811 et seq.
Chapter 17	§4831 et seq.
Chapter 21	Omitted
Chapter 23	§4701 et seq.
Chapter 24	§4801 et seq.
Chapter 25	§§4181, 4182, and 5811 et seq.
Chapter 26	§5001 et seq.
Chapter 32	§4501 et seq.

Section 204 of the United States-Canada Free-Trade Agreement Implementation Act of 1988, referred to in subsec. (a), is section 204 of Pub. L. 100–449, which is set out in a note under section 2112 of this title.

The internal revenue laws, referred to in subsec. (c)(2), are classified generally to Title 26, Internal Revenue Code.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182, in provisions following par. (2), inserted second proviso relating to goods subject to NAFTA drawback, and in last proviso inserted ", if Canada ceases to be a NAFTA country and the suspension of the operation of the United States-Canada Free-Trade Agreement thereafter terminates," after "That" and substituted "during the period such Agreement is in operation" for "on or after January 1, 1994, or such later date as may be proclaimed by the President under section 204(b)(2)(B) of such Act of 1988,".

1990—Subsec. (b). Pub. L. 101–382, §481, substituted "on or before December 31, 1992" for "before January 1, 1991".

Subsec. (c). Pub. L. 101–382, §484F, designated existing provisions as par. (1), struck out "domestic" before "denatured distilled", inserted provisions relating to withdrawal free of tax from a distilled spirits plant, and added par. (2).

1988—Subsec. (a). Pub. L. 100–449 inserted provision directing that, "with the exception of drawback eligible goods under section 204(a) of the United States-Canada Free-Trade Agreement Implementation Act of 1988, no article manufactured or otherwise changed in condition (except a change by cleaning, testing or repacking) shall be exported to Canada on or after January 1, 1994, or such later date as may be proclaimed by the President under section 204(b)(2)(B) of such Act of 1988, without the payment of a duty that shall be payable on the article in its condition and quantity, and at its weight, at the time of its exportation to Canada unless the privilege in the first proviso to this subsection was requested."

Subsec. (b). Pub. L. 100–418 substituted "January 1, 1991" for "June 30, 1986".

Subsec. (d). Pub. L. 100–647 added subsec. (d).

1986—Subsec. (c). Pub. L. 99–514 added subsec. (c).

1984—Subsec. (a). Pub. L. 98–573 designated existing provisions as subsec. (a), redesignated former pars. (a) and (b) as pars. (1) and (2), respectively, of subsec. (a), and added subsec. (b).

1970—Pub. L. 91–271 substituted references to the appropriate customs officers for references to the collector of customs wherever appearing.

1950—Act June 17, 1950, amended section generally to remove the prohibition against, and to authorize specifically, manufacture and exhibition within a zone.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 applicable (1) with respect to exports from the United States to Canada on Jan. 1, 1996, if Canada is a NAFTA country on that date and after such date for so long as Canada continues to be a NAFTA country and (2) with respect to exports from the United States to Mexico on Jan. 1, 2001, if Mexico is a NAFTA country on that date and after such date for so long as Mexico continues to be a NAFTA country, see section 213(c) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Section 485(a) of title III (§§301–485) of Pub. L. 101–382 provided that: "Except as otherwise provided in this title, the amendments made by this title [amending this section and sections 1309, 1313, 1466, and 1553 of this title and enacting provisions set out as notes under sections 1309, 1466, and 1553 of this title], shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after October 1, 1990."

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENTS

Amendment by Pub. L. 100–449 effective on date the United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

Amendment by section 1783(f) of Pub. L. 100–418 applicable with respect to articles entered or withdrawn from warehouse for consumption, after Sept. 30, 1988, pursuant to section 1831(a) of Pub. L. 100–418.

EFFECTIVE DATE OF 1984 AMENDMENT

Section 231(a)(3) of Pub. L. 98–573 provided that: "The amendments made by paragraph (2) [amending this section] shall take effect on the fifteenth day after the date of the enactment of this Act [Oct. 30, 1984]."

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91–271 effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after Oct. 1, 1970, and such other articles entered or withdrawn from warehouse for consumption prior to such date, or with respect to which a protest has not been disallowed in whole or in part before Oct. 1, 1970, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

All offices of collector of customs, comptroller of customs, surveyor of customs, and appraiser of merchan-

dise in Bureau of Customs of Department of the Treasury to which appointments were required to be made by President with advice and consent of Senate ordered abolished with such offices to be terminated not later than December 31, 1966, by Reorg. Plan No. 1 of 1965, eff. May 25, 1965, 30 F.R. 7035, 79 Stat. 1317, set out as a note under section 1 of this title. All functions of offices eliminated were already vested in Secretary of the Treasury by Reorg. Plan No. 26 of 1950, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, set out in the Appendix to Title 5, Government Organization and Employees.

FLOOR STOCKS TAX TREATMENT OF ARTICLES IN FOREIGN TRADE ZONES

Notwithstanding this chapter, articles located in a foreign trade zone on the effective date of increases in tax under specific amendments by Pub. L. 101–508 subject to floor stocks taxes under certain circumstances, see section 11218 of Pub. L. 101–508, set out as a note under section 5001 of Title 26, Internal Revenue Code.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1508 of this title; title 26 sections 5003, 5214.

§ 81d. Customs officers and guards

The Secretary of the Treasury shall assign to the zone the necessary customs officers and guards to protect the revenue and to provide for the admission of foreign merchandise into customs territory.

(June 18, 1934, ch. 590, § 4, 48 Stat. 1000.)

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, set out in the Appendix to Title 5, Government Organization and Employees.

§ 81e. Vessels entering or leaving zone; coastwise trade

Vessels entering or leaving a zone shall be subject to the operation of all the laws of the United States, except as otherwise provided in this chapter, and vessels leaving a zone and arriving in customs territory of the United States shall be subject to such regulations to protect the revenue as may be prescribed by the Secretary of the Treasury. Nothing in this chapter shall be construed in any manner so as to permit vessels under foreign flags to carry goods or merchandise shipped from one foreign trade zone to another zone or port in the protected coastwise trade of the United States.

(June 18, 1934, ch. 590, § 5, 48 Stat. 1000.)

§ 81f. Application for establishment and expansion of zone

(a) Application for establishment; requirements

Each application shall state in detail—

(1) The location and qualifications of the area in which it is proposed to establish a zone, showing (A) the land and water or land or water area or land area alone if the application is for its establishment in or adjacent to an interior port; (B) the means of segregation from customs territory; (C) the fitness of the area for a zone; and (D) the possibilities of expansion of the zone area;

(2) The facilities and appurtenances which it is proposed to provide and the preliminary plans and estimate of the cost thereof, and the existing facilities and appurtenances which it is proposed to utilize;

(3) The time within which the applicant proposes to commence and complete the construction of the zone and facilities and appurtenances;

(4) The methods proposed to finance the undertaking;

(5) Such other information as the Board may require.

(b) Amendment of application; expansion of zone

The Board may upon its own initiative or upon request permit the amendment of the application. Any expansion of the area of an established zone shall be made and approved in the same manner as an original application.

(June 18, 1934, ch. 590, § 6, 48 Stat. 1000.)

§ 81g. Granting of application

If the Board finds that the proposed plans and location are suitable for the accomplishment of the purpose of a foreign trade zone under this chapter, and that the facilities and appurtenances which it is proposed to provide are sufficient it shall make the grant.

(June 18, 1934, ch. 590, § 7, 48 Stat. 1000.)

§ 81h. Rules and regulations

The Board shall prescribe such rules and regulations not inconsistent with the provisions of this chapter or the rules and regulations of the Secretary of the Treasury made hereunder and as may be necessary to carry out this chapter.

(June 18, 1934, ch. 590, § 8, 48 Stat. 1000.)

§ 81i. Cooperation of Board with other agencies

The Board shall cooperate with the State, subdivision, and municipality in which the zone is located in the exercise of their police, sanitary, and other powers in and in connection with the free zone. It shall also cooperate with the United States Customs Service, the United States Postal Service, the Public Health Service, the Immigration and Naturalization Service, and such other Federal agencies as have jurisdiction in ports of entry described in section 81b of this title.

(Ex. Ord. No. 6166, § 14, June 10, 1933; June 18, 1934, ch. 590, § 9, 48 Stat. 1000; Aug. 12, 1970, Pub. L. 91–375, §§ 4(a), 6(*o*), 84 Stat. 773, 783.)

CHANGE OF NAME

''United States Postal Service'' substituted in text for ''Post Office Department'' pursuant to Pub. L. 91–375, §§ 4(a), 6(*o*), Aug. 12, 1970, 84 Stat. 773, 783, which are set out as notes preceding section 101 of Title 39, Postal Service, and under section 201 of Title 39, respectively, which abolished Post Office Department, transferred its functions to United States Postal Service, and provided that references in other laws to Post Office Department shall be considered a reference to United States Postal Service.

TRANSFER OF FUNCTIONS

Functions of Public Health Service, Surgeon General of Public Health Service, and of all other officers and employees of Public Health Service, and functions of all agencies of or in Public Health Service transferred to Secretary of Health, Education, and Welfare by Reorg. Plan No. 3 of 1966, 31 F.R. 8855, 80 Stat. 1610, effective June 25, 1966, set out in the Appendix to Title 5, Government Organization and Employees. Secretary of Health, Education, and Welfare redesignated Secretary of Health and Human Services by section 509(b) of Pub. L. 96–88, title V, Oct. 17, 1979, 93 Stat. 695, which is classified to section 3508(b) of Title 20, Education.

Functions of all other officers of Department of Justice and functions of all agencies and employees of such Department transferred, with a few exceptions, to Attorney General, with power vested in him to authorize their performance or performance of any of his functions by any of such officers, agencies, and employees, by former sections 1 and 2 of Reorg. Plan No. 2 of 1950, eff. May 24, 1950, 15 F.R. 3173, 64 Stat. 1261, set out in the Appendix to Title 5. The Immigration and Naturalization Service, referred to in this section, is in Department of Justice.

Functions of all other officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, set out in the Appendix to Title 5. Customs Service is under Department of the Treasury.

Bureaus of Immigration and Naturalization consolidated as an Immigration and Naturalization Service by Ex. Ord. No. 6166, set out as a note under section 901 of Title 5.

§ 81j. Cooperation of other agencies with Board

For the purpose of facilitating the investigations of the Board and its work in the granting of the privilege, in the establishment, operation, and maintenance of a zone, the President may direct the executive departments and other establishments of the Government to cooperate with the Board, and for such purpose each of the several departments and establishments is authorized, upon direction of the President, to furnish to the Board such records, papers, and information in their possession as may be required by him, and temporarily to detail to the service of the Board such officers, experts, or engineers as may be necessary.

(June 18, 1934, ch. 590, § 10, 48 Stat. 1001.)

§ 81k. Agreements as to use of property

If the title to or right of user of any of the property to be included in a zone is in the United States, an agreement to use such property for zone purposes may be entered into between the grantee and the department or officer of the United States having control of the same, under such conditions, approved by the Board and such department or officer, as may be agreed upon.

(June 18, 1934, ch. 590, § 11, 48 Stat. 1001.)

§ 81*l*. Facilities to be provided and maintained

Each grantee shall provide and maintain in connection with the zone—

(a) Adequate slips, docks, wharves, warehouses, loading and unloading and mooring facilities where the zone is adjacent to water; or, in the case of an inland zone, adequate loading, unloading, and warehouse facilities;

(b) Adequate transportation connections with the surrounding territory and with all parts of the United States, so arranged as to permit of proper guarding and inspection for the protection of the revenue;

(c) Adequate facilities for coal or other fuel and for light and power;

(d) Adequate water and sewer mains;

(e) Adequate quarters and facilities for the officers and employees of the United States, State, and municipality whose duties may require their presence within the zone;

(f) Adequate enclosures to segregate the zone from customs territory for protection of the revenue, together with suitable provisions for ingress and egress of persons, conveyances, vessels, and merchandise;

(g) Such other facilities as may be required by the Board.

(June 18, 1934, ch. 590, § 12, 48 Stat. 1001.)

§ 81m. Permission to others to use zone

The grantee may, with the approval of the Board, and under reasonable and uniform regulations for like conditions and circumstances to be prescribed by it, permit other persons, firms, corporations, or associations to erect such buildings and other structures within the zone as will meet their particular requirements: *Provided*, That such permission shall not constitute a vested right as against the United States, nor interfere with the regulation of the grantee or the permittee by the United States, nor interfere with or complicate the revocation of the grant by the United States: *And provided further*, That in the event of the United States or the grantee desiring to acquire the property of the permittee no good will shall be considered as accruing from the privilege granted to the zone: *And provided further*, That such permits shall not be granted on terms that conflict with the public use of the zone as set forth in this chapter.

(June 18, 1934, ch. 590, § 13, 48 Stat. 1001.)

§ 81n. Operation of zone as public utility; cost of customs service

Each zone shall be operated as a public utility, and all rates and charges for all services or privileges within the zone shall be fair and reasonable, and the grantee shall afford to all who may apply for the use of the zone and its facilities and appurtenances uniform treatment under like conditions, subject to such treaties or commercial conventions as are now in force or may hereafter be made from time to time by the United States with foreign governments and the

cost of maintaining the additional customs service required under this chapter shall be paid by the operator of the zone.

(June 18, 1934, ch. 590, § 14, 48 Stat. 1001.)

§ 81*o*. Residents of zone

(a) Persons allowed to reside in zone

No person shall be allowed to reside within the zone except Federal, State, or municipal officers or agents whose resident presence is deemed necessary by the Board.

(b) Rules and regulations for employees entering and leaving zone

The Board shall prescribe rules and regulations regarding employees and other persons entering and leaving the zone. All rules and regulations concerning the protection of the revenue shall be approved by the Secretary of the Treasury.

(c) Exclusion from zone of goods or process of treatment

The Board may at any time order the exclusion from the zone of any goods or process of treatment that in its judgment is detrimental to the public interest, health, or safety.

(d) Retail trade within zone

No retail trade shall be conducted within the zone except under permits issued by the grantee and approved by the Board. Such permittees shall sell no goods except such domestic or duty-paid or duty-free goods as are brought into the zone from customs territory.

(e) Exemption from State and local ad valorem taxation of tangible personal property

Tangible personal property imported from outside the United States and held in a zone for the purpose of storage, sale, exhibition, repackaging, assembly, distribution, sorting, grading, cleaning, mixing, display, manufacturing, or processing, and tangible personal property produced in the United States and held in a zone for exportation, either in its original form or as altered by any of the above processes, shall be exempt from State and local ad valorem taxation.

(June 18, 1934, ch. 590, § 15, 48 Stat. 1002; Oct. 30, 1984, Pub. L. 98–573, title II, § 231(b)(1), 98 Stat. 2991.)

AMENDMENTS

1984—Subsec. (e). Pub. L. 98–573 added subsec. (e).

EFFECTIVE DATE OF 1984 AMENDMENT

Section 231(b)(2) of Pub. L. 98–573 provided that: ''The amendment made by paragraph (1) [amending this section] shall take effect on January 1, 1983.''

§ 81p. Accounts and recordkeeping

(a) Manner of keeping accounts

The form and manner of keeping the accounts of each zone shall be prescribed by the Board.

(b) Annual report by grantee

Each grantee shall make to the Board annually, and at such other times as it may prescribe, reports on zone operations.

(c) Report to Congress

The Board shall make a report to Congress annually containing a summary of zone operations.

(June 18, 1934, ch. 590, § 16, 48 Stat. 1002; Dec. 28, 1980, Pub. L. 96–609, title II, § 204, 94 Stat. 3561; Aug. 22, 1986, Pub. L. 99–386, title II, § 203(b), 100 Stat. 823.)

AMENDMENTS

1986—Subsec. (b). Pub. L. 99–386, § 203(b)(1), substituted ''reports on zone operations'' for ''reports containing a full statement of all the operations, receipts, and expenditures, and such other information as the Board may require''.

Subsec. (c). Pub. L. 99–386, § 203(b)(2), added subsec. (c) and struck out former subsec. (c) which required the Board to make an annual report to Congress containing a summary of the operation and fiscal condition of each zone, and transmit copies of the annual report of each grantee.

1980—Subsec. (c). Pub. L. 96–609 substituted ''by April 1 of each year'' for ''on the first day of each regular session''.

§ 81q. Transfer of grant

The grant shall not be sold, conveyed, transferred, set over, or assigned.

(June 18, 1934, ch. 590, § 17, 48 Stat. 1002.)

§ 81r. Revocation of grants

(a) Procedure for revocation

In the event of repeated willful violations of any of the provisions of this chapter by the grantee, the Board may revoke the grant after four months' notice to the grantee and affording it an opportunity to be heard. The testimony taken before the Board shall be reduced to writing and filed in the records of the Board together with the decision reached thereon.

(b) Attendance of witnesses and production of evidence

In the conduct of any proceeding under this section for the revocation of a grant the Board may compel the attendance of witnesses and the giving of testimony and the production of documentary evidence, and for such purpose may invoke the aid of the district courts of the United States.

(c) Nature of order of revocation; appeal

An order under the provisions of this section revoking the grant issued by the Board shall be final and conclusive, unless within ninety days after its service the grantee appeals to the court of appeals for the circuit in which the zone is located by filing with the clerk of said court a written petition praying that the order of the Board be set aside. Such order shall be stayed pending the disposition of appellate proceedings by the court. The clerk of the court in which such a petition is filed shall immediately cause a copy thereof to be delivered to the Board and it shall thereupon file in the court the record in the proceedings held before it under this section, as provided in section 2112 of title 28. The testimony and evidence taken or submitted before the Board, duly certified and filed as a part of the record, shall be considered by the court as the evidence in the case.

(June 18, 1934, ch. 590, § 18, 48 Stat. 1002; June 25, 1948, ch. 646, § 32(a), 62 Stat. 991; May 24, 1949, ch. 139, § 127, 63 Stat. 107; Aug. 28, 1958, Pub. L. 85–791, § 11, 72 Stat. 945.)

AMENDMENTS

1958—Subsec. (c). Pub. L. 85–791 substituted ''thereupon file in the court'' for ''forthwith prepare, certify, and file in the court a full and accurate transcript of'' and ''as provided in section 2112 of title 28'' for ''the charges, the evidence, and the order revoking the grant'' in third sentence.

CHANGE OF NAME

Act June 25, 1948, eff. Sept. 1, 1948, as amended by act May 24, 1949, substituted ''court of appeals'' for ''circuit court of appeals''.

§ 81s. Offenses

In case of a violation of this chapter, or any regulation under this chapter, by the grantee, any officer, agent or employee thereof responsible for or permitting any such violation shall be subject to a fine of not more than $1,000. Each day during which a violation continues shall constitute a separate offense.

(June 18, 1934, ch. 590, § 19, 48 Stat. 1003.)

§ 81t. Separability

If any provision of this chapter or the application of such provision to certain circumstances be held invalid, the remainder of this chapter and the application of such provisions to circumstances other than those as to which it is held invalid shall not be affected thereby.

(June 18, 1934, ch. 590, § 20, 48 Stat. 1003.)

§ 81u. Right to alter, amend, or repeal chapter

The right to alter, amend, or repeal this chapter is reserved.

(June 18, 1934, ch. 590, § 21, 48 Stat. 1003.)

CHAPTER 2—THE TARIFF COMMISSION

CODIFICATION

Sections related to the United States Tariff Commission as it existed prior to act June 17, 1930, ch. 497, 46 Stat. 696.

CHANGE OF NAME

United States Tariff Commission redesignated United States International Trade Commission by Pub. L. 93–618, title I, § 171, Jan. 3, 1975, 88 Stat. 2009. See section 2231(a) of this title.

§§ 91, 92. Repealed. Pub. L. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 643

Section 91, act Sept. 8, 1916, ch. 463, § 700, 39 Stat. 795, related to organization of the Commission. See section 1330 of this title.

Section 92, act Sept. 8, 1916, § 701, 39 Stat. 795, related to general power and personnel of the Commission. See section 1331 of this title.

§ 93. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762

Section, act Sept. 21, 1922, ch. 356, title III, § 318d, 42 Stat. 947, related to establishment of an office at the port of New York. See section 1331 of this title.

§ 94. Omitted

CODIFICATION

Section, act July 19, 1919, ch. 24, 41 Stat. 182, providing that the disbursing clerk of the Treasury Department should act in a similar capacity for the Commission, was a proviso repeated in successive appropriation acts but which has not been repeated in recent years.

§ 95. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762

Section, act Sept. 21, 1922, ch. 356, title III, § 318(e), 42 Stat. 947, related to adoption of an official seal, and judicial notice thereof. See section 1331 of this title.

§§ 96 to 98. Omitted

CODIFICATION

Section 96, act Sept. 8, 1916, ch. 463, § 702, 39 Stat. 796, related to investigation of administration and fiscal and industrial effects of the customs laws. See section 1332(a) of this title.

Section 97, act Sept. 8, 1916, ch. 463, § 703, 39 Stat. 796, related to conveyance of information to committees of Congress. See section 1332(g) of this title.

Section 98, act Sept. 8, 1916, ch. 463, § 704, 39 Stat. 796, related to investigative powers of the Commission over commercial transactions and relations with foreign countries. See section 1332(b) of this title.

§ 99. Repealed. Pub. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 643

Section, act Sept. 8, 1916, ch. 463, § 705, 39 Stat. 796, related to transfer of certain employees to the Commission.

§ 100. Omitted

CODIFICATION

Section, act Sept. 8, 1916, ch. 463, § 706, 39 Stat. 797, as amended by act Sept. 21, 1922, ch. 356, title III, § 318(f), 42 Stat. 947, related to testimony and production of papers. See section 1333(a) to (e) of this title.

§ 101. Repealed. Pub. L. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 643

Section, act Sept. 8, 1916, ch. 463, § 707, 39 Stat. 797, related to cooperation by the Commission with other agencies. See section 1334 of this title.

§§ 102 to 104. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762

Section 102, act Sept. 21, 1922, ch. 356, title III, § 318(a), 42 Stat. 948, related to conveyance of conversion and production cost information to the President and Congress. See section 1332(d) of this title.

Section 103, act Sept. 21, 1922, ch. 356, title III, § 318(c), 42 Stat. 947, related to powers of the commission under title VII of the Revenue Act of 1916 and its power to require statements by importers and any American grower, producer, manufacturer, or seller as to their selling prices in the United States.

Section 104, act Sept. 21, 1922, ch. 356, title III, § 318(b), 42 Stat. 947, defined the terms ''article'' and ''import costs''. See section 1332(e) of this title.

§ 105. Repealed. Pub. L. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 643

Section, act Sept. 8, 1916, ch. 463, § 708, 39 Stat. 798, related to unauthorized divulging of information and punishment for offenses.

§ 106. Omitted

CODIFICATION

Section, act Sept. 8, 1916, ch. 463, § 709, 39 Stat. 798, authorized an annual appropriation to defray the expenses of the Commission. Since the passage of the Tariff Act of June 17, 1930, ch. 497, 46 Stat. 590, appropriations for the Commission have been made in annual Executive Office appropriation bills.

§ 107. Repealed. Oct. 10, 1940, ch. 851, § 4, 54 Stat. 1111

Section, act Feb. 20, 1929, ch. 270, 45 Stat. 1243 (repeated as a proviso in subsequent appropriations for the Commission), related to procurement of supplies and services. Act February 20, 1929, and the similar provisos in subsequent appropriation acts, were repealed by act Oct. 10, 1940. A similar provision was enacted by act Oct. 10, 1940, as part of the consolidated exceptions to section 5 of Title 41, Public Contracts.

CHAPTER 3—THE TARIFF AND RELATED PROVISIONS

SUBTITLE I—DUTIABLE LIST

Sec.
121. Repealed.

SUBTITLE II—FREE LIST

122. Repealed.

SUBTITLE III—SPECIAL PROVISIONS

CUBA AND CANAL ZONE

123 to 125. Repealed, Transferred, or Omitted.
126. Imports from Canal Zone.

COUNTERVAILING AND DISCRIMINATING DUTY

127. Repealed.
128. Discriminating duty on goods imported in foreign vessels or from foreign countries; exception.
129. Discriminating duties.

COUNTRY OF ORIGIN

130. Importation only in vessels of United States or of country of origin.
131. Vessels, goods, etc., of nations not maintaining similar regulations; vessels of citizens of the United States.
132, 133. Repealed.

MEDICINAL PREPARATIONS

134. Repealed.

IMPORTATIONS PROHIBITED

135 to 143. Repealed.

SPECIAL PROVISIONS FOR ADMISSION OR WITHDRAWAL FROM BONDED WAREHOUSE WITHOUT PAYMENT OF DUTY

144. Repealed.
144a. Entry under bond of exhibits of arts, sciences, and industries, and products of soil, mine, and sea.
145 to 147. Repealed.

BONDED WAREHOUSES

148 to 150. Repealed.
151. Bonded warehouses for storage and cleansing of imported garbanzo; withdrawals.

DRAWBACKS

152 to 152b. Repealed.

REIMPORTING EXPORTED ARTICLES

153. Repealed.

EQUALIZING PRODUCTION COSTS

154 to 159. Repealed.

ANTIDUMPING

160 to 171. Repealed.

ADDITIONAL DEFINITIONS

172. Omitted.

RULES AND REGULATIONS

173. Omitted.

Sec.
UNFAIR METHODS OF COMPETITION AND IMPORTATION UNLAWFUL

174 to 180. Repealed.

IMPORTS FROM COUNTRIES MAKING DISCRIMINATIONS

181. Exclusion of imports from countries making discriminations.
182 to 190. Repealed.

SPECIAL PROVISIONS

191 to 196a. Repealed.

PAYMENT OF DUTY

197. Duties, how payable.
198. Certified checks; receivable for all public dues; lien for payment of.
199. Judgments, how payable.

SUBTITLE IV—CUSTOMS ADMINISTRATION

ADMINISTRATIVE PROVISIONS

PART 1—DEFINITIONS

231. Repealed.
232. ''Port'' defined.
233. Departure from prescribed forms.
234 to 239. Repealed.
240. Value at date of shipment.

PART 2—REPORT, ENTRY, AND UNLADING OF VESSELS AND VEHICLES

241 to 266. Repealed or Omitted.
267. Overtime and premium pay for customs officers.
(a) Overtime pay.
(b) Premium pay for customs officers.
(c) Limitations.
(d) Regulations.
(e) Definitions.
267a. Foreign language proficiency awards.
268 to 282. Repealed.
283. Duty on saloon stores.
284 to 287. Repealed.
288. Documented vessels.
289 to 292. Repealed.
293. Documented vessels touching at foreign ports.
294. No duty by reason of documented vessel touching at foreign port.

PART 3—ASCERTAINMENT, COLLECTION, AND RECOVERY OF DUTIES

331 to 337. Repealed.
338. Indorsement upon invoice; port of entry.
339. Restriction on consular certificates.
340. Consuls to exact proof of invoice.
341. Fraudulent practices; consul's report.
342 to 390. Repealed.
391. Ascertainment of duties on grain.
392 to 420. Repealed or Omitted.

PART 4—TRANSPORTATION IN BOND AND WAREHOUSING OF MERCHANDISE

451 to 459. Repealed.
460. Retention of distilled spirits, wines, etc., in warehouse during prohibitory period.
461 to 466. Repealed.
467. Imported distilled spirits, wines, or malt liquors; regulations for marks, brands, and stamps or devices on bulk containers; forfeitures.
468. Stamps and brands effaced on emptying packages of imported liquors.
469. Dealing in or using empty stamped imported liquor containers.
471 to 475. Repealed.

PART 5—ENFORCEMENT PROVISIONS

481. Repealed.

Sec.
482. Search of vehicles and persons.
483 to 506. Repealed.
507. Officers to make character known; assistance for officers.
508. Persons making seizures pleading general issue and proving special matter.
509 to 526. Repealed.
527. Sums received from fines and other receipts covered into Treasury.
528. Appropriate customs officer to receive amount recovered.
529 to 534. Repealed or Omitted.
535. Compulsory production of books, invoices, or papers.
536. Repealed.
537. Officers, informers, and defendants as witnesses.
538, 539. Repealed.
540. President may use suitable vessels for enforcing customs laws.
541, 542. Repealed.

PART 6—GENERAL PROVISIONS

571 to 573. Repealed.
574. Exemption from taking other oaths.
575 to 579. Repealed.
580. Interest in suits on bonds for recovery of duties.

SUBTITLE I—DUTIABLE LIST

§ 121. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title I, § 1, 42 Stat. 858, related to articles dutiable, rates and schedules. Corresponding provisions of Tariff Act of 1930, see section 1202 of this title.

SUBTITLE II—FREE LIST

§ 122. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title II, § 201, 42 Stat. 922, related to the free list. Corresponding provisions of Tariff Act of 1930, see section 1202 of this title.

SUBTITLE III—SPECIAL PROVISIONS

CUBA AND CANAL ZONE

§ 123. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title III, § 301, 42 Stat. 934, related to duties upon articles coming from or imported into Philippine Islands. Corresponding provisions of Tariff Act of 1930 were covered by section 1301 of this title [repealed]. See section 1202 of this title, chapter 15 of Title 22, Foreign Relations and Intercourse, sections 5001, 5007 of Title 26, Internal Revenue Code, and section 734 of Title 48, Territories and Insular Possessions.

§ 123a. Transferred

CODIFICATION

Provisions of this section, act Mar. 8, 1902, ch. 140, § 4, 32 Stat. 54, were transferred to section 3343(b) of Title 26, Internal Revenue Code of 1939, and were repealed by act Apr. 30, 1946, ch. 244, title V, § 506(b), 60 Stat. 157, eff. July 4, 1946.

§§ 124, 125. Omitted

CODIFICATION

Sections 124 and 125, sections 1 and 2 of act Dec. 17, 1903, ch. 1, 33 Stat. 3, relating to the admission of goods from Cuba at a reduced rate, and with no additional charges, so long as the Convention between the United States and Cuba, signed on the 11th day of December, 1902, shall remain in force, were omitted in view of the termination of such convention on August 21, 1963, pursuant to notice given by the United States on Aug. 21, 1962 (see Bevans, Treaties and Other International Agreements of the United States of America, 1776–1949, vol. VI, page 1106), and in view of section 401 of Pub. L. 87–456, title IV, May 24, 1962, 76 Stat. 78, set out as a note under section 1351 of this title, which designated Cuba as a nation dominated or controlled by the foreign government or foreign organization controlling the world communist movement.

§ 126. Imports from Canal Zone

All laws affecting imports of articles, goods, wares, and merchandise and entry of persons into the United States from foreign countries shall apply to articles, goods, wares, and merchandise and persons coming from the Canal Zone, Isthmus of Panama, and seeking entry into any State or Territory of the United States or the District of Columbia.

(Mar. 2, 1905, ch. 1311, 33 Stat. 843.)

REFERENCES IN TEXT

For definition of Canal Zone, referred to in text, see section 3602(b) of Title 22, Foreign Relations and Intercourse.

CROSS REFERENCES

United States, alien, person, defined, see section 1101 of Title 8, Aliens and Nationality.

COUNTERVAILING AND DISCRIMINATING DUTY

§ 127. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title III, § 303, 42 Stat. 935, related to countervailing duty upon articles on which export bounty had been paid. Corresponding provisions of Tariff Act of 1930, see section 1303 of this title.

§ 128. Discriminating duty on goods imported in foreign vessels or from foreign countries; exception

A discriminating duty of 10 per centum ad valorem, in addition to the duties imposed by law, shall be levied, collected, and paid on all goods, wares, or merchandise which shall be imported in vessels not of the United States, or which being the production or manufacture of any foreign country not contiguous to the United States, shall come into the United States from such contiguous country; but this discriminating duty shall not apply to goods, wares, or merchandise which shall be imported in vessels not of the United States entitled at the time of such importation by treaty or convention or Act of Congress to be entered in the ports of the United States on payment of the same duties as shall then be payable on goods, wares, and merchandise imported in vessels of the United States, nor to goods, wares, and merchandise imported in a vessel owned by citizens of the United States but not a vessel of the United States if such vessel after entering an American port shall, before leaving the same, be documented under chapter 121 of title 46, nor to such foreign products or manufactures as shall be im-

ported from such contiguous countries in the usual course of strictly retail trade.

(Oct. 3, 1913, ch. 16, § IV, J, subsec. 1, 38 Stat. 195; Mar. 4, 1915, ch. 171, § 1, 38 Stat. 1193; June 17, 1930, ch. 497, title IV, § 651(d), 46 Stat. 763; Dec. 8, 1993, Pub. L. 103–182, title VI, § 689(a)(1), 107 Stat. 2222.)

CODIFICATION

Section is a composite of acts Oct. 3, 1913, ch. 16, and Mar. 4, 1915, ch. 171, as amended. The words ''nor to goods, wares, and merchandise imported in a vessel owned by citizens of the United States but not a vessel of the United States if such vessel after entering an American port shall, before leaving the same, be documented under chapter 121 of title 46,'' are based on the nonspecific amendment of act Oct. 3, 1913, by act Mar. 4, 1915, as amended.

Section is also classified in part to section 146 of the Appendix to Title 46, Shipping.

AMENDMENTS

1993—Pub. L. 103–182, which directed the amendment of act Oct. 3, 1913, by substituting ''documented under chapter 121 of title 46,'' for ''registered as a vessel of the United States,'', was executed by making the substitution in that part of this section comprised of provisions of act Mar. 4, 1915. See Codification note above.

AMENDMENT OR REPEAL; EXCEPTION

Section is expressly excepted from amendment or repeal by the Tariff Act of 1930 (act June 17, 1930, ch. 497, title IV, 46 Stat. 763) by section 651(d) of that act which is classified to section 1651(d) of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 130, 1651 of this title.

§ 129. Discriminating duties

No part of the additional or discriminating duty imposed by law on merchandise on account of its importation in foreign vessels shall be allowed to be drawback, but the whole shall be retained.

(R.S. § 3027.)

CODIFICATION

R.S. § 3027 derived from acts May 13, 1800, ch. 64, § 2, 2 Stat. 83; Aug. 30, 1842, ch. 270, § 15, 5 Stat. 563.

COUNTRY OF ORIGIN

§ 130. Importation only in vessels of United States or of country of origin

No goods, wares, or merchandise, unless in cases provided for by treaty, shall be imported into the United States from any foreign port or place, except in vessels of the United States, or in such foreign vessels as truly and wholly belong to the citizens or subjects of that country of which the goods are the growth, production, or manufacture, or from which such goods, wares, or merchandise can only be, or most usually are, first shipped for transportation. All goods, wares, or merchandise imported contrary to this section or section 128 of this title, and the vessel wherein the same shall be imported, together with her cargo, tackle, apparel, and furniture, shall be forfeited to the United States; and such goods, wares, or merchandise, ship, or vessel, and cargo shall be liable to be seized, prosecuted, and condemned in like manner, and under the same regulations, restrictions, and provisions as have been heretofore established for the recovery, collection, distribution, and remission of forfeitures to the United States by the several revenue laws.

(Oct. 3, 1913, ch. 16, § IV, J, subsec. 2, 38 Stat. 196; June 17, 1930, ch. 497, title IV, § 651(d), 46 Stat. 763.)

AMENDMENT OR REPEAL; EXCEPTION

Section is expressly excepted from repeal or amendment by the Tariff Act of 1930 (act June 17, 1930, ch. 497, title IV, 46 Stat. 763) by section 651(d) of that act which is classified to section 1651(d) of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 131, 1651 of this title.

§ 131. Vessels, goods, etc., of nations not maintaining similar regulations; vessels of citizens of the United States

Section 130 of this title shall not apply to vessels or goods, wares, or merchandise imported in vessels of a foreign nation which does not maintain a similar regulation against United States documented vessels nor to any vessel owned by citizens of the United States but not a vessel of the United States if such vessel after entering an American port shall, before leaving the same, be documented under chapter 121 of title 46.

(Oct. 3, 1913, ch. 16, § IV, J, subsec. 3, 38 Stat. 196; Mar. 4, 1915, ch. 171, § 1, 38 Stat. 1193; June 17, 1930, ch. 497, title IV, § 651(d), 46 Stat. 763; Dec. 8, 1993, Pub. L. 103–182, title VI, § 689(a)(2), 107 Stat. 2222.)

CODIFICATION

Section is a composite of acts Oct. 3, 1913, ch. 16, and Mar. 4, 1915, ch. 171, as amended. The words ''nor to any vessel owned by citizens of the United States but not a vessel of the United States if such vessel after entering an American port shall, before leaving the same, be documented under chapter 121 of title 46'' are based on the nonspecific amendment of act Oct. 3, 1913, by act Mar. 4, 1915, as amended.

AMENDMENTS

1993—Pub. L. 103–182, § 689(a)(2)(B), which directed the amendment of act Oct. 3, 1913, by substituting ''documented under chapter 121 of title 46'' for ''registered as a vessel of the United States'', was executed by making the substitution in that part of this section comprised of provisions of act Mar. 4, 1915. See Codification note above.

Pub. L. 103–182, § 689(a)(2)(A), substituted ''United States documented vessels'' for ''vessels of the United States''.

AMENDMENT OR REPEAL; EXCEPTION

Section is expressly excepted from amendment or repeal by the Tariff Act of 1930 (act June 17, 1930, ch. 497, title IV, 46 Stat. 763) by section 651(d) of that act which is classified to section 1651(d) of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1651 of this title.

§§ 132, 133. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762

Sections, act Sept. 21, 1922, ch. 356, title III, § 304(a), (b), 42 Stat. 936, related to marking imported articles

and packages to indicate country of origin and penalty for violation of same.

Corresponding provisions of Tariff Act of 1930, see section 1304 of this title.

EFFECTIVE DATE OF REPEAL

Repeal effective sixty days after enactment of repealing act.

MEDICINAL PREPARATIONS

§ 134. Repealed. Aug. 8, 1953, ch. 397, § 4(b), 67 Stat. 509

Section, R.S. § 2934, required that imported medicinal preparations be marked with the name of the true manufacturer and the place where they were prepared, and provided for forfeiture in the absence of such names. Present provisions relating to the regulation and control of drugs are contained in section 351 et seq., of Title 21, Food and Drugs.

EFFECTIVE DATE OF REPEAL; SAVINGS PROVISION

Repeal effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 258 of this title.

IMPORTATIONS PROHIBITED

§§ 135 to 143. Repealed. June 17, 1939, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title III, §§ 305(a), (c), 306(a)–(c), 307, title IV, § 526(a)–(c), 42 Stat. 936, 937, 975, related to prohibitions on importation of obscene books, neat cattle, convict goods, merchandise bearing trade marks owned by citizens and enforcement provisions.

Provisions of Tariff Act of 1930 corresponding to section 135, see section 1305 of this title; section 136, see section 1305; section 137, see section 1306; section 138, none; section 139, none; section 140, see section 1307; section 141, see section 1526(a); section 142, see section 1526(b); section 143, see section 1526(c).

SPECIAL PROVISIONS FOR ADMISSION OR WITHDRAWAL FROM BONDED WAREHOUSE WITHOUT PAYMENT OF DUTY

§ 144. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title III, § 308, 42 Stat. 938, related to admission without payment of duty under bond for exportation.

§ 144a. Entry under bond of exhibits of arts, sciences, and industries, and products of soil, mine, and sea

All articles which shall be imported from foreign countries for the sole purpose of exhibition or display at a permanent exhibition or exhibitions and/or at a temporary exhibition or exhibitions of the arts, sciences, and industries, and products of the soil, mine, and sea, to be held at any time and from time to time by Rockefeller Center (Incorporated), a corporation organized under the laws of the State of New York, and/or by its tenants or licensees in a building or buildings to be owned by Rockefeller Center (Incorporated), and to be a part of and to be known as Rockefeller Center and to be located between Fifth and Sixth Avenues and Forty-eighth and Fifty-first Streets, in the Borough of Manhattan, city and State of New York, upon which articles there shall be a tariff or customs duty, shall be admitted free of such tariff, customs duty, fees, or charges under such regulations as the Secretary of the Treasury shall prescribe; but it shall be lawful, at any time during or at the close of any exhibition held pursuant to this section, to sell for delivery at the close thereof any goods or property imported for and actually displayed at such exhibition, subject to such regulations for the security of the revenue and for the collection of import duties as the Secretary of the Treasury shall prescribe: *Provided*, That all such articles, when sold or withdrawn for consumption or use in the United States, shall be subject to the duty, if any, imposed upon such articles by the revenue laws in force at the date of their withdrawal and to the requirements of the tariff laws in effect at such date: *And provided further*, That Rockefeller Center (Incorporated) shall be deemed, for customs purposes only, to be the sole consignee of all merchandise imported under the provisions of this section, and that all necessary governmental expenses incurred as a result of exhibitions authorized under this section, including salaries of customs officials in charge of imported articles, shall be paid to the Treasury of the United States by Rockefeller Center (Incorporated) under regulations to be prescribed by the Secretary of the Treasury: *And provided further*, That all such articles shall, at the expiration of two years, be subject to the impost duty then in force, unless the same shall have been sold or exported from this country prior to that period of time: *And provided further*, That nothing in this section contained shall be construed as an invitation, express or implied, from the Government of the United States to any foreign government, state, municipality, corporation, partnership, or individual to import any articles for the purpose of exhibition at the said exhibitions.

(July 19, 1932, ch. 511, 47 Stat. 705.)

IMMUNITY FROM SEIZURE UNDER JUDICIAL PROCESS OF CULTURAL OBJECTS IMPORTED FOR TEMPORARY EXHIBITION OR DISPLAY

Presidential determination of cultural significance of objects and exhibition or display thereof in the national interest, see section 2459 of Title 22, Foreign Relations and Intercourse.

§§ 145 to 147. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section 145, acts June 26, 1884, ch. 121, § 16, 23 Stat. 57; June 19, 1886, ch. 421, § 15, 24 Stat. 82; July 24, 1897, ch. 11, § 14, 30 Stat. 207, related to supplies for vessels in foreign trade or trade between Atlantic and Pacific. See section 1309 of this title.

Section 146, act Sept. 21, 1922, ch. 356, title III, § 309, 42 Stat. 938, related to supplies to war vessels free of duty. See section 1309 of this title.

Section 147, act Sept. 21, 1922, ch. 356, title III, § 310, 42 Stat. 938, related to admission free of duty of merchandise of sunken and abandoned vessels. See section 1310 of this title.

BONDED WAREHOUSES

§§ 148 to 150. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title III, §§ 311, 312, 42 Stat. 938–940, related to bonded manufacturing and smelting warehouses and enforcement provisions. Provisions of Tariff Act of 1930 corresponding to section 148, see section 1311 of this title; section 149, see section 1312; section 150, see section 1312.

§ 151. Bonded warehouses for storage and cleansing of imported garbanzo; withdrawals

Under such regulations and conditions as may be prescribed by the Secretary of the Treasury, bonded warehouses may be established in which imported Mexican peas, commonly called garbanzo may be stored, cleaned, repacked or otherwise changed in condition, but not manufactured, and withdrawn for exportation without the payment of duty thereon. The whole or any part of such imported garbanzo, and the waste material and by-products incident to cleaning or otherwise treating said imported garbanzo, may be withdrawn for domestic consumption upon the payment on the quantity so withdrawn of the duty imposed by law on such garbanzo in their condition as imported. The compensation of customs officers and storekeepers for all services in the supervision of such warehouses shall be paid from moneys advanced by the warehouse proprietor to the appropriate customs officer and be carried in a special account and disbursed for such purposes, and all expenses incurred shall be paid by the warehouse proprietor.

(June 28, 1916, ch. 180, 39 Stat. 239; June 2, 1970, Pub. L. 91–271, title III, § 310, 84 Stat. 292.)

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to the appropriate customs officer for reference to the collector of customs.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91–271 effective with respect to articles entered, or withdrawn from warehouse for consumption, on or after Oct. 1, 1970, and such other articles entered or withdrawn from warehouse for consumption prior to such date, or with respect to which a protest has not been disallowed in whole or in part before Oct. 1, 1970, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

CROSS REFERENCES

Withdrawal of imported merchandise from bonded warehouses, see section 1562 of this title.

DRAWBACKS

§ 152. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title III, § 313, 42 Stat. 940, related to drawbacks on certain articles made from imported materials. For corresponding provisions of Tariff Act of 1930, see section 1313 of this title.

§§ 152a, 152b. Repealed. Oct. 31, 1951, ch. 655, § 56(d), 65 Stat. 729

Sections, act Mar. 8, 1902, ch. 140, §§ 6, 7, 32 Stat. 55, related to drawbacks in connection with articles shipped to, or reexported to, the Philippines. Prior to this repeal, they had been omitted in view of the independence of the Philippines.

SAVINGS PROVISION

Subsec. (*l*) of section 56 of act Oct. 31, 1951, provided that the repeal of these sections shall not affect any rights or liabilities existing hereunder on the effective date of such repeal (Oct. 31, 1951).

REIMPORTING EXPORTED ARTICLES

§ 153. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title III, § 314, 42 Stat. 941, related to duty on articles reimported after exportation free of internal-revenue taxes.

EQUALIZING PRODUCTION COSTS

§§ 154 to 159. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title III, § 315(a)–(f), 42 Stat. 941–943, related to procedure where duties do not equalize differences in costs of production in United States and principal competing country and rules and regulations for entry and declaration of articles.

Provisions of Tariff Act of 1930 corresponding to section 154, see section 1336(a) of this title; section 155, see section 1336(b); section 156, see section 1336(e); section 157, none; section 158, see section 1336(i); section 159, see section 1336(j).

ANTIDUMPING

§§ 160 to 171. Repealed. Pub. L. 96–39, title I, § 106(a), July 26, 1979, 93 Stat. 193

Section 160, acts May 27, 1921, ch. 14, § 201, 42 Stat. 11; Sept. 1, 1954, ch. 1213, title III, § 301, 68 Stat. 1138; Aug. 14, 1958, Pub. L. 85–630, §§ 1, 4(b), 72 Stat. 583, 585; Jan. 3, 1975, Pub. L. 93–618, title III, § 321(a), 88 Stat. 2043, related to initiation of a dumping investigation. See section 1673 et seq. of this title.

Section 161, acts May 27, 1921, ch. 14, § 202, 42 Stat. 11; Sept. 1, 1954, ch. 1213, title III, § 302, 68 Stat. 1139; Aug. 14, 1958, Pub. L. 85–630, §§ 2, 4(b), 72 Stat. 583, 585; June 2, 1970, Pub. L. 91–271, title III, § 311, 84 Stat. 292, related to collection of a special dumping duty. See section 1673 et seq. of this title.

Section 162, acts May 27, 1921, ch. 14, § 203, 42 Stat. 12; Jan. 3, 1975, Pub. L. 93–618, title III, § 321(b), 88 Stat. 2045, related to determination of purchase price of merchandise for purposes of sections 160 to 171 of this title. See section 1673 et seq. of this title.

Section 163, acts May 27, 1921, ch. 14, § 204, 42 Stat. 13; Jan. 3, 1975, Pub. L. 93–618, title III, § 321(c), 88 Stat. 2046, related to determination of price at which merchandise is sold or agreed to be sold in United States. See section 1677a of this title.

Section 164, acts May 27, 1921, ch. 14, § 205, 42 Stat. 13; Aug. 14, 1958, Pub. L. 85–630, § 3, 72 Stat. 584; Jan. 3, 1975, Pub. L. 93–618, title III, § 321(d), 88 Stat. 2046, related to foreign market value of goods for purposes of sections 160 to 171 of this title. See section 1677b of this title.

Section 165, acts May 27, 1921, ch. 14, § 206, 42 Stat. 213; Aug. 14, 1958, Pub. L. 85–630, § 4(a), 72 Stat. 584, related to constructed value of merchandise for purposes of sections 160 to 171 of this title. See section 1673 et seq. of this title.

Section 166, act May 27, 1921, ch. 14, § 207, 42 Stat. 14, defined ''exporter'' as used in sections 160 to 171 of this title. See section 1677(13) of this title.

Section 167, acts May 27, 1921, ch. 14, § 208, 42 Stat. 14; June 2, 1970, Pub. L. 91–271, title III, § 312, 84 Stat. 292, related to oaths and bonds given in case of imported merchandise. See section 1673 et seq. of this title.

Section 168, acts May 27, 1921, ch. 14, §209, 42 Stat. 15; Aug. 14, 1958, Pub. L. 85–630, §4(b), 72 Stat. 585; June 2, 1970, Pub. L. 91–271, title III, §313, 84 Stat. 292, related to duties of customs officers with regard to appraisal of merchandise. See section 1673h of this title.

Section 169, acts May 27, 1921, ch. 14, §210, 42 Stat. 15; May 28, 1926, ch. 411, §1, 44 Stat. 669; Mar. 2, 1929, ch. 488, §1, 45 Stat. 1475; Aug. 14, 1958, Pub. L. 85–630, §4(b), 72 Stat. 585; June 2, 1970, Pub. L. 91–271, title III, §314, 84 Stat. 293, related to protests from determinations of customs officers. See section 1673 et seq. of this title.

Section 170, act May 27, 1921, ch. 14, §211, 42 Stat. 15, related to treatment of antidumping duties as regular duties for purposes of all laws relating to drawback of duties. See section 1673i of this title.

Section 170a, act May 27, 1921, ch. 14, §212, as added Aug. 14, 1958, Pub. L. 85–630, §5, 72 Stat. 585; amended Jan. 3, 1975, Pub. L. 93–618, title III, §321(e), 88 Stat. 2048, defined terms used in sections 160 to 171 of this title. See section 1677 of this title.

Section 171, act May 27, 1921, ch. 14, §213, formerly §212, 42 Stat. 15, renumbered Aug. 14, 1958, Pub. L. 85–630, §5, 72 Stat. 585, authorized citation of sections 160 to 171 of this title as the ''Antidumping Act, 1921''.

EFFECTIVE DATE OF REPEAL

Repeal effective Jan. 1, 1980, see section 107 of Pub. L. 96–39, set out as an Effective Date note under section 1671 of this title.

SAVINGS PROVISION

Pub. L. 96–39, title I, §106(a), July 26, 1979, 93 Stat. 193, provided in part that findings in effect on the effective date of the repeal of sections 160 to 171 of this title (Jan. 1, 1980, see Effective Date of Repeal note set out above) or issued pursuant to court order in an action brought before that date, shall remain in effect, subject to review under section 1675 of this title.

ADMINISTRATION OF THE ANTIDUMPING ACT, 1921, BY UNITED STATES TARIFF COMMISSION; REPORT TO CONGRESS

Pub. L. 90–634, title II, §201, Oct. 24, 1968, 82 Stat. 1347, provided that the International Antidumping Code would not restrict the United States Tariff Commission in performing its duties and functions under sections 160 to 171 of this title [known as the Antidumping Act, 1921], required the Secretary of the Treasury and the Tariff Commission to take that Code into account only when consistent with the provisions of those sections, and required the President to submit a report to Congress for the period between July 1, 1968, and June 30, 1969, which had to include all determinations made by the Secretary of the Treasury and the Tariff Commission during that period relating to those sections, analyze the consideration given the International Antidumping Code in each such determination, summarize actions taken by other countries during such period against United States exports, and the relation of such actions to that Code, and include such recommendations as the President determined appropriate concerning the administration of sections 160 to 171 of this title.

ANTIDUMPING ACT UNAFFECTED BY ACT AUGUST 2, 1956; REVIEW OF OPERATION OF ACT AND REPORT TO CONGRESS

Section 5 of act Aug. 2, 1956, ch. 887, 70 Stat. 948, provided that nothing in that act would be considered to repeal, modify, or supersede, directly or indirectly, any provisions of former sections 160 to 171 of this title [known as the Antidumping Act, 1921] and required the Secretary of the Treasury, after consulting with the United States Tariff Commission, to review the operation and effectiveness of those sections and report thereon to the Congress within six months after August 2, 1956, and to recommend to the Congress any amendment to those sections considered desirable or necessary to provide for greater certainty, speed, and efficiency in the enforcement thereof.

ANTIDUMPING ACT UNAFFECTED BY TARIFF ACT OF 1930

Sections 160 to 171 of this title, which were repealed by Pub. L. 96–39, had previously been excepted from repeal or amendment by act June 17, 1930, ch. 497, 46 Stat. 763 [Tariff Act of 1930], section 651(d) of which provided that nothing in that act would be construed to amend or repeal the Antidumping Act [sections 160 to 171 of this title].

ADDITIONAL DEFINITIONS

§172. Omitted

Section, act May 27, 1921, ch. 14, §406, 42 Stat. 18; Proc. No. 2695, July 4, 1946, 11 F.R. 7517, 60 Stat. 1352, which defined the terms ''person'' and ''United States'' as those terms were used in sections 160 to 171 of this title was omitted in view of the repeal of sections 160 to 171 of this title by Pub. L. 96–39, title I, §106(a), July 26, 1979, 93 Stat. 193.

RULES AND REGULATIONS

§173. Omitted

Section, act May 27, 1921, ch. 14, §407, 42 Stat. 18, which directed the Secretary to make rules and regulations necessary for the enforcement of sections 160 to 171 of this title was omitted in view of the repeal of sections 160 to 171 of this title by Pub. L. 96–39, title I, §106(a), July 26, 1979, 93 Stat. 193.

UNFAIR METHODS OF COMPETITION AND IMPORTATION UNLAWFUL

§§174 to 180. Repealed. June 17, 1930, ch. 497, title IV, §651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title III, §316(a)–(g), 42 Stat. 943, 944, related to unfair acts tending to destroy or injure domestic industries, investigations by Tariff Commission, appeals, and forbidding entry of articles pending completion of investigations.

Provisions of Tariff Act of 1930 corresponding to section 174, see section 1337(a) of this title; section 175, see section 1337(b); section 176, see section 1337(c); section 177, see section 1337(d); section 178, see section 1337(e); section 179, see section 1337(f); section 180, see section 1337(g).

IMPORTS FROM COUNTRIES MAKING DISCRIMINATIONS

§181. Exclusion of imports from countries making discriminations

Whenever the President shall be satisfied that unjust discriminations are made by or under the authority of any foreign state against the importation to or sale in such foreign state of any product of the United States, he may direct that such products of such foreign state so discriminating against any product of the United States as he may deem proper shall be excluded from importation to the United States; and in such case he shall make proclamation of his direction in the premises, and therein name the time when such direction against importation shall take effect, and after such date the importation of the articles named in such proclamation shall be unlawful. The President may at any time revoke, modify, terminate, or renew any such direction as, in his opinion, the public interest may require.

(Aug. 30, 1890, ch. 839, §5, 26 Stat. 415.)

CROSS REFERENCES

Additional duties on or exclusion of products of countries discriminating against United States, see section 1338 of this title.

§§ 182 to 190. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title III, § 317(a)–(i), 42 Stat. 944–946, related to new or additional duties on imports from countries making discriminations against United States products, suspension, exclusion and enforcement provisions. Provisions of Tariff Act of 1930 corresponding to section 182, see section 1338(a) of this title; section 183, see section 1338(b) of this title; section 184, see section 1338(c) of this title; section 185, see section 1338(d) of this title; section 186, see section 1338(e) of this title; section 187, see section 1338(f) of this title; section 188, see section 1338(g) of this title; section 189, see section 1338(h) of this title; section 190, see section 1338(i) of this title.

SPECIAL PROVISIONS

§§ 191, 192. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), (4), 46 Stat. 762, eff. June 18, 1930

Section 191, act Sept. 21, 1922, ch. 356, title III, § 322, 42 Stat. 948, related to duties on automobiles, etc., sold foreign Governments.

Section 192, R.S. § 2804; act Aug. 27, 1894, ch. 349, § 26, 28 Stat. 552, related to entry of cigars.

§§ 193 to 195. Repealed. Pub. L. 87–456, title III, § 303(c), May 24, 1962, 76 Stat. 78

Section 193, act Jan. 9, 1883, ch. 17, 22 Stat. 402, related to grain brought from Canada for grinding.

Section 194, act May 18, 1896, ch. 195, 29 Stat. 122, provided for the return free of articles and livestock exported for exhibition.

Section 195, act Mar. 3, 1899, ch. 454, 30 Stat. 1372, provided for free entry of animals taken abroad with circus or menagerie.

§ 196. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title III, § 319, 42 Stat. 947, related to duties imposed on certain previous imports and basis upon weight at time of entry.

§ 196a. Repealed. Pub. L. 87–456, title III, § 303(c), May 24, 1962, 76 Stat. 78

Section, act Aug. 27, 1949, ch. 517, § 1, 63 Stat, 666, provided for free importation of articles for members of armed forces of foreign countries.

EFFECTIVE DATE OF REPEAL

For effective date of repeal, see section 501(a) of Pub. L. 87–456.

PAYMENT OF DUTY

§ 197. Duties, how payable

Except as provided in section 198 of this title all duties upon imports shall be collected in ready money, and shall be paid in coin, coin certificates, and such other certificates or Treasury notes as may by law be declared receivable in payment thereof.

(R.S. § 3009; Feb. 27, 1877, ch. 69, 19 Stat. 247, 249.)

CODIFICATION

R.S. § 3009 derived from acts Mar. 2, 1833, ch. 55, § 3, 4 Stat. 630; Aug. 6, 1846, ch. 84, § 1, 9 Stat. 53; Feb. 25, 1862, ch. 33, § 5, 12 Stat. 346.

R.S. § 3473, formerly cited as a credit to this section, was repealed by Pub. L. 95–598, title III, § 322(d), title IV, § 402(a), Nov. 6, 1978, 92 Stat. 2679, 2682, effective Oct. 1, 1979.

Prior to its incorporation into the Code, R.S. § 3009, as amended by act Feb. 27, 1877, ch. 69, 19 Stat. 247, read: ''All duties upon imports shall be collected in ready money, and shall be paid in coin or coin certificates or in United States notes, payable on demand, authorized to be issued prior to the twenty-fifth day of February, one thousand eight hundred and sixty-two, and by law receivable in payment of public dues.''

Its provisions were changed to conform to section 198 of this title authorizing the receipt of certified checks in payment of duties; section 405 of Title 31, Money and Finance (act Feb. 28, 1878, ch. 20, § 3, 20 Stat. 26) making certain certificates and treasury notes receivable for customs; section 451 of Title 31, (act Dec. 24, 1919, ch. 15, § 1, 41 Stat. 370) making gold certificates a legal tender in payment of all debts and dues, public and private; and a provision of act Mar. 14, 1900, ch. 41, § 6, 31 Stat. 47, as amended (omitted from the Code as superseded by section 451 of Title 31) that gold certificates should be receivable for customs.

CROSS REFERENCES

Coins and currencies of United States as legal tender for all public debts, charges, taxes, duties, and dues, see section 5103 of Title 31, Money and Finance.

Gold coin discontinued and existing gold coins withdrawn from circulation, see section 5118 of Title 31.

Provisions for payment of obligations in gold as against public policy, see section 5118 of Title 31.

§ 198. Certified checks; receivable for all public dues; lien for payment of

It shall be lawful for collecting officers to receive certified checks drawn on National and State banks and trust companies, during such time and under such regulations as the Secretary of the Treasury may prescribe, in payment for duties on imports, and all public dues, including special customs deposits. No person, however, who may be indebted to the United States on account of duties on imports who shall have tendered a certified check or checks as provisional payment for such duties or taxes, in accordance with the terms of this section, shall be released from the obligation to make ultimate payment thereof until such certified check so received has been duly paid; and if any such check so received is not duly paid by the bank on which it is drawn and so certifying the United States shall, in addition to its right to exact payment from the party originally indebted therefor, have a lien for the amount of such check upon all the assets of such bank; and such amount shall be paid out of its assets in preference to any or all other claims whatsoever against said bank, except the necessary costs and expenses of administration and the reimbursement of the United States for the amount expended in the redemption of the circulating notes of such bank.

(Mar. 2, 1911, ch. 191, § 1, 36 Stat. 965; Mar. 3, 1913, ch. 119, 37 Stat. 733.)

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of those officers, agencies, and

employees, by Reorg. Plan No. 26 of 1950, §§1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Collecting officers, referred to in this section, are officials of Department of the Treasury.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 197 of this title.

§ 199. Judgments, how payable

In all proceedings brought by the United States in any court for due recovery as well of duties upon imports alone as of penalties for the nonpayment thereof, the judgment shall recite that the same is rendered for duties, and such judgment, interest, and costs shall be payable in the coin by law receivable for duties, and the execution issued on such judgment shall set forth that the recovery is for duties, and shall require the marshal to satisfy the same in the coin by law receivable for duties; and in case of levy upon and sale of the property of the judgment debtor, the marshal shall refuse payment from any purchaser at such sale in any other money than that specified in the execution.

(R.S. § 3014.)

CODIFICATION

R.S. § 3014 derived from act Mar. 3, 1865, ch. 80, § 12, 13 Stat. 494.

FEDERAL RULES OF CIVIL PROCEDURE

Effect of rule 69 on this section, see note by Advisory Committee under rule 69 of Title 28, Appendix, Judiciary and Judicial Procedure.

Execution, see rule 69.

SUBTITLE IV—CUSTOMS ADMINISTRATION

ADMINISTRATIVE PROVISIONS

PART 1—DEFINITIONS

§ 231. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762

Section, act Sept. 21, 1922, ch. 356, title IV, § 401, 42 Stat. 948, related to definitions of terms of Tariff Act of 1922.

Corresponding provisions of Tariff Act of 1930, see section 1401 of this title.

§ 232. "Port" defined

The word "port", as used in title 34 of the Revised Statutes, may include any place from which merchandise can be shipped for importation, or at which merchandise can be imported.

(R.S. § 2767.)

REFERENCES IN TEXT

Title 34 of the Revised Statutes, referred to in text, was in the original "this Title", meaning title 34 of the Revised Statutes, consisting of R.S. §§ 2517 to 3129, which are classified to sections 5, 6, 8, 9 to 11, 31, 32, 37, 129, 232, 233, 240, 257, 258, 282, 283, 286 to 294, 338 to 341, 391, 482, 507, 508, 528, 574 of this title, and sections 110 to 112, 123, 124 of Title 46, Appendix, Shipping. For complete classification of R.S. §§ 2517 to 3129 to the Code, see Tables.

§ 233. Departure from prescribed forms

In cases where the forms of official documents, as prescribed by title 34 of the Revised Statutes, shall be substantially complied with and observed, according to the true intent thereof, no penalty or forfeiture shall be incurred by a deviation therefrom.

(R.S. § 2769.)

REFERENCES IN TEXT

Title 34 of the Revised Statutes, referred to in text, was in the original "this Title", meaning title 34 of the Revised Statutes, consisting of R.S. §§ 2517 to 3129, which are classified to sections 5, 6, 8, 9 to 11, 31, 32, 37, 129, 232, 233, 240, 257, 258, 282, 283, 286 to 294, 338 to 341, 391, 482, 507, 508, 528, 574 of this title, and sections 110 to 112, 123, 124 of Title 46, Appendix, Shipping. For complete classification of R.S. §§ 2517 to 3129 to the Code, see Tables.

CODIFICATION

R.S. § 2769 derived from act Mar. 2, 1799, ch. 22, § 111, 1 Stat. 704.

§§ 234 to 239. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, § 402(a)–(f), 42 Stat. 949, 950, related to valuation of imported merchandise, ascertainment of foreign, export, United States value, cost of production, American selling price and value at date of shipment.

Provisions of Tariff Act of 1930 corresponding to section 234, see section 1402(a) of this title; section 235, see section 1402(c) of this title; section 236, see section 1402(d) of this title; section 237, see section 1402(e) of this title; section 238, see section 1402(f) of this title; section 239, see section 1402(g) of this title.

§ 240. Value at date of shipment

When the duty upon any imports shall be subject to be levied upon the true market value of such imports in the principal markets of the country from whence the importation has been made, or at the port of exportation, the duty shall be estimated and collected upon the value on the day of actual shipment, whenever a bill of lading shall be presented showing the date of shipment, and which shall be certified by a certificate of the United States consul or legally authorized deputy.

(R.S. § 2904.)

CODIFICATION

R.S. § 2904 derived from act Mar. 2, 1861, ch. 68, § 28, 12 Stat. 197.

PART 2—REPORT, ENTRY, AND UNLADING OF VESSELS AND VEHICLES

§§ 241 to 256. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 431–446, 42 Stat. 950–953, related to form and contents of manifests, clearance documents, bonds, permits and penalties for violation of same.

Provisions of Tariff Act of 1930 corresponding to sections 241 to 256, see sections 1431 to 1446 of this title, respectively.

§§ 257, 258. Repealed. Pub. L. 91–654, § 3, Jan. 5, 1971, 84 Stat. 1945

Section 257, R.S. § 3114; acts Sept. 21, 1922, ch. 356, title IV, § 466, 42 Stat. 957; June 17, 1930, ch. 497, title IV,

§ 466, 46 Stat. 719, related to duties on equipments or repair parts for vessels. See section 1466(a) of this title.

Section 258, R.S. § 3115; acts Sept. 21, 1922, ch. 356, title IV, § 466, 42 Stat. 957; June 17, 1930, ch. 497, title IV, § 466, 46 Stat. 719; Aug. 8, 1953, ch. 397, § 11(c), 67 Stat. 515, related to the remission of duties for necessary repairs. See section 1466(d) of this title.

EFFECTIVE DATE OF REPEAL

Section 3 of Pub. L. 91–654 provided that the repeal by Pub. L. 91–654 is effective with respect to entries made in connection with arrivals of vessels on or after Jan. 5, 1971 (or treated under section 2 of Pub. L. 91–654, set out as a note under section 1466 of this title, as made on the day after such date).

PROVISIONS INAPPLICABLE TO ENTRIES MADE IN CONNECTION WITH ARRIVALS BEFORE JANUARY 5, 1971, OF VESSELS OPERATED BY OR FOR AGENCY OF UNITED STATES; REFUNDS AFTER AUGUST 7, 1974, BARRED AS TO DUTY PAYMENTS MADE BEFORE JANUARY 5, 1971, UNDER SECTION 257

Pub. L. 93–368, §§ 1, 2, Aug. 7, 1974, 88 Stat. 420, provided: "That sections 3114 and 3115 of the Revised Statutes of the United States (19 U.S.C. 257 and 258) [former sections 257 and 258 of this title] shall not apply to entries made in connection with arrivals before January 5, 1971, of vessels owned by the United States, or bareboat chartered to the United States, and operated by or for the account of any department or agency of the United States.

"SEC. 2. On or after the date of the enactment of this Act [Aug. 7, 1974], no department or agency of the United States shall be entitled to a refund of any duties paid before January 5, 1971, by any department or agency of the United States under section 3114 of the Revised Statutes of the United States [section 257 of this title]."

§§ 259, 260. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 447, 448, 42 Stat. 953, related to place of entry and unlading before entry or report of arrival.

Provisions of Tariff Act of 1930 corresponding to section 259, see section 1447 of this title; section 260, see section 1448 of this title.

§ 261. Omitted

CODIFICATION

Section, acts Feb. 13, 1911, ch. 46, § 5, 36 Stat. 901; Feb. 7, 1920, ch. 61, 41 Stat. 402; Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 990; June 2, 1970, Pub. L. 91–271, title III, § 315, 84 Stat. 293, provided extra compensation for boarding officers performing services at night or on Sundays and holidays, prior to the general revision of section 5 of act Feb. 13, 1911, by section 13811(a) of Pub. L. 103–66, title XIII, Aug. 10, 1993, 107 Stat. 668. Section 5 of act Feb. 13, 1911, as amended by section 13811(a) of Pub. L. 103–66, is classified to section 267 of this title.

§§ 262 to 266. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 449–453, 42 Stat. 954, 955, related to emergency cases of unlading bonds for special licenses and penalties for violation.

Provisions of Tariff Act of 1930 corresponding to section 262, see section 1449 of this title; section 263, see section 1450 of this title; section 264, see section 1451 of this title; section 265, see section 1452 of this title; section 266, see section 1453 of this title.

§ 267. Overtime and premium pay for customs officers

(a) Overtime pay

(1) In general

Subject to paragraph (2) and subsection (c) of this section, a customs officer who is officially assigned to perform work in excess of 40 hours in the administrative workweek of the officer or in excess of 8 hours in a day shall be compensated for that work at an hourly rate of pay that is equal to 2 times the hourly rate of the basic pay of the officer. For purposes of this paragraph, the hourly rate of basic pay for a customs officer does not include any premium pay provided for under subsection (b) of this section.

(2) Special provisions relating to overtime work on callback basis

(A) Minimum duration

Any work for which compensation is authorized under paragraph (1) and for which the customs officer is required to return to the officer's place of work shall be treated as being not less than 2 hours in duration; but only if such work begins at least 1 hour after the end of any previous regularly scheduled work assignment and ends at least 1 hour before the beginning of the following regularly scheduled work assignment.

(B) Compensation for commuting time

(i) In general

Except as provided in clause (ii), in addition to the compensation authorized under paragraph (1) for work to which subparagraph (A) applies, the customs officer is entitled to be paid, as compensation for commuting time, an amount equal to 3 times the hourly rate of basic pay of the officer.

(ii) Exception

Compensation for commuting time is not payable under clause (i) if the work for which compensation is authorized under paragraph (1)—

(I) does not commence within 16 hours of the customs officer's last regularly scheduled work assignment, or

(II) commences within 2 hours of the next regularly scheduled work assignment of the customs officer.

(b) Premium pay for customs officers

(1) Night work differential

(A) 3 p.m. to midnight shiftwork

If the majority of the hours of regularly scheduled work of a customs officer occurs during the period beginning at 3 p.m. and ending at 12 a.m., the officer is entitled to pay for work during such period (except for work to which paragraph (2) or (3) applies) at the officer's hourly rate of basic pay plus premium pay amounting to 15 percent of that basic rate.

(B) 11 p.m. to 8 a.m. shiftwork

If the majority of the hours of regularly scheduled work of a customs officer occurs

during the period beginning at 11 p.m. and ending at 8 a.m., the officer is entitled to pay for work during such period (except for work to which paragraph (2) or (3) applies) at the officer's hourly rate of basic pay plus premium pay amounting to 20 percent of that basic rate.

(C) 7:30 p.m. to 3:30 a.m. shiftwork

If the regularly scheduled work assignment of a customs officer is 7:30 p.m. to 3:30 a.m., the officer is entitled to pay for work during such period (except for work to which paragraph (2) or (3) applies) at the officer's hourly rate of basic pay plus premium pay amounting to 15 percent of that basic rate for the period from 7:30 p.m. to 11:30 p.m. and at the officer's hourly rate of basic pay plus premium pay amounting to 20 percent of that basic rate for the period from 11:30 p.m. to 3:30 a.m.

(2) Sunday differential

A customs officer who performs any regularly scheduled work on a Sunday that is not a holiday is entitled to pay for that work at the officer's hourly rate of basic pay plus premium pay amounting to 50 percent of that basic rate.

(3) Holiday differential

A customs officer who performs any regularly scheduled work on a holiday is entitled to pay for that work at the officer's hourly rate of basic pay plus premium pay amounting to 100 percent of that basic rate.

(4) Treatment of premium pay

Premium pay provided for under this subsection may not be treated as being overtime pay or compensation for any purpose.

(c) Limitations

(1) Fiscal year cap

The aggregate of overtime pay under subsection (a) of this section (including commuting compensation under subsection (a)(2)(B) of this section) and premium pay under subsection (b) of this section that a customs officer may be paid in any fiscal year may not exceed $25,000; except that the Commissioner of Customs or his designee may waive this limitation in individual cases in order to prevent excessive costs or to meet emergency requirements of the Customs Service.

(2) Exclusivity of pay under this section

A customs officer who receives overtime pay under subsection (a) of this section or premium pay under subsection (b) of this section for time worked may not receive pay or other compensation for that work under any other provision of law.

(d) Regulations

The Secretary of the Treasury shall promulgate regulations to prevent—

(1) abuse of callback work assignments and commuting time compensation authorized under subsection (a)(2) of this section; and

(2) the disproportionately more frequent assignment of overtime work to customs officers who are near to retirement.

(e) Definitions

As used in this section:

(1) The term ''customs officer'' means an individual performing those functions specified by regulation by the Secretary of the Treasury for a customs inspector or canine enforcement officer. Such functions shall be consistent with such applicable standards as may be promulgated by the Office of Personnel Management.

(2) The term ''holiday'' means any day designated as a holiday under a Federal statute or Executive order.

(Feb. 13, 1911, ch. 46, §5, 36 Stat. 901; Feb. 7, 1920, ch. 61, 41 Stat. 402; June 2, 1970, Pub. L. 91–271, title III, §316, 84 Stat. 293; Aug. 10, 1993, Pub. L. 103–66, title XIII, §13811(a), 107 Stat. 668.)

CODIFICATION

Section derived from R.S. §2872, as amended by act June 26, 1884, ch. 121, §25, 23 Stat. 59.

Prior to the general revision of section 5 of act Feb. 13, 1911, by section 13811(a) of Pub. L. 103–66, provisions of section 5 of act Feb. 13, 1911, relating to extra compensation for boarding officers performing services at night or on Sundays and holidays, were classified to section 261 of this title.

AMENDMENTS

1993—Pub. L. 103–66 amended section generally, substituting provisions relating to overtime and premium pay for customs officers for provisions relating to fixing of working hours and overtime compensation by Secretary of the Treasury.

1970—Pub. L. 91–271 substituted references to the appropriate customs officer for references to the collector of customs wherever appearing, and struck out reference to inspectors, storekeepers, weighers, and other customs officers and employees.

EFFECTIVE DATE OF 1993 AMENDMENT

Section 13811(c) of Pub. L. 103–66 provided that: ''The amendments made by subsections (a) and (b) [amending this section and section 1450 of this title, repealing section 1451a of this title, and omitting provisions formerly set out as section 261 of this title] apply to customs inspectional services provided on or after January 1, 1994.''

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of those officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Customs officers, referred to in this section, are under Department of the Treasury.

CROSS REFERENCES

Overtime pay, see section 5541 et seq. of Title 5, Government Organization and Employees.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 58c, 267a, 1451 of this title; title 5 sections 5549, 8331.

§ 267a. Foreign language proficiency awards

Cash awards for foreign language proficiency may, under regulations prescribed by the Secretary of the Treasury, be paid to customs officers (as referred to in section 267(e)(1) of this title) to the same extent and in the same manner as would be allowable under subchapter III of chapter 45 of title 5 with respect to law enforcement officers (as defined by section 4521 of such title).

(Pub. L. 103–66, title XIII, § 13812(b), Aug. 10, 1993, 107 Stat. 671.)

EFFECTIVE DATE

Section 13812(c)(2) of Pub. L. 103–66 provided that: ''Subsection (b) [enacting this section] takes effect on January 1, 1994.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 58c of this title.

§§ 268 to 272. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 454–458, 42 Stat. 955, 956, related to duties and compensation of boarding and discharging inspectors, custody of cargo not unladen promptly, unlading at risk of consignee and time for unlading bulk cargo.

Provisions of Tariff Act of 1930 corresponding to section 268, see section 1455 of this title; section 269, see section 1456 of this title; section 270, see section 1457 of this title; section 271, none; section 272, see section 1458 of this title.

§§ 273, 274. Repealed. Aug. 8, 1953, ch. 397, § 4(b), 67 Stat. 509

Sections, R.S. §§ 2885, 2886, required the containers of imported liquors or distilled spirits to be marked or scored at the port of landing with the capacity, wine gallons, proof, proof gallons, and other detailed information, such marks to be obliterated upon sale.

EFFECTIVE DATE OF REPEAL

Section 1 of act Aug. 8, 1953, provided that such act is effective, except as otherwise specifically provided for, on and after the thirtieth day following the date of its enactment (Aug. 8, 1953).

The exception ''except as otherwise specifically provided for'' apparently refers to the amendments made to the provisions preceding subd. (1) of section 1308 of this title and to section 1557(b) of this title, for which separate effective dates were provided as explained in notes under those sections.

SAVINGS PROVISION

Section 23 of act Aug. 8, 1953, provided: ''Except as may be otherwise provided for in this Act, the repeal of existing law or modifications thereof embraced in this Act shall not affect any act done, or any right accruing or accrued, or any suit or proceeding had or commenced in any civil or criminal case prior to such repeal or modification, but all liabilities under such laws shall continue, except as otherwise specifically provided in this Act, and may be enforced in the same manner as if such repeal, or modification had not been made.''

§§ 275 to 281. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 459–465, 42 Stat. 956, 957, related to documentary reports, manifests, permits on imports from contiguous countries and enforcement provisions.

Provisions of Tariff Act of 1930 corresponding to sections 275 to 281, see sections 1459 to 1465 of this title, respectively.

§ 282. Repealed. Pub. L. 103–182, title VI, § 690(a)(2), Dec. 8, 1993, 107 Stat. 2222

Section, R.S. § 3111; Pub. L. 91–271, title III, § 317, June 2, 1970, 84 Stat. 293, related to oath to be taken by masters of certain vessels.

§ 283. Duty on saloon stores

Articles purchased for the use of or for sale on board any such vessel, as saloon stores or supplies, shall be deemed merchandise, and shall be liable, when purchased at a foreign port, to entry and the payment of the duties found to be due thereon, at the first port of arrival of such vessel in the United States; and for a failure on the part of the saloon keeper or person purchasing or owning such articles to report, make entries, and pay duties, as hereinbefore required, such articles, together with the fixtures and other merchandise, found in such saloon or on or about such vessel, belonging to and owned by such saloon keeper or other person interested in such saloon, shall be seized and forfeited, and such saloon keeper or other person so purchasing and owning shall be liable to a penalty of not less than $100 and not more than $500, and shall be punishable by imprisonment for not less than three months and not more than two years.

(R.S. § 3113.)

CODIFICATION

R.S. § 3113 derived from acts July 18, 1866, ch. 201, § 22, 14 Stat. 183; Feb. 10, 1871, ch. 45, 16 Stat. 409.

§§ 284, 285. Repealed. July 3, 1926, ch. 757, § 3, 44 Stat. 832

Sections, R.S. §§ 3116, 3117, related to manifests of vessels in coasting trade and entry for goods taken or delivered at intermediate ports.

§§ 286, 287. Repealed. Pub. L. 103–182, title VI, § 690(a)(3), (4), Dec. 8, 1993, 107 Stat. 2222

Section 286, R.S. § 3118, mandated that master of any enrolled or licensed vessel file a manifest and obtain clearance before departing from a port in one collection district to a place in another collection district where there is not customhouse.

Section 287, R.S. § 3119, related to reporting requirements for merchandise destined for foreign ports and exempted unlading of cargo brought from American ports from permit requirements.

§ 288. Documented vessels

Documented vessels with a coastwise, Great Lakes endorsement, departing from or arriving at a port in one district to or from a port in another district, and also touching at intermediate foreign ports, shall not thereby become liable to the payment of entry and clearance fees, as if from or to foreign ports.

(R.S. § 2793; Sept. 25, 1941, ch. 423, 55 Stat. 733; 1946 Reorg. Plan No. 3, §§ 101–104, eff. July 16, 1946, 11 F.R. 7875, 60 Stat. 1097; Dec. 8, 1993, Pub. L. 103–182, title VI, § 686(a)(1), 107 Stat. 2220.)

CODIFICATION

R.S. § 2793 derived from Res. Feb. 10, 1871, No. 27, § 2, 16 Stat. 595.

Provisions of this section are also set out in section 111 of Title 46, Appendix, Shipping.

Provision of R.S. § 2793 respecting tonnage duties is classified to section 123 of Title 46, Appendix.

AMENDMENTS

1993—Pub. L. 103–182 substituted ''Documented vessels with a coastwise, Great Lakes endorsement,'' for ''Enrolled or licensed vessels engaged in the foreign and coasting trade on the northern, northeastern, and northwestern frontiers of the United States,'' and ''foreign ports.'' for ''foreign ports; but such vessel shall, notwithstanding, be required to enter and clear; except that when such vessels are on such voyages on the Great Lakes and touch at foreign ports for the purpose of taking on bunker fuel only, they may be exempted from entering and clearing under such rules and regulations as the Commissioner of Customs may prescribe, notwithstanding any other provisions of law: *Provided*, That this exception shall not apply to such vessels if, while at such foreign port, they land or take on board any passengers, or any merchandise other than bunker fuel, receive orders, discharge any seamen by mutual consent, or engage any seamen to replace those discharged by mutual consent, or transact any other business save that of taking on bunker fuel.''

1941—Act Sept. 25, 1941, inserted exception and proviso at end of section.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Commissioner of Customs, referred to in this section, is an officer of Department of the Treasury.

''Commissioner of Customs'' substituted in text for ''Secretary of Commerce'' on authority of Reorg. Plan No. 3 of 1946, §§ 101–104, eff. July 16, 1946, 11 F.R. 7875, 60 Stat. 1097, set out in the Appendix to Title 5.

§§ 289 to 292. Repealed. Pub. L. 103–182, title VI, § 690(a)(1), (5)–(7), Dec. 8, 1993, 107 Stat. 2222, 2223

Section 289, R.S. § 2792; May 28, 1908, ch. 212, § 1, 35 Stat. 424, exempted certain ferryboats and passenger vessels from clearance fees.

Section 290, R.S. § 3122, mandated that master of any enrolled or licensed vessel destined with cargo from a place in the United States, at which there may be no customhouse, to a port where there may be a customhouse, deliver a manifest within twenty-four hours after arriving at port of destination.

Section 291, R.S. § 3124; Feb. 14, 1903, ch. 552, § 10, 32 Stat. 829; 1946 Reorg. Plan No. 3, §§ 101–104, eff. July 16, 1946, 11 F.R. 7875, 60 Stat. 1097, related to format and content of forms for manifests, certificates of clearance, and oaths.

Section 292, R.S. § 3125, related to penalty for neglect or failure to comply with sections 286, 287, 290, and 291 of this title.

§ 293. Documented vessels touching at foreign ports

Any United States documented vessel with a registry or coastwise endorsement, or both[1] may engage in trade between one port in the United States and one or more ports within the same, with the privilege of touching at one or more foreign ports during the voyage, and land and take in thereat merchandise, passengers and their baggage, and letters, and mails.

(R.S. § 3126; Pub. L. 91–271, title III, § 318, June 2, 1970, 84 Stat. 293; Pub. L. 103–182, title VI, § 686(a)(2), Dec. 8, 1993, 107 Stat. 2220.)

CODIFICATION

R.S. § 3126 derived from act May 27, 1848, ch. 48, § 1, 9 Stat. 232.

AMENDMENTS

1993—Pub. L. 103–182 substituted ''Any United States documented vessel with a registry or coastwise endorsement, or both'' for ''Any vessel, on being duly registered in pursuance of the laws of the United States,'' and struck out at end ''All such vessels shall be furnished by the appropriate customs officers of the ports at which they shall take in their cargoes in the United States, with certified manifests, setting forth the particulars of the cargoes, the marks, number of packages, by whom shipped, to whom consigned, at what port to be delivered; designating such merchandise as is entitled to drawback, or to the privilege of being placed in warehouse; and the masters of all such vessels shall, on their arrival at any port of the United States from any foreign port at which such vessel may have touched, as herein provided, conform to the laws providing for the delivery of manifests of cargo and passengers taken on board at such foreign port, and all other laws regulating the report and entry of vessels from foreign ports, and be subject to all the penalties therein prescribed.''

1970—Pub. L. 91–271 substituted reference to appropriate customs officers for reference to collectors.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as an Effective Date of 1970 Amendment note under section 1500 of this title.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of those officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Customs officers, referred to in this section, are under Department of the Treasury.

§ 294. No duty by reason of documented vessel touching at foreign port

Any foreign merchandise taken in at one port of the United States to be conveyed a[1] United States documented vessel with a registry or coastwise endorsement, or both, to any other port within the same, either under the provisions relating to warehouses, or under the laws regulating the transportation coastwise of merchandise entitled to drawback, as well as any merchandise not entitled to drawback, but on which the import duties chargeable by law shall have been duly paid, shall not become subject to any import duty by reason of the vessel in which they may arrive having touched at a foreign port during the voyage.

(R.S. § 3127; Pub. L. 103–182, title VI, § 686(a)(3), Dec. 8, 1993, 107 Stat. 2220.)

[1] So in original. Probably should be followed by a comma.

[1] So in original. Probably should be ''in a''.

CODIFICATION

R.S. § 3127 derived from act May 27, 1848, ch. 48, § 2, 9 Stat. 232.

AMENDMENTS

1993—Pub. L. 103–182 substituted ''a United States documented vessel with a registry or coastwise endorsement, or both,'' for ''in registered vessels''.

PART 3—ASCERTAINMENT, COLLECTION, AND RECOVERY OF DUTIES

§§ 331 to 337. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 481(a)–(c), 482(a)–(d), 42 Stat. 958, related to contents of invoices, certification in different consular districts and declarations indorsed on invoices.

Provisions of Tariff Act of 1930 corresponding to section 331, see section 1481(a) of this title; section 332, see section 1481(b) of this title; section 333, see section 1481(c) of this title; section 334, see section 1482(a) of this title; section 335, see section 1482(b) of this title; section 336, see section 1482(c) of this title; section 337, see section 1482(d) of this title.

Sections 331 to 333 were repealed effective on day after enactment of repealing act.

Sections 334 to 337 were repealed effective sixty days after enactment of repealing act.

§ 338. Indorsement upon invoice; port of entry

The person producing an invoice for certification shall at the same time declare to the consul or vice consul the port in the United States at which it is intended to make entry of merchandise; whereupon the consul, or vice consul, shall indorse upon each of the triplicates a certificate, under his hand and official seal, stating that the invoice has been produced to him, with the date of such production, and the name of the person by whom the same was produced, and the port in the United States at which it shall be the declared intention to make entry of the merchandise therein mentioned.

(R.S. § 2855; Apr. 5, 1906, ch. 1366, § 3, 34 Stat. 100.)

CODIFICATION

R.S. § 2855 derived from act Mar. 3, 1863, ch. 76, § 1, 12 Stat. 738.

Section is based on the first sentence of R.S. § 2855. The second sentence of R.S. § 2855, which related to the disposition of certified copies of invoices, was superseded by section 482(e) of the Tariff Act of 1922, and later by section 482(e) of the Tariff Act of 1933 which is classified to section 1482(e) of this title.

§ 339. Restriction on consular certificates

No consular officer of the United States shall grant a certificate for merchandise shipped from countries adjacent to the United States, which have passed a consulate after purchase for shipment.

(R.S. § 2861.)

CODIFICATION

R.S. § 2861 derived from act Feb. 22, 1873, ch. 184, § 3, 17 Stat. 474.

§ 340. Consuls to exact proof of invoice

All consular officers are authorized to require, before certifying any invoice, satisfactory evidence, either by the oath of the person presenting such invoices or otherwise, that such invoices are correct and true. In the exercise of the discretion hereby given, the consular officers shall be governed by such general or special regulations or instructions as may from time to time be established or given by the Secretary of State.

(R.S. § 2862.)

CODIFICATION

R.S. § 2862 derived from act Mar. 3, 1865, ch. 111, 13 Stat. 532.

§ 341. Fraudulent practices; consul's report

All consuls of the United States having any knowledge or belief of any case or practice of any person who obtains verification of any invoice whereby the revenue of the United States is or may be defrauded, shall report the facts to the appropriate customs officer of the port where the revenue is or may be defrauded, or to the Secretary of the Treasury.

(R.S. § 2863; Apr. 5, 1906, ch. 1366, § 3, 34 Stat. 100; June 2, 1970, Pub. L. 91–271, title III, § 319, 84 Stat. 293.)

CODIFICATION

R.S. § 2863 derived from act July 14, 1862, ch. 163, § 18, 12 Stat. 559.

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to the appropriate customs officer for reference to the collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of those officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Customs officers, referred to in this section, are under Department of the Treasury.

§§ 342 to 375. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 482(e), (f), 483, 484(a)–(g), 485(a)–(f), 486–497, 498(a), (b), 499, and 500(a)–(c), 42 Stat. 959–965, related to ascertainment, collection and recovery of goods.

Provisions of Tariff Act of 1930 corresponding to section 342, see section 1482(e) of this title; section 343, see section 1482(f) of this title; section 344, see section 1483 of this title; section 345, see section 1484(a) of this title; section 346, see section 1484(b) of this title; section 347, see section 1484(c) of this title; section 348, see section 1484(d) of this title; section 349, see section 1484(e) of this title; section 350, see section 1484(f) of this title; section 351, see section 1484(g) of this title; section 352, see section 1485(a) of this title; section 353, see section 1485(b) of this title; section 354, see section 1485(c) of this title; section 355, see section 1485(d) of this title; section 356, see section 1485(e) of this title; section 357, see section 1485(f) of this title; section 358, none, but see section 1623 of this title; section 359, see section 1487 of this title; section 360, see section 1488 of this title; sec-

tion 361, see section 1503(b) of this title; section 362, see section 1490 of this title; section 363, see section 1491 of this title; section 364 see section 1492 of this title; section 365, see section 1493 of this title; section 366, see section 1494 of this title; section 367, see section 1495 of this title; section 368, see section 1496 of this title; section 369, see section 1497 of this title; section 370, see section 1498(a) of this title; section 371, see section 1498(b) of this title; section 372, see section 1499 of this title; section 373, see section 1500(a) of this title; section 374, see section 1500(b) of this title; section 375, see section 1500(d) of this title.

EFFECTIVE DATE OF REPEAL

Sections 342 and 343 repealed effective sixty days after enactment of repealing act.

Sections 344 to 375 repealed effective on day following date of enactment of repealing act.

§ 376. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(10), 70 Stat. 947

Section, R.S. § 2615, related to report of assistant appraiser at New York.

§ 377. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title IV, § 500(d), 42 Stat. 966, related to duties of examiners. For corresponding provisions of Tariff Act of 1930, see section 1500(e) of this title.

§ 378. Repealed. Feb. 28, 1933, ch. 131, § 1, 47 Stat. 1349

Section, R.S. § 2938, related to appraiser as special examiner.

Section 2 of the repealing act provided that rights or liabilities existing under this section on Feb. 28, 1933, should not be affected thereby.

§ 379. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(25), 70 Stat. 947

Section, R.S. § 2612, provided for instructions to prevent importation of adulterated drugs. Special examiners of drugs are no longer appointed. For functions with relation to adulterated drugs, see section 321 et seq. of Title 21, Food and Drugs.

§§ 380 to 389. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 500(e), 501, 502(a)–(c), 503–507, 42 Stat. 966–968, related to appeals for reappraisement, regulations for appraisal and classification, etc., and reversal or modification of rulings of Secretary of Treasury.

Provisions of Tariff Act of 1930 corresponding to section 380, see section 1500(f) of this title; section 381, see section 1501 of this title; section 382, see section 1502(a) of this title; section 383, see section 1502(b) of this title; section 384, see section 1502(c) of this title; section 385, see sections 1503 and 1504 [repealed] of this title; section 386, see section 1505 of this title; section 387, see section 1506 of this title; section 388, see section 1507 of this title; section 389, see section 1508 [repealed] of this title.

§ 390. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(26), 70 Stat. 948

Section, R.S. § 2918, provided for adoption of a hydrometer for use in ascertaining proof of liquors. See section 5204(b) of Title 26, Internal Revenue Code.

§ 391. Ascertainment of duties on grain

For the purpose of estimating the duties on importations of grain, the number of bushels shall be ascertained by weight, instead of by measuring; and sixty pounds of wheat, fifty-six pounds of corn, fifty-six pounds of rye, forty-eight pounds of barley, thirty-two pounds of oats, sixty pounds of peas, and forty-two pounds of buckwheat, avoirdupois weight, shall respectively be estimated as a bushel.

(R.S. § 2919.)

CODIFICATION

R.S. § 2919 derived from act July 18, 1866, ch. 201, § 38, 14 Stat. 187.

§§ 392 to 405. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 508–518, 42 Stat. 968–972, related to examination of importers, consignees, agents, etc.

The following table shows the classification of former sections to the present similar provisions in the Tariff Act of 1930, as incorporated in this title.

Former section	*Present section*
392	1509
393	1510
394.	
395	1511
396	1512
397	1513
398	1514
399	1515
400	1516(a)
401	1516(b)
402	1516(c)
403.	
405.	

§ 405a. Repealed. Pub. L. 96–417, title VI, § 603, Oct. 10, 1980, 94 Stat. 1744

Section, acts May 28, 1926, ch. 411, § 1, 44 Stat. 669; June 25, 1948, ch. 646, § 22, 62 Stat. 990, renamed the Board of General Appraisers as the United States Customs Court and provided that the members be known as judges of the United States Customs Court.

EFFECTIVE DATE OF REPEAL

Repeal effective Nov. 1, 1980, and applicable with respect to civil actions pending on or commenced on or after such date, see section 701(a) of Pub. L. 96–417, set out as an Effective Date of 1980 Amendment note under section 251 of Title 28, Judiciary and Judicial Procedure.

§ 405b. Omitted

Section, act May 28, 1926, ch. 411, § 2, 44 Stat. 669, provided that the jurisdiction, powers, and duties of the Board referred to in section 405a of this title, its subdivisions and its officers, and their appointment, including the designation of its presiding officers, and the immunities, tenure of office, powers, duties, rights, and privileges of the members of the Board, shall remain the same as provided by existing law.

§§ 406 to 409. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 519, 520(a), (b), 521, 42 Stat. 973, related to copies of decisions of United States Customs Court for Collectors and Secretary of the Treasury, refund of duties and liquidation of duties.

Provisions of Tariff Act of 1930 corresponding to section 406, see section 1519 of this title [repealed]; section 407, see section 1520(a) of this title; section 408, see section 1520(b) of this title; section 409, see section 1521 of this title.

§§ 413 to 419. Repealed. June 17, 1930, ch. 497, title IV, §§ 641(e), 651(a)(1), 46 Stat. 760, 762, eff. June 18, 1930

Sections 413 and 414, act Sept. 21, 1922, ch. 356, title IV §§ 524, 525, 42 Stat. 975, related to disposal of receipts and detail from field service for Washington duty.

Sections 415 to 419, act June 10, 1910, ch. 283, §§ 1–5, 36 Stat. 464, 465, related to issuance and revocation of customhouse broker's licenses. Repeal was subject to an exception as follows: ''Except that any license issued * * * shall continue in force and effect, subject to suspension and revocation in the same manner and upon the same conditions as licenses issued pursuant to subdivision (a) of this section.'' Subdivision (a) is set forth in section 1641 of this title, and such section now regulates the licensing of customhouse brokers. Subsection (e) of section 641, act of 1930, the repealing act, was repealed by act August 26, 1935, ch. 689, § 5, 49 Stat. 865, but sections 415 to 419 of this title were not thereby revived.

Provisions of Tariff Act of 1930 corresponding to section 413, see section 1524 of this title; section 414, see section 1525 [repealed] of this title; sections 415 to 419, see section 1641 of this title.

§ 420. Repealed. Pub. L. 87–456, title III, § 303(c), May 24, 1962, 76 Stat. 78

Section, R.S. § 2951, defined the word ''ton'' and was previously omitted.

EFFECTIVE DATE OF REPEAL

For effective date of repeal, see section 501(a) of Pub. L. 87–456, set out as an Effective Date of Tariff Classification Act of 1962 note preceding section 1202 of this title.

PART 4—TRANSPORTATION IN BOND AND WAREHOUSING OF MERCHANDISE

§§ 451 to 459. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 551–559, 42 Stat. 975–977, related to carriers of bonded merchandise, transportation restrictions, bonds, regulations, and abandonment of merchandise in bonded warehouses.

The following table shows the classification of former sections to the present similar provisions in the Tariff Act of 1930, as incorporated in this title.

Former section	*Present section*
451	1551
452	1552
453	1553
454	1554
455	1555
456	1556
457	1557
458	1558
459	1559

§ 460. Retention of distilled spirits, wines, etc., in warehouse during prohibitory period

Under regulations prescribed by the Secretary of the Treasury, any imported distilled spirits, wines, or other liquors which may be in any customs bonded warehouse under the customs laws on the date any prohibition of their sale or removal, by any Act of Congress, or proclamation of the President of the United States takes effect shall be permitted to remain therein without payment of any taxes or duties thereon, beyond the three-year period provided by law, during such period of prohibition; and may be exported at any time during such extended period. Any imported spirits, wines, or other liquors as to which the three-year bonded period may have expired after February 24, 1919, and prior to the date such prohibition takes effect may at the option of the owner remain in bond during such period of prohibition.

(Feb. 24, 1919, ch. 18, § 600(b), 40 Stat. 1106.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

§§ 461 to 466. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 560–565, 42 Stat. 977–979, related to leasing warehouses by Secretary of the Treasury, public stores, withdrawal from and deterioration of merchandise in bonded warehouses, liens for freight charges and cartage of merchandise.

The following table shows the classification of former sections to the present similar provisions in the Tariff Act of 1930, as incorporated in this title.

Former section	*Present section*
461	1560
462	1561
463	1562
464	1563
465	1564
466	1565

§ 467. Imported distilled spirits, wines, or malt liquors; regulations for marks, brands, and stamps or devices on bulk containers; forfeitures

The Secretary of the Treasury may by regulation require such marks, brands, and stamps or devices to be placed on any bulk container (including a pipeline) used for holding, storing, transferring or conveying imported distilled spirits, wines, or malt liquors as he deems necessary and proper in the administration of the Federal laws applicable to such imported distilled spirits, wines, or malt liquors and may specify those marks, brands, and stamps or devices which the importer or owner shall place or have placed on such containers. Any such container of imported distilled spirits, wines, or malt liquors withdrawn from customs custody purporting to contain imported distilled spirits, wines, or malt liquors found without having thereon any mark, brand, stamp, or device the Secretary of the Treasury may require, shall be with its contents, forfeited to the United States of America.

(Mar. 1, 1879, ch. 125, § 11, 20 Stat. 342; Oct. 3, 1978, Pub. L. 95–410, title II, § 201, 92 Stat. 898.)

AMENDMENTS

1978—Pub. L. 95–410 substituted provisions authorizing the Secretary of the Treasury to require by regulation the placing of marks, brands, and stamps or devices on bulk containers of imported distilled spirits, wines, or malt liquors used for holding, storing, transferring or conveying the imported liquors for prior provisions for deposit of imported distilled spirits, wines, and malt liquors in public store or bonded warehouse, inspection of packages, affixing of stamps thereto, and special stamps for cask or package of not less than five

wine-gallons filled for shipment, sale, or delivery on premises of any wholesale liquor-dealer under rules and regulations prescribed by Commissioner of Internal Revenue.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Commissioner of Internal Revenue, referred to in this section, is an officer of Department of the Treasury.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 468 of this title.

§ 468. Stamps and brands effaced on emptying packages of imported liquors

Every person who empties or draws off, or causes to be emptied or drawn off, the contents of any package of imported liquors stamped as above required, shall, at the time of such emptying, efface, obliterate, and destroy the stamp thereon, and also all other marks or brands which shall have been placed thereon in accordance with the law or regulations concerning imported liquors; every cask or other package from which the stamp for imported liquors required by section 467 of this title to be placed thereon shall not be effaced, obliterated, or destroyed, on emptying such package, shall be forfeited, and the same may be seized by any officer of internal revenue wherever found; and all the provisions and penalties of R.S. §3324, relating to empty casks or packages from which the marks, brands, or stamps have not been effaced or obliterated, and relating to the removal of stamps from packages, and to having in possession any stamps so removed, shall apply to the stamps for imported spirits herein provided for, and to the casks or other packages on which such stamps shall have been used.

(Mar. 1, 1879, ch. 125, §12, 20 Stat. 342; May 28, 1880, ch. 108, §12, 21 Stat. 148.)

REFERENCES IN TEXT

R.S. §3324, referred to in text, related to stamps and brands to be effaced from empty casks and penalty for omitting to efface and for transporting in violation of law. See sections 5206(d), 5604, and 7301 of Title 26, Internal Revenue Code.

§ 469. Dealing in or using empty stamped imported liquor containers

If any person shall purchase or sell, with the imported-liquor stamp herein required remaining thereon, or any of the marks or brands which shall have been placed thereon in accordance with the laws or regulations concerning imported liquors remaining thereon, any cask or other package, after the same has been once used to contain imported liquors and has been emptied; or if any person shall use or have in possession such cask or package, with any imitation of such marks or brands, for the purpose of placing domestic distilled spirits therein for sale; every such cask or package, with its contents, if any, shall be forfeited to the United States. And every such person who shall violate any of the provisions of this section shall be liable to a penalty of $200 for every such cask or package so purchased, sold, used, or had in possession.

(Mar. 1, 1879, ch. 125, §13, 20 Stat. 343; May 28, 1880, ch. 108, §13, 21 Stat. 148.)

§ 471. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title IV, §560, 42 Stat. 977, related to prohibition of ownership of bonded warehouses by customs officers.

Corresponding provisions of Tariff Act of 1930, see section 1560 of this title.

§§ 472 to 475. Repealed. Aug. 8, 1953, ch. 397, § 16(f), 67 Stat. 517

Sections, act June 8, 1896, ch. 371, §§1–4, 29 Stat. 263, related to special delivery and appraisement of imported articles of limited value and weight.

EFFECTIVE DATE OF REPEAL

Section 1 of act Aug. 8, 1953, provided that such act is effective, except as otherwise specifically provided for, on and after thirtieth day following date of its enactment (Aug. 8, 1953).

The exception "except as otherwise specifically provided for" apparently refers to amendments made to provisions preceding subd. (1) of section 1308 of this title and to section 1557(b) of this title, for which separate effective dates were provided as explained in notes under those sections.

SAVINGS PROVISION

Section 23 of act Aug. 8, 1953, provided: "Except as may be otherwise provided for in this Act, the repeal of existing law or modifications thereof embraced in this Act shall not affect any act done, or any right accruing or accrued, or any suit or proceeding had or commenced in any civil or criminal case prior to such repeal or modification, but all liabilities under such laws shall continue, except as otherwise specifically provided in this Act, and may be enforced in the same manner as if such repeal, or modification had not been made."

PART 5—ENFORCEMENT PROVISIONS

§ 481. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title IV, §581, 42 Stat. 979, related to seizure of vessel or merchandise. Corresponding provisions of Tariff Act of 1930, see section 1581 of this title.

§ 482. Search of vehicles and persons

Any of the officers or persons authorized to board or search vessels may stop, search, and examine, as well without as within their respective districts, any vehicle, beast, or person, on which or whom he or they shall suspect there is merchandise which is subject to duty, or shall have been introduced into the United States in any manner contrary to law, whether by the person in possession or charge, or by, in, or upon such vehicle or beast, or otherwise, and to search any trunk or envelope, wherever found, in which he may have a reasonable cause to suspect there is merchandise which was imported contrary to law; and if any such officer or other

person so authorized shall find any merchandise on or about any such vehicle, beast, or person, or in any such trunk or envelope, which he shall have reasonable cause to believe is subject to duty, or to have been unlawfully introduced into the United States, whether by the person in possession or charge, or by, in, or upon such vehicle, beast, or otherwise, he shall seize and secure the same for trial.

(R.S. § 3061.)

CODIFICATION

R.S. § 3061 derived from act July 18, 1866, ch. 201, § 3, 14 Stat. 178.

§ 483. Repealed. Sept. 1, 1954, ch. 1213, title V, § 502, 68 Stat. 1140

Section, R.S. § 3062; act Aug. 5, 1935, ch. 438, title II, § 208, 49 Stat. 526, related to forfeitures and penalty for aiding unlawful importation. See section 1595a of this title.

§§ 484 to 493. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 582–591, 42 Stat. 979–981, related to examination of persons and baggage, production and certification of manifests, and enforcement provisions.

Provisions of Tariff Act of 1930 corresponding to section 484, see section 1582 of this title: section 485, see section 1583 of this title; section 486, see section 1584 of this title; section 487, see section 1585 of this title; section 488, see section 1586 of this title; section 489, see section 1586(d) of this title; section 490, see section 1588 of this title.

§ 494. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(27), 70 Stat. 948

Section, act June 22, 1874, ch. 391, § 13, 18 Stat. 188, provided for seizure of merchandise as security for fines. See section 542 of Title 18, Crimes and Criminal Procedure.

§§ 495 to 505. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 592, 593(a), (b), 594–601, 42 Stat. 982 to 984, related to seizure and forfeiture of vessels, vehicles and merchandise.

Provisions of Tariff Act of 1930 corresponding to section 495, see section 1592 of this title; section 496, see section 1593(a) [repealed] of this title; section 498, see section 1594 of this title; section 499, see section 1595 of this title; section 503, see section 1599 of this title.

§ 506. Repealed. Aug. 5, 1935, ch. 438, title II, § 203(b), 49 Stat. 523

Section, R.S. § 3072, related to duty of customs officers to seize and make secure vessels or merchandise.

§ 507. Officers to make character known; assistance for officers

(a) Every customs officer shall—

(1) upon being questioned at the time of executing any of the powers conferred upon him, make known his character as an officer of the Federal Government; and

(2) have the authority to demand the assistance of any person in making any arrest, search, or seizure authorized by any law enforced or administered by customs officers, if such assistance may be necessary.

If a person, without reasonable excuse, neglects or refuses to assist a customs officer upon proper demand under paragraph (2), such person is guilty of a misdemeanor and subject to a fine of not more than $1,000.

(b) Any person other than an officer or employee of the United States who renders assistance in good faith upon the request of a customs officer shall not be held liable for any civil damages as a result of the rendering of such assistance if the assisting person acts as an ordinary, reasonably prudent person would have acted under the same or similar circumstances.

(R.S. § 3071; Oct. 27, 1986, Pub. L. 99–570, title III, § 3152, 100 Stat. 3207–94.)

CODIFICATION

R.S. § 3071 derived from act July 18, 1866, ch. 201, § 10, 14 Stat. 180.

AMENDMENTS

1986—Pub. L. 99–570 amended section generally. Prior to amendment, section read as follows: "Every officer or other person authorized to make searches and seizures by this title, shall, at the time of executing any of the powers conferred upon him, make known, upon being questioned, his character as an officer or agent of the customs or Government, and shall have authority to demand of any person within the distance of three miles to assist him in making any arrests, search, or seizure authorized by this title, where such assistance may be necessary; and if such person shall, without reasonable excuse, neglect or refuse so to assist, upon proper demand, he shall be deemed guilty of a misdemeanor, punishable by a fine of not more than $200, nor less than $5."

§ 508. Persons making seizures pleading general issue and proving special matter

If any officer, or other person, executing or aiding or assisting in the seizure of goods, under any Act providing for or regulating the collection of duties on imports or tonnage, is sued for anything done in virtue of the powers given thereby, or by virtue of a warrant granted by any judge, or justice, pursuant to law, he may plead the general issue and give such Act and the special matter in evidence.

(R.S. § 3073.)

CODIFICATION

R.S. § 3073 derived from act Mar. 2, 1799, ch. 22, § 71, 1 Stat. 678.

FEDERAL RULES OF CIVIL PROCEDURE

General rules of pleading, see rule 8 of Title 28, Appendix, Judiciary and Judicial Procedure.

Supersedure of method of procedure prescribed in this section, see note by Advisory Committee under rule 8.

§§ 509 to 521. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 602–614, 42 Stat. 984–987, related to pleading, procedure and disposition of seized articles or proceeds therefrom.

Provisions of Tariff Act of 1930 corresponding to section 509, see section 1602 of this title; section 510, see section 1603 of this title; section 511, see section 1604 of this title; section 512, see section 1605 of this title; sec-

tion 513, see section 1606 of this title; section 514, see section 1607 of this title; section 515, see section 1608 of this title; section 516, see section 1609 of this title; section 517, see section 1610 of this title; section 518, see section 1611 of this title; section 519, see section 1612 of this title; section 520, see section 1613 of this title; section 521, see section 1614 of this title.

§§ 522 to 524. Repealed. Aug. 27, 1935, ch. 740, § 308, 49 Stat. 880

Sections, act Mar. 3, 1925, ch. 438, §§ 1–3, 43 Stat. 1116, as amended by act May 27, 1930, ch. 342, § 9, 46 Stat. 430, related to summary forfeiture of vessels or vehicles.

§ 525. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title IV, § 615, 42 Stat. 987, related to burden of proof in proceedings for forfeiture of seized property. Corresponding provisions of Tariff Act of 1930, see section 1615 of this title.

§ 526. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(28), 70 Stat. 948

Section, R.S. § 3089, related to costs of prosecution. See section 1613(1) of this title.

§ 527. Sums received from fines and other receipts covered into Treasury

Except as otherwise provided by law, all sums received from fines, penalties, and forfeitures, connected with the customs, and from fees paid into the Treasury by customs officers, and from storage, cartage, drayage, labor, and services, shall be covered into the Treasury as are other miscellaneous receipts.

(Mar. 4, 1907, ch. 2918, § 1, 34 Stat. 1315.)

CROSS REFERENCES

Proceeds from sale of forfeited articles to be deposited, after deduction of actual expenses of seizure, publication, and sale in Treasury of United States, see section 1609 of this title.

Reimbursable charges to be deposited as a refund to appropriation from which paid instead of being covered into Treasury, see section 1524 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1524 of this title.

§ 528. Appropriate customs officer to receive amount recovered

The appropriate customs officer within whose district any seizure shall be made or forfeiture incurred for any violation of the duty laws is authorized to receive from the court within which trial is had, or from the proper officer thereof, the sum recovered, after deducting all proper charges to be allowed by the court; and on receipt thereof he shall pay and distribute the same without delay, according to law.

(R.S. § 3087; June 17, 1930, ch. 497, title IV, § 604, 46 Stat. 754; June 2, 1970, Pub. L. 91–271, title III, § 319, 84 Stat. 293.)

CODIFICATION

This section was derived from R.S. § 3087, which, however, contained a further provision requiring collectors to cause suits to be commenced without delay and prosecuted to effect. That provision was omitted as inconsistent with section 604 of act Sept. 21, 1922, ch. 356, 42 Stat. 984, constituting former section 511 of this title. Act Sept. 21, 1922, was repealed by act June 17, 1930, but section 604 of the latter Act, constituting section 1604 of this title, reenacted section 604 of the former Act.

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to the appropriate customs officer for reference to the collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of those officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Customs officers, referred to in this section, are under Department of the Treasury.

§ 529. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title IV, § 616, 42 Stat. 987, related to compromise of claims. See section 1915 of Title 18, Crimes and Criminal Procedure.

§ 530. Omitted

CODIFICATION

Section, act Jan. 22, 1875, ch. 22, 18 Stat. 303, which provided for dismissal of proceedings, related to act June 22, 1874, ch. 391, § 19, 18 Stat. 190, which was repealed by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

§§ 531 to 534. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 617–620, 42 Stat. 987, 988, related to remission or mitigation of fines, penalties, or forfeitures, and compensation of informers and United States officers.

Provisions of Tariff Act of 1930 corresponding to section 531, see section 1617 of this title; section 532, see section 1618 of this title; section 533, see section 1619 of this title; section 534, see section 1620 of this title.

§ 535. Compulsory production of books, invoices, or papers

In all suits and proceedings other than criminal arising under any of the revenue laws of the United States, the attorney representing the Government, whenever, in his belief, any business book, invoice, or paper, belonging to or under the control of the defendant or claimant, will tend to prove any allegation made by the United States, may make a written motion, particularly describing such book, invoice, or paper, and setting forth the allegation which he expects to prove; and thereupon the court in which suit or proceeding is pending may, at its discretion, issue a notice to the defendant or claimant to produce such book, invoice, or paper in court, at a day and hour to be specified in said notice, which, together with a copy of said motion, shall be served formally on the defendant or claimant by the United States marshal by delivering to him a certified copy thereof, or

otherwise serving the same as original notices of suit in the same court are served; and if the defendant or claimant shall fail or refuse to produce such book, invoice, or paper in obedience to such notice, the allegations stated in the said motion shall be taken as confessed unless his failure or refusal to produce the same shall be explained to the satisfaction of the court. And if produced, the said attorney shall be permitted, under the direction of the court, to make examination (at which examination the defendant or claimant, or his agent, may be present) of such entries in said book, invoice, or paper as relate to or tend to prove the allegation aforesaid, and may offer the same in evidence on behalf of the United States. But the owner of said books and papers, his agent or attorney, shall have, subject to the order of the court, the custody of them, except pending their examination in court as aforesaid.

(June 22, 1874, ch. 391, § 5, 18 Stat. 187.)

CONSTITUTIONALITY

This section held unconstitutional as applied to a suit to enforce a forfeiture decided to be criminal in its nature in *Boyd v. U.S.* ((1886), 116 U.S. 616, 6 S. Ct. 524, 29 U.S. (L. Ed.) 746.)

§ 536. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act Sept. 21, 1922, ch. 356, title IV, § 621, 42 Stat. 988, related to limitation of actions for penalties or forfeitures. Corresponding provisions of Tariff Act of 1930, see section 1621 of this title.

§ 537. Officers, informers, and defendants as witnesses

No officer, or other person entitled to or claiming compensation under any provision of Act June 22, 1874 (chapter 391, 18 Statutes 188) shall be thereby disqualified from becoming a witness in any action, suit, or proceeding for the recovery, mitigation, or remission thereof, but shall be subject to examination and cross-examination in like manner with other witnesses, without being thereby deprived of any right, title, share, or interest in any fine, penalty, or forfeiture to which such examination may relate; and in every such case the defendant or defendants may appear and testify and be examined and cross-examined in like manner.

(June 22, 1874, ch. 391, § 8, 18 Stat. 188.)

REFERENCES IN TEXT

Section 4 of Act June 22, 1874, referred to in text, providing for compensation to officers of the customs or other persons detecting goods being smuggled, was repealed by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989. For corresponding provisions in the Tariff Act of 1930, see section 1619 of this title.

§§ 538, 539. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§ 622, 623, 42 Stat. 988, related to extensions of time and general rules and regulations.

Provisions of Tariff Act of 1930 corresponding to section 538, see section 1318 of this title; section 539, see section 1624 of this title.

§ 540. President may use suitable vessels for enforcing customs laws

In the execution of laws providing for the collection of duties on imports and tonnage, the President, in addition to the Coast Guard vessels in service, may employ in aid thereof such other suitable vessels as may, in his judgment, be required.

(R.S. § 5318; Jan. 28, 1915, ch. 20, § 1, 38 Stat. 800; Aug. 4, 1949, ch. 393, §§ 1, 20, 63 Stat. 496, 561.)

CODIFICATION

R.S. § 5318 derived from act July 13, 1861, ch. 3, § 7, 12 Stat. 257.

TRANSFER OF FUNCTIONS

"Coast Guard vessels" substituted in text for "revenue-cutters", the Revenue Cutter Service and the Life-Saving Service having been combined to form the Coast Guard by section 1 of act Jan. 28, 1915. That act was repealed by section 20 of act Aug. 4, 1949, section 1 of which reestablished the Coast Guard by enacting Title 14, Coast Guard.

DELEGATION OF FUNCTIONS

For delegation to Secretary of the Treasury of authority vested in President by this section, see section 1(i) of Ex. Ord. No. 10289, Sept. 17, 1951, 16 F.R. 9499, as amended, set out as a note under section 301 of Title 3, The President.

§§ 541, 542. Repealed. Aug. 2, 1956, ch. 887, § 4(a)(29), (30), 70 Stat. 948

Section 541, R.S. § 2763, authorized use of small boats for use of customs officials.

Section 542, act Feb. 10, 1913, ch. 35, 37 Stat. 665, authorized Secretary of Treasury to use the motorboat provided for Corpus Christi, Texas.

PART 6—GENERAL PROVISIONS

§§ 571 to 573. Repealed. June 17, 1930, ch. 497, title IV, § 651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title III, §§ 320, 321, title IV, § 641, 42 Stat. 947, 989, related to provisions as to effect of repeals, Treaty with Cuba and certain laws unaffected.

Provisions of Tariff Act of 1930 corresponding to section 571, see section 1651(c) of this title; section 572, see section 1316 of this title; section 573, none.

§ 574. Exemption from taking other oaths

Nothing contained in title 34 of the Revised Statutes shall be construed to exempt the masters or owners of vessels from making and subscribing any oaths required by any laws of the United States not immediately relating to the collection of the duties on the importation of merchandise into the United States.

(R.S. § 3094.)

REFERENCES IN TEXT

Title 34 of the Revised Statutes, referred to in text, was in the original "this Title", meaning title 34 of the Revised Statutes, consisting of R.S. §§ 2517 to 3129, which are classified to sections 5, 6, 8, 9 to 11, 31, 32, 37, 129, 232, 233, 240, 257, 258, 282, 283, 286 to 294, 338 to 341, 391, 482, 507, 508, 528, 574 of this title, and sections 110 to 112, 123, 124 of Title 46, Appendix, Shipping. For complete classification of R.S. §§ 2517 to 3129 to the Code, see Tables.

CODIFICATION

R.S. §3094 derived from act Mar. 2, 1799, ch. 22, §110, 1 Stat. 703.

§§575, 576. Repealed. June 17, 1930, ch. 497, title IV, §651(a)(1), 46 Stat. 762, eff. June 18, 1930

Sections, act Sept. 21, 1922, ch. 356, title IV, §§645, 647, 42 Stat. 990, related to effect of partial invalidity and citation of chapter.

Provisions of Tariff Act of 1930 corresponding to section 575, see section 1652 of this title.

§577. Repealed. Oct. 31, 1951, ch. 655, §56(d), 65 Stat. 729

Section, act Mar. 8, 1902, ch. 140, §8, 32 Stat. 55, made, ''except as otherwise provided by law'', the provisions of subtitle IV of this chapter applicable to all articles coming into the United States from the ''Philippine Archipelago''. Prior to this repeal, it had been omitted in view of the independence of the Philippines.

SAVINGS PROVISION

Subsec. (*l*) of section 56 of act Oct. 31, 1951, provided that the repeal of this section shall not affect any rights or liabilities existing hereunder on the effective date of such repeal [Oct. 31, 1951.].

§578. Repealed. June 17, 1930, ch. 497, title IV, §651(a)(1), 46 Stat. 762, eff. June 18, 1930

Section, act May 29, 1928, ch. 852, §708, 45 Stat. 881, related to definition of motor boat.

§579. Repealed. Aug. 2, 1956, ch. 887, §4(a)(32), 70 Stat. 948

Section, R.S. §960, provided that in a suit on bond for the recovery of duties the court should grant judgment unless defendant made an oath that an error was committed in the liquidation of the duties demanded. See section 1514 of this title.

§580. Interest in suits on bonds for recovery of duties

Upon all bonds, on which suits are brought for the recovery of duties, interest shall be allowed, at the rate of 6 per centum a year, from the time when said bonds became due.

(R.S. §963.)

CODIFICATION

R.S. §963 derived from act Mar. 2, 1799, ch. 22, §65, 1 Stat. 676.

Section was formerly classified to section 787 of Title 28 prior to the general revision and enactment of Title 28, Judiciary and Judicial Procedure, by act June 25, 1948, ch. 646, §1, 62 Stat. 869.

CHAPTER 4—TARIFF ACT OF 1930

SUBTITLE I—HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES

Sec.
1202. Harmonized Tariff Schedule.

SUBTITLE II—SPECIAL PROVISIONS

PART I—MISCELLANEOUS

1301 to 1303. Repealed or Omitted.
1304. Marking of imported articles and containers.
(a) Marking of articles.
(b) Marking of containers.
(c) Marking of certain pipe and fittings.
(d) Marking of compressed gas cylinders.
(e) Marking of certain manhole rings or frames, covers, and assemblies thereof.
(f) Additional duties for failure to mark.
(g) Delivery withheld until marked.
(h) Treatment of goods of NAFTA country.
(i) Penalties.
1305. Immoral articles; importation prohibited.
(a) Prohibition of importation.
(b) Enforcement procedures.
(c) Institution of forfeiture proceedings.
(d) Stay of forfeiture proceedings.
(b) Coordination of forfeiture proceedings with criminal proceedings.
(c) Stay on motion.
1306. Cattle, sheep, swine, and meats; importation prohibited in certain cases.
(a) In general.
(b) Exception.
(c) Regulations.
1307. Convict-made goods; importation prohibited.
1308. Repealed.
1309. Supplies for certain vessels and aircraft.
(a) Exemption from customs duties and internal-revenue tax.
(b) Drawback.
(c) Articles removed in, or returned to, the United States.
(d) Reciprocal privileges.
1310. Free importation of merchandise recovered from sunken and abandoned vessels.
1311. Bonded manufacturing warehouses.
1312. Bonded smelting and refining warehouses.
(a) Bond; charges against bond.
(b) Cancellation of charges against bond.
(c) Allowance on bond for wastage of metals.
(d) Credit for exportation of product other than refined metal.
(e) General bond for two or more warehouses.
(f) Definitions.
(g) Supervision and cost of labor under this section.
1313. Drawback and refunds.
(a) Articles made from imported merchandise.
(b) Substitution for drawback purposes.
(c) Merchandise not conforming to sample or specifications.
(d) Flavoring extracts; medicinal or toilet preparations; bottled distilled spirits and wines.
(e) Imported salt for curing fish.
(f) Exportation of meats cured with imported salt.
(g) Materials for construction and equipment of vessels built for foreigners.
(h) Jet aircraft engines.
(i) Time limitation on exportation.
(j) Unused merchandise drawback.
(k) Use of domestic merchandise acquired in exchange for imported merchandise of same kind and quality.
(*l*) Regulations.
(m) Source of payment.
(n) Refunds, waivers, or reductions under North American Free Trade Agreement Implementation Act.
(*o*) Vessels built for account of resident of NAFTA country.
(p) Substitution of finished petroleum derivatives.
(q) Packaging material.
(r) Filing drawback claims.
(s) Designation of merchandise by successor.

Sec.
(t) Drawback certificates.
(u) Eligibility of entered or withdrawn merchandise.
(v) Multiple drawback claims.
(w) Limited applicability for certain agricultural products.
1313a. Appropriations for refunds, drawbacks, bounties, etc.
1314. Repealed.
1315. Effective date of rates of duty.
(a) Articles entered or withdrawn from warehouse for consumption.
(b) Articles removed from intended place of release.
(c) Quantity of merchandise at time of importation.
(d) Effective date of administrative rulings resulting in higher rates.
1316. Omitted.
1317. Tobacco products; supplies for certain vessels and aircraft.
(a) Exportation of tobacco products.
(b) Exportation of supplies for certain vessels and aircraft.
1318. Emergencies.
1319. Duty on coffee imported into Puerto Rico.
1319a. Duty on coffee; ratification of duties imposed by Legislature of Puerto Rico.
1320. Repealed.
1321. Administrative exemptions.
(a) Disregard of minor discrepancies in collection of taxes and duties; admission of articles free of duty or tax; limit on amount of exemption.
(b) Reduction or modification of exemption.
1322. International traffic and rescue work; United States-Mexico Boundary Treaty of 1970.
(a) Vehicles and other instruments of international traffic except communications satellites.
(b) Rescue and relief equipment; personal property related to use of land under United States-Mexico Boundary Treaty of 1970; forfeit of articles to United States.
1323. Conservation of fishery resources.

PART II—UNITED STATES INTERNATIONAL TRADE COMMISSION

1330. Organization of Commission.
(a) Membership.
(b) Terms of office.
(c) Chairman and vice chairman; quorum.
(d) Effect of divided vote in certain cases.
(e) Authorization of appropriations.
(f) Treatment of Commission under Paperwork Reduction Act.
1331. General powers.
(a) Administration.
(b) Application of civil service law.
(c) Expenses.
(d) Principal office at Washington.
(e) Office at New York.
(f) Official seal.
1332. Investigations.
(a) Investigations and reports.
(b) Investigations of tariff relations.
(c) Investigation of Paris Economy Pact.
(d) Information for President and Congress.
(e) Definitions.
(f) Omitted.
(g) Reports to President and Congress.
1332a. Importation of red cedar shingles.
(a) Investigation by Commission.
(b) Duty on imported shingles; amount.
(c) Exemptions from duty.

Sec.
1333. Testimony and production of papers.
(a) Authority to obtain information.
(b) Witnesses and evidence.
(c) Mandamus.
(d) Depositions.
(e) Fees and mileage of witnesses.
(f) Statements under oath.
(g) Representation in court proceedings.
(h) Administrative protective orders.
1334. Cooperation with other agencies.
1335. Rules and regulations.
1336. Equalization of costs of production.
(a) Change of classification or duties.
(b) Repealed.
(c) Proclamation by the President.
(d) Effective date of rates and changes.
(e) Ascertainment of differences in costs of production.
(f) Modification of changes in duty.
(g) Prohibition against transfers from the free list to the dutiable list or from the dutiable list to the free list.
(h) Definitions.
(i) Rules and regulations of President.
(j) Repealed.
(k) Investigations prior to June 17, 1930.
1337. Unfair practices in import trade.
(a) Unlawful activities; covered industries; definitions.
(b) Investigation of violations by Commission.
(c) Determinations; review.
(d) Exclusion of articles from entry.
(e) Exclusion of articles from entry during investigation except under bond; procedures applicable; preliminary relief.
(f) Cease and desist orders; civil penalty for violation of orders.
(g) Exclusion from entry or cease and desist order; conditions and procedures applicable.
(h) Sanctions for abuse of discovery and abuse of process.
(i) Forfeiture.
(j) Referral to President.
(k) Period of effectiveness; termination of violation or modification or rescission of exclusion or order.
(*l*) Importation by or for United States.
(m) ''United States'' defined.
(n) Disclosure of confidential information.
1337a. Repealed.
1338. Discrimination by foreign countries.
(a) Additional duties.
(b) Exclusion from importation.
(c) Application of proclamation.
(d) Duties to offset commercial disadvantages.
(e) Duties to offset benefits to third country.
(f) Forfeiture of articles.
(g) Ascertainment by Commission of discriminations.
(h) Rules and regulations of Secretary of the Treasury.
(i) ''Foreign country'' defined.
1339. Trade Remedy Assistance Office.
(a) Establishment; public information.
(b) Procedural assistance by Office and other agencies.
(c) Definitions.
1340. Omitted.
1341. Interference with functions of Commission.
(a) Interfering with or influencing the Commission or its employees.
(b) Penalty.

Sec.
(c) ''Person'' defined.

PART III—PROMOTION OF FOREIGN TRADE

1351. Foreign trade agreements.
(a) Authority of President; modification and decrease of duties; altering import restrictions.
(b) Cuba; preferential customs treatment; decrease of rates.
(c) Definitions.
(d) Rate basis for additional increases or decreases; restoration of terminated treaties forbidden.
(e) Repealed.
(f) Information and advice from industry, agriculture, and labor.
1352. Equalization of costs of production.
(a) Application to importation of articles under foreign-trade agreement.
(b) Termination of foreign trade agreement.
(c) Termination of authority of President.
1352a. Repealed.
1353. Indebtedness of foreign countries, effect on.
1354. Notice of intention to negotiate agreement; opportunity to be heard; President to seek information and advice.
1355 to 1356j. Repealed or Omitted.
1356k. Importation of coffee under International Coffee Agreement, 1983; Presidential powers and duties.
1356*l*. ''Coffee'' defined.
1356m. Delegation of Presidential powers and duties; protection of interests of United States consumers; remedial action.
1356n. Report to the Congress.
1357 to 1359. Repealed.
1360. Investigation before trade negotiations.
(a) Report by International Trade Commission.
(b) Procedures and determinations.
1361. Action by President; reports to Congress.
(a) Transmittal by President of trade agreement and message to Congress.
(b) Transmittal by Commission of copy of report to the President to Congressional committees.
1362 to 1365. Repealed.
1366. General Agreement on Tariff and Trade unaffected.
1367. Repealed.

SUBTITLE III—ADMINISTRATIVE PROVISIONS

PART I—DEFINITIONS AND NATIONAL CUSTOMS AUTOMATION PROGRAM

SUBPART A—DEFINITIONS

1401. Miscellaneous.
(a) Vessel.
(b) Vehicle.
(c) Merchandise.
(d) Person.
(e) Master.
(f) Day.
(g) Night.
(h) United States.
(i) Officer of the customs; customs officer.
(j) Customs waters.
(k) Hovering vessel.
(*l*) Secretary.
(m) Controlled substance.
(n) Electronic transmission.
(*o*) Electronic entry.
(p) Electronic data interchange system.
(q) National Customs Automation Program.
(r) Import activity summary statement.
(s) Reconciliation.
1401a. Value.
(a) Generally.
(b) Transaction value of imported merchandise.
(c) Transaction value of identical merchandise and similar merchandise.
(d) Deductive value.
(e) Computed value.
(f) Value if other values cannot be determined or used.
(g) Special rules.
(h) Definitions.
1402. Repealed.

SUBPART B—NATIONAL CUSTOMS AUTOMATION PROGRAM

1411. National Customs Automation Program.
(a) Establishment.
(b) Participation in Program.
1412. Program goals.
1413. Implementation and evaluation of Program.
(a) Overall Program plan.
(b) Implementation plan, testing, and evaluation.
(c) Committees.
1414. Remote location filing.
(a) Core entry information.
(b) Additional entry information.
(c) Post-entry summary information.
(d) Definitions.

PART II—REPORT, ENTRY, AND UNLADING OF VESSELS AND VEHICLES

1431. Manifests.
(a) In general.
(b) Production of manifest.
(c) Public disclosure of certain manifest information.
(d) Regulations.
1432, 1432a. Repealed.
1433. Report of arrival of vessels, vehicles, and aircraft.
(a) Vessel arrival.
(b) Vehicle arrival.
(c) Aircraft arrival.
(d) Presentation of documentation.
(e) Prohibition on departures and discharge.
1434. Entry; vessels.
(a) Formal entry.
(b) Preliminary entry.
(c) Regulations.
1435 to 1435b. Repealed or Transferred.
1436. Penalties for violations of arrival, reporting, entry, and clearance requirements.
(a) Unlawful acts.
(b) Civil penalty.
(c) Criminal penalty.
(d) Additional civil penalty.
1437. Repealed.
1438. Unlawful return of foreign vessel's papers.
1439, 1440. Repealed.
1441. Exceptions to vessel entry and clearance requirements.
1442. Residue cargo.
1443 to 1445. Repealed.
1446. Supplies and stores retained on board.
1447. Place of entry and unlading.
1448. Unlading.
(a) Permits and preliminary entries.
(b) Special delivery permit.
1449. Unlading at port of entry.
1450. Unlading on Sundays, holidays, or during overtime hours.
1451. Extra compensation.
1451a. Repealed.
1452. Lading on Sundays, holidays, or at night.

Sec.
1453. Lading and unlading of merchandise or baggage; penalties.
1454. Unlading of passengers; penalty.
1455. Boarding and discharging inspectors.
1456. Compensation and expenses of inspectors between ports; reimbursement.
1457. Time for unlading.
1458. Bulk cargo, time for unlading.
1459. Reporting requirements for individuals.
(a) Individuals arriving other than by conveyance.
(b) Individuals arriving by reported conveyance.
(c) Individuals arriving by unreported conveyance.
(d) Departure from designated customs facilities.
(e) Unlawful acts.
(f) Civil penalty.
(g) Criminal penalty.
1460. Repealed.
1461. Inspection of merchandise and baggage.
1462. Forfeiture.
1463. Sealed vessels and vehicles.
1464. Penalties in connection with sealed vessels and vehicles.
1465. Repealed.
1466. Equipment and repairs of vessels.
(a) Vessels subject to duty; penalties.
(b) Notice.
(c) Violation.
(d) Remission for necessary repairs.
(e) Exclusions for arrivals two or more years after last departure.
(f) Civil aircraft exception.
(g) Fish net and netting purchases and repairs.
(h) Foreign repair of vessels.
1467. Special inspection, examination, and search.

PART III—ASCERTAINMENT, COLLECTION, AND RECOVERY OF DUTIES

1481. Invoice; contents.
(a) In general.
(b) Shipments not purchased and not shipped by manufacturer.
(c) Importer provision of information.
(d) Exceptions by regulations.
1482, 1483. Repealed.
1484. Entry of merchandise.
(a) Requirement and time.
(b) Reconciliation.
(c) Release of merchandise.
(d) Signing and contents.
(e) Production of invoice.
(f) Statistical enumeration.
(g) Statement of cost of production.
(h) Admissibility of data electronically transmitted.
1484a. Articles returned from space not to be construed as importation.
1485. Declaration.
(a) Requirement; form and contents.
(b) Books and periodicals.
(c) Agents.
(d) Liability of importer of record for increased duties.
(e) Separate forms for purchase and nonpurchase importations.
(f) Deceased or insolvent persons; partnerships and corporations.
(g) Exported merchandise returned as undeliverable.
1486. Administration of oaths.
(a) Customs officers.
(b) Postmasters.
(c) No compensation.
(d) Verification in lieu of oath.
1487. Value in entry; amendment.
1488, 1489. Repealed.
1490. General orders.
(a) Incomplete entry.
(b) Request for possession by Customs.
(c) Government merchandise.
1491. Unclaimed merchandise; disposition of forfeited distilled spirits, wines and malt liquor.
(a) Appraisal and sale of unclaimed merchandise.
(b) Notice of title vesting in United States.
(c) Retention, transfer, destruction, or other disposition.
(d) Petition.
(e) Appraisal and sale or other disposition of forfeited distilled spirits, wines, and malt liquor.
1492. Destruction of abandoned or forfeited merchandise.
1493. Proceeds of sale.
1494. Expense of weighing and measuring.
1495. Partnership bond.
1496. Examination of baggage.
1496a. Clearance restrictions of individuals returning from abroad; special circumstances; ''baggage and effects'' defined.
1497. Penalties for failure to declare.
(a) In general.
(b) Value of controlled substances.
1498. Entry under regulations.
(a) Authorized for certain merchandise.
(b) Application of general provisions.
1499. Examination of merchandise.
(a) Entry examination.
(b) Testing laboratories.
(c) Detentions.
1500. Appraisement, classification, and liquidation procedure.
1501. Voluntary reliquidations by Customs Service.
1502. Regulations for appraisement and classification.
(a) Powers of Secretary of the Treasury.
(b) Duties of customs officers.
1503. Dutiable value.
1503a. Repealed.
1504. Limitation on liquidation.
(a) Liquidation.
(b) Extension.
(c) Notice of suspension.
(d) Removal of suspension.
1505. Payment of duties and fees.
(a) Deposit of estimated duties, fees, and interest.
(b) Collection or refund of duties, fees, and interest due upon liquidation or reliquidation.
(c) Interest.
(d) Delinquency.
1506. Allowance for abandonment and damage.
1507. Tare and draft.
(a) In general.
(b) Crude oil and petroleum products.
1508. Recordkeeping.
(a) Requirements.
(b) Exportations to free trade countries.
(c) Period of time.
(d) Limitation.
(e) Subsection (b) penalties.
1509. Examination of books and witnesses.
(a) Authority.
(b) Regulatory audit procedures.
(c) Service of summons.
(d) Special procedures for third-party summonses.
(e) List of records and information.
(f) Recordkeeping compliance program.
(g) Penalties.
1510. Judicial enforcement.

Sec.
(a) Order of court.
(b) Sanctions.
1511. Repealed.
1512. Deposit of duty receipts.
1513. Customs officer's immunity.
1514. Protest against decisions of Customs Service.
(a) Finality of decisions; return of papers.
(b) Finality of determinations.
(c) Form, number, and amendment of protest; filing of protest.
(d) Limitation on protest of reliquidation.
(e) Advance notice of certain determinations.
(f) Denial of preferential treatment.
1515. Review of protests.
(a) Administrative review and modification of decisions.
(b) Request for accelerated disposition of protest.
(c) Request for set aside of denial of further review.
(d) Voiding denial of protest.
1516. Petitions by domestic interested parties.
(a) Request for classification and rate of duty; petition.
(b) Determination on petition.
(c) Contest by petitioner of appraised value, classification, or rate of duty.
(d) Appraisal, classification, and liquidation of entries of merchandise covered by published decisions of Secretary.
(e) Consignee or his agent as party in interest before the Court of International Trade.
(f) Appraisement, classification, and assessment of duty of merchandise covered by published decision of Secretary in accordance with final judicial decision of Court of International Trade or Court of Appeals for the Federal Circuit sustaining cause of action in whole or in part; suspension of liquidation of entries; publication.
(g) Regulations implementing required procedures.
1516a. Judicial review in countervailing duty and antidumping duty proceedings.
(a) Review of determination.
(b) Standards of review.
(c) Liquidation of entries.
(d) Standing.
(e) Liquidation in accordance with final decision.
(f) Definitions.
(g) Review of countervailing duty and antidumping duty determinations involving free trade area country merchandise.
1517 to 1519. Repealed.
1520. Refunds and errors.
(a) Cases in which refunds authorized.
(b) Authorization of appropriations.
(c) Reliquidation of entry or reconciliation.
(d) Goods qualifying under NAFTA rules of origin.
1521, 1522. Repealed or Omitted.
1523. Examination of accounts.
1524. Deposit of reimbursable charges.
1525. Repealed.
1526. Merchandise bearing American trade-mark.
(a) Importation prohibited.
(b) Seizure and forfeiture.
(c) Injunction and damages.
(d) Exemptions; publication in Federal Register; forfeitures; rules and regulations.
(e) Merchandise bearing counterfeit mark; seizure and forfeiture; disposition of seized goods.
1527. Importation of wild mammals and birds in violation of foreign law.
(a) Importation prohibited.
(b) Forfeiture.
(c) Section not to apply in certain cases.
1528. Taxes not to be construed as duties.
1529. Collection of fees on behalf of other agencies.

PART IV—TRANSPORTATION IN BOND AND WAREHOUSING OF MERCHANDISE

1551. Designation as carrier of bonded merchandise.
1551a. Bonded cartmen or lightermen.
1552. Entry for immediate transportation.
1553. Entry for transportation and exportation; lottery material from Canada.
1553a. Recordkeeping for merchandise transported by pipeline.
1554. Transportation through contiguous countries.
1555. Bonded warehouses.
(a) Designation; preconditions; bonding requirements; supervision.
(b) Duty-free sales enterprises.
1556. Bonded warehouses; regulations for establishing.
1557. Entry for warehouse.
(a) Withdrawal of merchandise; time; payment of charges.
(b) Transferal of right of withdrawal.
(c) Destruction of merchandise at request of consignee.
(d) Withdrawal before payment.
1558. No remission or refund after release of merchandise.
(a) Exceptions.
(b) Payment of duties required notwithstanding export or destruction of articles; exception.
1559. Warehouse goods deemed abandoned after 5 years.
1560. Leasing of warehouses.
1561. Public stores.
1562. Manipulation in warehouse.
1563. Allowance for loss, abandonment of warehouse goods.
(a) Abatement or allowance for deterioration, loss or damage to merchandise in customs custody; exception.
(b) Abandonment of merchandise to Government; remittal or refund of duties paid.
1564. Liens.
1565. Cartage.

PART V—ENFORCEMENT PROVISIONS

1581. Boarding vessels.
(a) Customs officers.
(b) Officers of Department of the Treasury.
(c) Penalty for presenting forged, altered, or false documents.
(d) Penalty for failure to stop at command.
(e) Seizure of vessel or merchandise.
(f) Duty of customs officers to seize vessel.
(g) Vessels deemed employed within United States.
(h) Application of section to treaties of United States.
1582. Search of persons and baggage; regulations.
1583. Repealed.

Sec.
1584. Falsity or lack of manifest; penalties.
(a) General rule.
(b) Procedures.
1585. Repealed.
1586. Unlawful unlading or transshipment.
(a) Penalty for unlading prior to grant of permission.
(b) Penalty for transshipment to any vessel for purpose of unlawful entry.
(c) Penalty for unlawful transshipment to any vessel of United States.
(d) Liability of master of receiving vessel in unlawful transshipment.
(e) Imprisonment of persons aiding in unlawful unlading or transshipment.
(f) Unlading or transshipment because of accident, stress of weather, etc.
1587. Examination of hovering vessels.
(a) Boarding and examination.
(b) Unexplained lightness of vessel or discharge of cargo.
(c) Vessel bona fide bound from one foreign port to another foreign port.
1588. Transportation between American ports via foreign ports.
1589. Repealed.
1589a. Enforcement authority of customs officers.
1590. Aviation smuggling.
(a) In general.
(b) Sea transfers.
(c) Civil penalties.
(d) Criminal penalties.
(e) Seizure and forfeiture.
(f) ''Merchandise'' defined.
(g) Intent of transfer of merchandise.
1591. Repealed.
1592. Penalties for fraud, gross negligence, and negligence.
(a) Prohibition.
(b) Procedures.
(c) Maximum penalties.
(d) Deprivation of lawful duties, taxes, or fees.
(e) Court of International Trade proceedings.
(f) False certifications regarding exports to NAFTA countries.
1592a. Special provisions regarding certain violations.
(a) Publication of names of certain violators.
(b) List of high risk countries.
1593. Repealed.
1593a. Penalties for false drawback claims.
(a) Prohibition.
(b) Procedures.
(c) Maximum penalties.
(d) Deprivation of lawful revenue.
(e) Drawback compliance program.
(f) Alternatives to penalties.
(g) Repetitive violations.
(h) Regulation.
(i) Court of International Trade proceedings.
1594. Seizure of conveyances.
(a) In general.
(b) Exceptions.
(c) Prohibited merchandise on conveyance.
(d) Definitions.
(e) Costs and expenses of seizure.
1595. Searches and seizures.
(a) Warrant.
(b) Entry upon property of others.
1595a. Forfeitures and other penalties.
(a) Importation, removal, etc. contrary to laws of United States.
(b) Penalty for aiding unlawful importation.
(c) Merchandise introduced contrary to law.
1596 to 1598. Repealed.
1599. Officers not to be interested in vessels or cargo.
1600. Application of the customs laws to other seizures by customs officers.
1601, 1601a. Repealed.
1602. Seizure; report to customs officer.
1603. Seizure; warrants and reports.
1604. Seizure; prosecution.
1605. Seizure; custody; storage.
1606. Seizure; appraisement.
1607. Seizure; value $500,000 or less, prohibited articles, transporting conveyances.
(a) Notice of seizure.
(b) ''Controlled substance'' defined.
(c) Report to Congress.
1608. Seizure; claims; judicial condemnation.
1609. Seizure; summary forfeiture and sale.
(a) In general.
(b) Effect.
1610. Seizure; judicial forfeiture proceedings.
1611. Seizure; sale unlawful.
1612. Seizure; summary sale.
1613. Disposition of proceeds of forfeited property.
(a) Application for remission of forfeiture and restoration of proceeds of sale; disposition of proceeds when no application has been made.
(b) Disposition of proceeds in excess of penalty assessed under section 1592.
(c) Treatment of deposits.
(d) Expenses.
1613a. Repealed.
1613b. Customs Forfeiture Fund.
(a) In general.
(b) United States Coast Guard.
(c) Deposits.
(d) Investment.
(e) Annual reports; audits.
(f) Authorization of appropriations.
1614. Release of seized property.
1615. Burden of proof in forfeiture proceedings.
1616. Repealed.
1616a. Disposition of forfeited property.
(a) State proceedings.
(b) Transfer of seized property; notice.
(c) Retention or transfer of forfeited property.
(d) Liability of United States after transfer.
1617. Compromise of Government claims by Secretary of the Treasury.
1618. Remission or mitigation of penalties.
1619. Award of compensation to informers.
(a) In general.
(b) Forfeited property not sold.
(c) Dollar limitation.
(d) Source of payment.
(e) Recovery of bail bond.
1620. Acceptance of money by United States officers.
1621. Limitation of actions.
1622. Foreign landing certificates.
1623. Bonds and other security.
(a) Requirement of bond by regulation.
(b) Conditions and form of bond.
(c) Cancellation of bond.
(d) Validity of bond.
(e) Deposit of money or obligation of United States in lieu of bond.
1624. General regulations.
1625. Interpretive rulings and decisions; public information.
(a) Publication.
(b) Appeals.
(c) Modification and revocation.
(d) Publication of customs decisions that limit court decisions.

Sec.
(e) Public information.
1626. Steel products trade enforcement.
(a) Export validation requirement.
(b) Period of applicability.
1627. Repealed.
1627a. Unlawful importation or exportation of certain vehicles; inspections.
(a) Violations; penalties; seizures and forfeitures.
(b) Regulations; violations; penalties.
(c) Definitions.
(d) Cooperation of law enforcement and governmental authorities.
1628. Exchange of information.
(a) In general.
(b) Nondisclosure and uses of information provided.
(c) Government agency of NAFTA country.
1629. Inspections and preclearance in foreign countries.
(a) In general.
(b) Functions and duties.
(c) Compliance.
(d) Seizures.
(e) Stationing of foreign customs officers in the United States.
(f) Application of certain laws.
1630. Authority to settle claims.
(a) In general.
(b) Limitations.
(c) Final settlement.
1631. Use of private collection agencies.
(a) In general.
(b) Contract requirements.

PART VI—MISCELLANEOUS PROVISIONS

1641. Customs brokers.
(a) Definitions.
(b) Customs broker's licenses.
(c) Customs broker's permits.
(d) Disciplinary proceedings.
(e) Judicial appeal.
(f) Regulations by the Secretary.
(g) Triennial reports by customs brokers.
(h) Fees and charges.
(i) Compensation of ocean freight forwarders.
1642. Omitted.
1643. Application of customs reorganization act.
1644. Application of section 1644a(b)(1) of this title and section 1518(d) of title 33.
1644a. Ports of entry.
(a) Definitions.
(b) Secretary of the Treasury.
(c) Secretary of Agriculture.
(d) Remission and mitigation of penalties.
(e) Summary seizure of aircraft.
(f) Collection of civil penalties.
(g) Authorization of appropriations.
1645. Transportation and interment of remains of deceased employees in foreign countries; travel or shipping expenses incurred on foreign ships.
(a) Transfers in foreign countries.
(b) Transportation on foreign ships.
1646. Repealed.
1646a. Supervision by customs officers.
1646b. Random customs inspections for stolen automobiles being exported.
1646c. Export reporting requirement.
1647. Repealed.
1648. Uncertified checks, United States notes, and national bank notes receivable for customs duties.
1649. Change in designation of customs attachés.
1650. Transferred.
1651. Repeals.
(a) Specific repeals.
(b) General repeal.
(c) Rights and liabilities under acts repealed or modified.
(d) Certain acts not affected.
1652. Separability.
1653. Effective date of chapter.
1653a. Transferred.
1654. Short title.

SUBTITLE IV—COUNTERVAILING AND ANTIDUMPING DUTIES

PART I—IMPOSITION OF COUNTERVAILING DUTIES

1671. Countervailing duties imposed.
(a) General rule.
(b) Subsidies Agreement country.
(c) Countervailing duty investigations involving imports not entitled to a material injury determination.
(d) Treatment of international consortia.
(e) Upstream subsidies.
1671a. Procedures for initiating a countervailing duty investigation.
(a) Initiation by administering authority.
(b) Initiation by petition.
(c) Petition determination.
(d) Notification to Commission of determination.
(e) Information regarding critical circumstances.
1671b. Preliminary determinations.
(a) Determination by Commission of reasonable indication of injury.
(b) Preliminary determination by administering authority; expedited determinations; waiver of verification.
(c) Extension of period in extraordinarily complicated cases.
(d) Effect of determination by the administering authority.
(e) Critical circumstances determinations.
(f) Notice of determination.
(g) Time period where upstream subsidization is involved.
1671c. Termination or suspension of investigation.
(a) Termination of investigation upon withdrawal of petition.
(b) Agreements to eliminate or offset completely a countervailable subsidy or to cease exports of subject merchandise.
(c) Agreements eliminating injurious effect.
(d) Additional rules and conditions.
(e) Suspension of investigation procedure.
(f) Effects of suspension of investigation.
(g) Investigation to be continued upon request.
(h) Review of suspension.
(i) Violation of agreement.
(j) Determination not to take agreement into account.
(k) Termination of investigations initiated by administering authority.
(*l*) Special rule for regional industry investigations.
1671d. Final determinations.
(a) Final determination by administering authority.
(b) Final determination by Commission.
(c) Effect of final determinations.
(d) Publication of notice of determinations.
(e) Correction of ministerial errors.
1671e. Assessment of duty.

Sec.
(a) Publication of countervailing duty order.
(b) Imposition of duties.
(c) Special rule for regional industries.
1671f. Treatment of difference between deposit of estimated countervailing duty and final assessed duty under countervailing duty orders.
(a) Deposit of estimated countervailing duty under section 1671b(d)(1)(B) of this title.
(b) Deposit of estimated countervailing duty under section 1671e(a)(3) of this title.
1671g. Effect of derogation of Export-Import Bank financing.
1671h. Conditional payment of countervailing duties.
(a) In general.
(b) Importer requirements.

PART II—IMPOSITION OF ANTIDUMPING DUTIES

1673. Imposition of antidumping duties.
1673a. Procedures for initiating an antidumping duty investigation.
(a) Initiation by administering authority.
(b) Initiation by petition.
(c) Petition determination.
(d) Notification to Commission of determination.
(e) Information regarding critical circumstances.
1673b. Preliminary determinations.
(a) Determination by Commission of reasonable indication of injury.
(b) Preliminary determination by administering authority.
(c) Extension of period in extraordinarily complicated cases.
(d) Effect of determination by the administering authority.
(e) Critical circumstances determinations.
(f) Notice of determination.
1673c. Termination or suspension of investigation.
(a) Termination of investigation upon withdrawal of petition.
(b) Agreements to eliminate completely sales at less than fair value or to cease exports of merchandise.
(c) Agreements eliminating injurious effect.
(d) Additional rules and conditions.
(e) Suspension of investigation procedure.
(f) Effects of suspension of investigation.
(g) Investigation to be continued upon request.
(h) Review of suspension.
(i) Violation of agreement.
(j) Determination not to take agreement into account.
(k) Termination of investigation initiated by administering authority.
(*l*) Special rule for nonmarket economy countries.
(m) Special rule for regional industry investigations.
1673d. Final determinations.
(a) Final determination by administering authority.
(b) Final determination by Commission.
(c) Effect of final determinations.
(d) Publication of notice of determinations.
(e) Correction of ministerial errors.
1673e. Assessment of duty.
(a) Publication of antidumping duty order.
(b) Imposition of duty.
(c) Security in lieu of estimated duty pending early determination of duty.
(d) Special rule for regional industries.
1673f. Treatment of difference between deposit of estimated antidumping duty and final assessed duty under antidumping duty order.
(a) Deposit of estimated antidumping duty under section 1673b(d)(1)(B) of this title.
(b) Deposit of estimated antidumping duty under section 1673e(a)(3) of this title.
1673g. Conditional payment of antidumping duty.
(a) General rule.
(b) Importer requirements.
1673h. Establishment of product categories for short life cycle merchandise.
(a) Establishment of product categories.
(b) Definitions.
(c) Transitional rules.
1673i. Repealed.

PART III—REVIEWS; OTHER ACTIONS REGARDING AGREEMENTS

SUBPART A—REVIEW OF AMOUNT OF DUTY AND AGREEMENTS OTHER THAN QUANTITATIVE RESTRICTION AGREEMENTS

1675. Administrative review of determinations.
(a) Periodic review of amount of duty.
(b) Reviews based on changed circumstances.
(c) Five-year review.
(d) Revocation of order or finding; termination of suspended investigation.
(e) Hearings.
(f) Determination that basis for suspension no longer exists.
(g) Reviews to implement results of subsidies enforcement proceeding.
(h) Correction of ministerial errors.
1675a. Special rules for section 1675(b) and 1675(c) reviews.
(a) Determination of likelihood of continuation or recurrence of material injury.
(b) Determination of likelihood of continuation or recurrence of a countervailable subsidy.
(c) Determination of likelihood of continuation or recurrence of dumping.
1675b. Special rules for injury investigations for certain section 1303 countervailing duty orders and investigations.
(a) In general.
(b) Investigation procedure and schedule.
(c) Pending and suspended countervailing duty investigations.
(d) Publication in Federal Register.
(e) Request for simultaneous expedited review under section 1675(c).

SUBPART B—CONSULTATIONS AND DETERMINATIONS REGARDING QUANTITATIVE RESTRICTION AGREEMENTS

1676. Required consultations.
(a) Agreements in response to countervailable subsidies.
(b) Modification of agreements on basis of consultations.
(c) Special rule regarding agreements under section 1671c(c)(3) of this title.
1676a. Required determinations.
(a) In general.
(b) Determinations.
(c) Hearings.

PART IV—GENERAL PROVISIONS

1677. Definitions; special rules.

Sec.
1677–1. Upstream subsidies.
(a) ''Upstream subsidy'' defined.
(b) Determination of competitive benefit.
(c) Inclusion of amount of countervailable subsidy.
1677–2. Calculation of countervailable subsidies on certain processed agricultural products.
1677a. Export price and constructed export price.
(a) Export price.
(b) Constructed export price.
(c) Adjustments for export price and constructed export price.
(d) Additional adjustments to constructed export price.
(e) Special rule for merchandise with value added after importation.
(f) Special rule for determining profit.
1677b. Normal value.
(a) Determination.
(b) Sales at less than cost of production.
(c) Nonmarket economy countries.
(d) Special rule for certain multinational corporations.
(e) Constructed value.
(f) Special rules for calculation of cost of production and for calculation of constructed value.
1677b–1. Currency conversion.
(a) In general.
(b) Sustained movement in foreign currency value.
1677c. Hearings.
(a) Investigation hearings.
(b) Procedures.
1677d. Countervailable subsidy practices discovered during a proceeding.
1677e. Determinations on basis of facts available.
(a) In general.
(b) Adverse inferences.
(c) Corroboration of secondary information.
1677f. Access to information.
(a) Information generally made available.
(b) Proprietary information.
(c) Limited disclosure of certain proprietary information under protective order.
(d) Service.
(e) Repealed.
(f) Disclosure of proprietary information under protective orders issued pursuant to the North American Free Trade Agreement or the United States-Canada Agreement.
(g) Information relating to violations of protective orders and sanctions.
(h) Opportunity for comment by consumers and industrial users.
(i) Publication of determinations; requirements for final determinations.
1677f–1. Sampling and averaging; determination of weighted average dumping margin and countervailable subsidy rate.
(a) In general.
(b) Selection of averages and samples.
(c) Determination of dumping margin.
(d) Determination of less than fair value.
(e) Determination of countervailable subsidy rate.
1677g. Interest on certain overpayments and underpayments.
(a) General rule.
(b) Rate.
1677h. Drawback treatment.
1677i. Downstream product monitoring.
(a) Petition requesting monitoring.
(b) Monitoring by Commission.
(c) Action on basis of monitoring reports.
(d) Definitions.
1677j. Prevention of circumvention of antidumping and countervailing duty orders.
(a) Merchandise completed or assembled in United States.
(b) Merchandise completed or assembled in other foreign countries.
(c) Minor alterations of merchandise.
(d) Later-developed merchandise.
(e) Commission advice.
(f) Time limits for administering authority determinations.
1677k. Third-country dumping.
(a) Definitions.
(b) Petition by domestic industry.
(c) Application for antidumping action on behalf of domestic industry.
(d) Consultation after submission of application.
(e) Action upon refusal of Agreement country to act.
1677*l*. Antidumping and countervailing duty collections.
1677m. Conduct of investigations and administrative reviews.
(a) Treatment of voluntary responses in countervailing or antidumping duty investigations and reviews.
(b) Certification of submissions.
(c) Difficulties in meeting requirements.
(d) Deficient submissions.
(e) Use of certain information.
(f) Nonacceptance of submissions.
(g) Public comment on information.
(h) Termination of investigation or revocation of order for lack of interest.
(i) Verification.
1677n. Antidumping petitions by third countries.
(a) Filing of petition.
(b) Initiation.
(c) Determinations.
(d) Public comment.
(e) Issuance of order.
(f) Reviews of determinations.
(g) Access to information.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in sections 81c, 3538 of this title; title 7 section 624; title 13 section 301; title 15 section 69d; title 16 section 1540; title 26 sections 993, 5007; title 33 section 2236; title 42 section 9163.

SUBTITLE I—HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES

CODIFICATION

Titles I and II of act June 17, 1930, ch. 497, 46 Stat. 590, 672, which comprised the dutiable and free lists for articles imported into the United States, were formerly classified to sections 1001 and 1201 of this title, and were stricken by Pub. L. 87–456, title I, §101(a), May 24, 1962, 76 Stat. 72. The Revised Tariff Schedules, which were classified to section 1202 of this title, were stricken by Pub. L. 100–418, title I, §1204(a), Aug. 23, 1988, 102 Stat. 1148, and were replaced by the Harmonized Tariff Schedule of the United States. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

CHANGE OF NAME

United States Tariff Commission renamed United States International Trade Commission by Pub. L. 93–618, title I, §171, Jan. 3, 1975, 88 Stat. 2009, which is classified to section 2231 of this title.

ENACTMENT OF HARMONIZED TARIFF SCHEDULE

Pub. L. 100–418, title I, §1204(a), Aug. 23, 1988, 102 Stat. 1148, provided that: ''The Tariff Act of 1930 [this chap-

ter] is amended by striking out title I and inserting a new title I entitled 'Title I—Harmonized Tariff Schedule of the United States' (hereinafter in this subtitle [subtitle B, §§1201 to 1217, of title I, see Tables for classification] referred to as the 'Harmonized Tariff Schedule') which—

''(1) consists of—

''(A) the General Notes;

''(B) the General Rules of Interpretation;

''(C) the Additional U.S. Rules of Interpretation;

''(D) sections I to XXII, inclusive (encompassing chapters 1 to 99, and including all section and chapter notes, article provisions, and tariff and other treatment accorded thereto); and

''(E) the Chemical Appendix to the Harmonized Tariff Schedule;

all conforming to the nomenclature of the Convention and as set forth in Publication No. 2030 of the Commission entitled 'Harmonized Tariff Schedule of the United States Annotated for Statistical Reporting Purposes' and Supplement No. 1 thereto; but

''(2) does not include the statistical annotations, notes, annexes, suffixes, check digits, units of quantity, and other matters formulated under section 484(e) of the Tariff Act of 1930 (19 U.S.C. 1484(e)), nor the table of contents, footnotes, index, and other matters inserted for ease of reference, that are included in such Publication No. 2030 or Supplement No. 1. thereto.''

[For effective date of Harmonized Tariff Schedule as Jan. 1, 1989, see section 1217(b) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.]

TARIFF CLASSIFICATION ACT OF 1962; ADOPTION OF REVISED TARIFF SCHEDULES; ADMINISTRATIVE AND SAVINGS PROVISIONS

Titles I and II of Pub. L. 87–456, May 24, 1962, 76 Stat. 72–75, as amended by Pub. L. 87–794, title II, §257(g), Oct. 11, 1962, 76 Stat. 882; Pub. L. 100–418, title I, §1213(b), Aug. 23, 1988, 102 Stat. 1155, provided for adoption of Revised Tariff Schedules of the United States and administrative and saving provisions.

SUBTITLE REFERRED TO IN OTHER SECTIONS

This subtitle is referred to in section 1336 of this title.

§ 1202. Harmonized Tariff Schedule

PUBLICATION OF HARMONIZED TARIFF SCHEDULE

The Harmonized Tariff Schedule of the United States is not published in the Code. A current version of the Harmonized Tariff Schedule is maintained and published periodically by the United States International Trade Commission and is available for sale by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

REFERENCE TO TARIFF SCHEDULES TO BE TREATED AS REFERENCE TO HARMONIZED TARIFF SCHEDULE

Reference in any law to ''Tariff Schedules of the United States'', ''the Tariff Schedules'', ''such Schedules'', and any other general reference to the old Schedules to be treated as reference to Harmonized Tariff Schedule, see section 3012 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 26 sections 7652, 9504; title 50 section 98h–4.

SUBTITLE II—SPECIAL PROVISIONS

PART I—MISCELLANEOUS

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in section 1401 of this title.

§ 1301. Repealed. Apr. 30, 1946, ch. 244, title V, § 511(1), 60 Stat. 158

Section, act June 17, 1930, ch. 497, title III, §301, 46 Stat. 685, related to duties and taxes on Philippine articles coming to the United States and United States articles imported into the Philippine Islands. Subject matter is covered by Philippine Trade Act of 1946 (see Short Title note set out under section 1354 of Title 22, Foreign Relations and Intercourse).

EFFECTIVE DATE OF REPEAL

Repeal effective May 1, 1946, see section 512 of act Apr. 30, 1946, set out as an Effective Date note under section 1354 of Title 22, Foreign Relations and Intercourse.

§ 1301a. Repealed. Pub. L. 87–456, title III, § 301(a), May 24, 1962, 76 Stat. 75

Section, act June 17, 1930, ch. 497, title III, §301, as added Sept. 1, 1954, ch. 1213, title IV, §401, 68 Stat. 1139, related to rates of duty upon articles coming into the United States from its insular possessions.

§ 1302. Omitted

CODIFICATION

Section, acts June 17, 1930, ch. 497, title III, §302, 46 Stat. 686; May 17, 1932, ch. 190, 47 Stat. 158, was incorporated as section 3361(b) of the Internal Revenue Code of 1939. See section 7653 of Title 26, Internal Revenue Code.

§ 1303. Repealed. Pub. L. 103–465, title II, § 261(a), Dec. 8, 1994, 108 Stat. 4908

Section, acts June 17, 1930, ch. 497, title III, §303, 46 Stat. 687; Jan. 3, 1975, Pub. L. 93–618, title III, §331(a), 88 Stat. 2049; Apr. 3, 1979, Pub. L. 96–6, §1, 93 Stat. 10; July 26, 1979, Pub. L. 96–39, title I, §§103, 105(a), 93 Stat. 190, 193, provided for the levy of countervailing duties.

EFFECTIVE DATE OF REPEAL

Section 261(a) of title II of Pub. L. 103–465 provided that this section is repealed ''effective on the effective date of this title [Jan. 1, 1995, see Effective Date of 1994 Amendment note set out under section 1671 of this title]''.

SAVINGS PROVISION

Section 261(b), (c) of title II of Pub. L. 103–465 provided that:

''(b) SAVINGS PROVISIONS.—

''(1) CONTINUING EFFECT OF LEGAL DOCUMENTS.—All orders, determinations, and other administrative actions—

''(A) which have been issued pursuant to an investigation conducted under section 303 of the Tariff Act of 1930 [19 U.S.C. 1303], and

''(B) which are in effect on the effective date of this title [Jan. 1, 1995, see Effective Date of 1994 Amendment note set out under section 1671 of this title], or were final before such date and are to become effective on or after such date,

shall continue in effect according to their terms until modified, terminated, superseded, set aside, or revoked in accordance with law by the administering authority, the International Trade Commission, or a court of competent jurisdiction, or by operation of law. Except as provided in paragraph (3), such orders or determinations shall be subject to review under section 751 of the Tariff Act of 1930 [19 U.S.C. 1675] and, to the extent applicable, investigation under section 753 of such Act [19 U.S.C. 1675b] (as added by this title).

''(2) PROCEEDINGS NOT AFFECTED.—The provisions of subsection (a) shall not affect any proceedings, including notices of proposed rulemaking, pending be-

fore the administering authority or the International Trade Commission on the effective date of this title with respect to such section 303 [19 U.S.C. 1303]. Orders shall be issued in such proceedings, appeals shall be taken therefrom, and payments shall be made pursuant to such orders, in accordance with such section 303 as in effect on the day before the effective date of this title and, except as provided in paragraph (3), shall be subject to review under section 751 of the Tariff Act of 1930 [19 U.S.C. 1675] and, to the extent applicable, investigation under section 753 of such Act [19 U.S.C. 1675b]. Orders issued in any such proceedings shall continue in effect until modified, terminated, superseded, set aside, or revoked in accordance with law by the administering authority, a court of competent jurisdiction, or by operation of law. Nothing in this section shall be deemed to prohibit the discontinuance or modification of any such proceeding under the same terms and conditions and to the same extent that such proceeding could have been discontinued or modified if this section had not been enacted.

''(3) SUITS NOT AFFECTED.—The provisions of subsection (a) shall not affect the review pursuant to section 516A of the Tariff Act of 1930 [19 U.S.C. 1516a] of a countervailing duty order issued pursuant to an investigation conducted under section 303 of such Act [19 U.S.C. 1303] or a review of a countervailing duty order issued under section 751 of such Act [19 U.S.C. 1675], if such review is pending or the time for filing such review has not expired on the effective date of this title.

''(c) DEFINITION OF ADMINISTERING AUTHORITY.—For purposes of this section, the term 'administering authority' has the meaning given such term by section 771(1) of the Tariff Act of 1930 [19 U.S.C. 1677(1)].''

REFERENCES TO FORMER SECTION 1303

Section 261(d)(1)(C) of Pub. L. 103–365 provided that: ''Any reference to section 303 [19 U.S.C. 1303] in any other Federal law, Executive order, rule, or regulation shall be treated as a reference to section 303 of the Tariff Act of 1930 as in effect on the day before the effective date of title II of this Act [Jan. 1, 1995, see Effective Date of 1994 Amendment note set out under section 1671 of this title].''

References to section 1303 in chapter 4 of this title defined to mean section 1303 as in effect on the day before Jan. 1, 1995, see section 1677(26) of this title.

§ 1304. Marking of imported articles and containers

(a) Marking of articles

Except as hereinafter provided, every article of foreign origin (or its container, as provided in subsection (b) hereof) imported into the United States shall be marked in a conspicuous place as legibly, indelibly, and permanently as the nature of the article (or container) will permit in such manner as to indicate to an ultimate purchaser in the United States the English name of the country of origin of the article. The Secretary of the Treasury may by regulations—

(1) Determine the character of words and phrases or abbreviations thereof which shall be acceptable as indicating the country of origin and prescribe any reasonable method of marking, whether by printing, stenciling, stamping, branding, labeling, or by any other reasonable method, and a conspicuous place on the article (or container) where the marking shall appear;

(2) Require the addition of any other words or symbols which may be appropriate to prevent deception or mistake as to the origin of the article or as to the origin of any other article with which such imported article is usually combined subsequent to importation but before delivery to an ultimate purchaser; and

(3) Authorize the exception of any article from the requirements of marking if—

(A) Such article is incapable of being marked;

(B) Such article cannot be marked prior to shipment to the United States without injury;

(C) Such article cannot be marked prior to shipment to the United States, except at an expense economically prohibitive of its importation;

(D) The marking of a container of such article will reasonably indicate the origin of such article;

(E) Such article is a crude substance;

(F) Such article is imported for use by the importer and not intended for sale in its imported or any other form;

(G) Such article is to be processed in the United States by the importer or for his account otherwise than for the purpose of concealing the origin of such article and in such manner that any mark contemplated by this section would necessarily be obliterated, destroyed, or permanently concealed;

(H) An ultimate purchaser, by reason of the character of such article or by reason of the circumstances of its importation, must necessarily know the country of origin of such article even though it is not marked to indicate its origin;

(I) Such article was produced more than twenty years prior to its importation into the United States;

(J) Such article is of a class or kind with respect to which the Secretary of the Treasury has given notice by publication in the weekly Treasury Decisions within two years after July 1, 1937, that articles of such class or kind were imported in substantial quantities during the five-year period immediately preceding January 1, 1937, and were not required during such period to be marked to indicate their origin: *Provided*, That this subdivision shall not apply after September 1, 1938, to sawed lumber and timbers, telephone, trolley, electric-light, and telegraph poles of wood, and bundles of shingles; but the President is authorized to suspend the effectiveness of this proviso if he finds such action required to carry out any trade agreement entered into under the authority of sections 1351, 1352, 1353, 1354 of this title, as extended; or

(K) Such article cannot be marked after importation except at any expense which is economically prohibitive, and the failure to mark the article before importation was not due to any purpose of the importer, producer, seller, or shipper to avoid compliance with this section.

(b) Marking of containers

Whenever an article is excepted under subdivision (3) of subsection (a) of this section from the requirements of marking, the immediate container, if any, of such article, or such other container or containers of such article as may be

prescribed by the Secretary of the Treasury, shall be marked in such manner as to indicate to an ultimate purchaser in the United States the English name of the country of origin of such article, subject to all provisions of this section, including the same exceptions as are applicable to articles under subdivision (3) of subsection (a) of this section. If articles are excepted from marking requirements under clause (F), (G), or (H) of subdivision (3) of subsection (a) of this section, their usual containers shall not be subject to the marking requirements of this section. Usual containers in use as such at the time of importation shall in no case be required to be marked to show the country of their own origin.

(c) Marking of certain pipe and fittings

(1) Except as provided in paragraph (2), no exception may be made under subsection (a)(3) of this section with respect to pipes of iron, steel, or stainless steel, to pipe fittings of steel, stainless steel, chrome-moly steel, or cast and malleable iron each of which shall be marked with the English name of the country of origin by means of die stamping, cast-in-mold lettering, etching, engraving, or continuous paint stenciling.

(2) If, because of the nature of an article, it is technically or commercially infeasible to mark it by one of the five methods specified in paragraph (1), the article may be marked by an equally permanent method of marking or, in the case of small diameter pipe, tube, and fittings, by tagging the containers or bundles.

(d) Marking of compressed gas cylinders

No exception may be made under subsection (a)(3) of this section with respect to compressed gas cylinders designed to be used for the transport and storage of compressed gases whether or not certified prior to exportation to have been made in accordance with the safety requirements of sections 178.36 through 178.68 of title 49, Code of Federal Regulations, each of which shall be marked with the English name of the country of origin by means of die stamping, molding, etching, raised lettering, or an equally permanent method of marking.

(e) Marking of certain manhole rings or frames, covers, and assemblies thereof

No exception may be made under subsection (a)(3) of this section with respect to manhole rings or frames, covers, and assemblies thereof each of which shall be marked on the top surface with the English name of the country of origin by means of die stamping, cast-in-mold lettering, etching, engraving, or an equally permanent method of marking.

(f) Additional duties for failure to mark

If at the time of importation any article (or its container, as provided in subsection (b) of this section) is not marked in accordance with the requirements of this section, and if such article is not exported or destroyed or the article (or its container, as provided in subsection (b) of this section) marked after importation in accordance with the requirements of this section (such exportation, destruction, or marking to be accomplished under customs supervision prior to the liquidation of the entry covering the article, and to be allowed whether or not the article has remained in continuous customs custody), there shall be levied, collected, and paid upon such article a duty of 10 per centum ad valorem, which shall be deemed to have accrued at the time of importation, shall not be construed to be penal, and shall not be remitted wholly or in part nor shall payment thereof be avoidable for any cause. Such duty shall be levied, collected, and paid in addition to any other duty imposed by law and whether or not the article is exempt from the payment of ordinary customs duties. The compensation and expenses of customs officers and employees assigned to supervise the exportation, destruction, or marking to exempt articles from the application of the duty provided for in this subsection shall be reimbursed to the Government by the importer.

(g) Delivery withheld until marked

No imported article held in customs custody for inspection, examination, or appraisement shall be delivered until such article and every other article of the importation (or their containers), whether or not released from customs custody, shall have been marked in accordance with the requirements of this section or until the amount of duty estimated to be payable under subsection (f) of this section has been deposited. Nothing in this section shall be construed as excepting any article (or its container) from the particular requirements of marking provided for in any other provision of law.

(h) Treatment of goods of NAFTA country

(1) Application of section

In applying this section to an article that qualifies as a good of a NAFTA country (as defined in section 3301(4) of this title) under the regulations issued by the Secretary to implement Annex 311 of the North American Free Trade Agreement—

(A) the exemption under subsection (a)(3)(H) of this section shall be applied by substituting ''reasonably know'' for ''necessarily know'';

(B) the Secretary shall exempt the good from the requirements for marking under subsection (a) of this section if the good—

(i) is an original work of art, or

(ii) is provided for under subheading 6904.10, heading 8541, or heading 8542 of the Harmonized Tariff Schedule of the United States; and

(C) subsection (b) of this section does not apply to the usual container of any good described in subsection (a)(3)(E) or (I) of this section or subparagraph (B)(i) or (ii) of this paragraph.

(2) Petition rights of NAFTA exporters and producers regarding marking determinations

(A) Definitions

For purposes of this paragraph:

(i) The term ''adverse marking decision'' means a determination by the Customs Service which an exporter or producer of merchandise believes to be contrary to Annex 311 of the North American Free Trade Agreement.

(ii) A person may not be treated as the exporter or producer of merchandise regarding which an adverse marking decision was made unless such person—

(I) if claiming to be the exporter, is located in a NAFTA country and is required to maintain records in that country regarding exportations to NAFTA countries; or

(II) if claiming to be the producer, grows, mines, harvests, fishes, traps, hunts, manufactures, processes, or assembles such merchandise in a NAFTA country.

(B) Intervention or petition regarding adverse marking decisions

If the Customs Service makes an adverse marking decision regarding any merchandise, the Customs Service shall, upon written request by the exporter or producer of the merchandise, provide to the exporter or producer a statement of the basis for the decision. If the exporter or producer believes that the decision is not correct, it may intervene in any protest proceeding initiated by the importer of the merchandise. If the importer does not file a protest with regard to the decision, the exporter or producer may file a petition with the Customs Service setting forth—

(i) a description of the merchandise; and

(ii) the basis for its claim that the merchandise should be marked as a good of a NAFTA country.

(C) Effect of determination regarding decision

If, after receipt and consideration of a petition filed by an exporter or producer under subparagraph (B), the Customs Service determines that the adverse marking decision—

(i) is not correct, the Customs Service shall notify the petitioner of the determination and all merchandise entered, or withdrawn from warehouse for consumption, more than 30 days after the date that notice of the determination under this clause is published in the weekly Custom Bulletin shall be marked in conformity with the determination; or

(ii) is correct, the Customs Service shall notify the petitioner that the petition is denied.

(D) Judicial review

For purposes of judicial review, the denial of a petition under subparagraph (C)(ii) shall be treated as if it were a denial of a petition of an interested party under section 1516 of this title regarding an issue arising under any of the preceding provisions of this section.

(i) Penalties

Any person who, with intent to conceal the information given thereby or contained therein, defaces, destroys, removes, alters, covers, obscures, or obliterates any mark required under the provisions of this chapter shall—

(1) upon conviction for the first violation of this subsection, be fined not more than $100,000, or imprisoned for not more than 1 year, or both; and

(2) upon conviction for the second or any subsequent violation of this subsection, be fined not more than $250,000, or imprisoned for not more than 1 year, or both.

(June 17, 1930, ch. 497, title III, § 304, 46 Stat. 687; June 25, 1938, ch. 679, § 3, 52 Stat. 1077; Aug. 8, 1953, ch. 397, § 4(c), 67 Stat. 509; Oct. 30, 1984, Pub. L. 98–573, title II, § 207, 98 Stat. 2976; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1888(1), 100 Stat. 2924; Aug. 23, 1988, Pub. L. 100–418, title I, § 1907(a)(1), 102 Stat. 1314; Dec. 8, 1993, Pub. L. 103–182, title II, § 207(a), 107 Stat. 2096.)

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States, referred to in subsec. (h)(1)(B)(ii), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

PRIOR PROVISIONS

Provisions dealing with the subject matter of this section and former section 133 of this title were contained in act Oct. 3, 1913, ch. 16, § IV, F, subsecs. 1 and 2, 38 Stat. 194, superseding similar provisions of previous tariff acts. Those subsections were superseded by act Sept. 21, 1922, ch. 356, title III, § 304(a), 42 Stat. 947, and repealed by § 321 of that act. Section 304(a) of the act of 1922 was superseded by section 304 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1993—Subsec. (c)(1). Pub. L. 103–182, § 207(a)(1), substituted ''engraving, or continuous paint stenciling'' for ''or engraving''.

Subsec. (c)(2). Pub. L. 103–182, § 207(a)(2), substituted ''five methods'' for ''four methods'' and struck out ''such as paint stenciling'' after ''method of marking''.

Subsec. (e). Pub. L. 103–182, § 207(a)(3), substituted ''engraving, or an equally permanent method of marking'' for ''or engraving''.

Subsecs. (h), (i). Pub. L. 103–182, § 207(a)(4), (5), added subsec. (h) and redesignated former subsec. (h) as (i).

1988—Subsec. (h). Pub. L. 100–418 amended subsec. (h) generally. Prior to amendment, subsec. (h) read as follows: ''If any person shall, with intent to conceal the information given thereby or contained therein, deface, destroy, remove, alter, cover, obscure, or obliterate any mark required under the provisions of this chapter, he shall, upon conviction, be fined not more than $5,000 or imprisoned not more than one year, or both.''

1986—Subsec. (c). Pub. L. 99–514 substituted ''(1) Except as provided in paragraph (2), no'' for ''No'' and added par. (2).

1984—Subsecs. (c) to (h). Pub. L. 98–573 added subsecs. (c) to (e), redesignated former subsecs. (c) to (e) as (f) to (h), respectively, and in subsec. (g), as redesignated, substituted ''subsection (f) of this section'' for ''subsection (c) of this section''.

1953—Subsec. (a)(3)(K). Act Aug. 8, 1953, added cl. (K).

1938—Act June 25, 1938, amended section generally.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 213(b) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Section 1907(a)(2) of Pub. L. 100–418 provided that:

''(A) The amendment made by paragraph (1) [amending this section] applies with respect to acts committed on or after the date of the enactment of this Act [Aug. 23, 1988].

''(B) The conviction of a person under section 304(h) of the Tariff Act of 1930 [19 U.S.C. 1304(h)] for an act committed before the date of the enactment of this Act shall be disregarded for purposes of applying paragraph (2) of such subsection (as added by the amendment made by paragraph (1) of this subsection[)].''

EFFECTIVE DATE OF 1984 AMENDMENT

Section 214 of title II of Pub. L. 98–573 provided that:

''(a) For purposes of this section, the term '15th day' means the 15th day after the date of the enactment of this Act [Oct. 30, 1984].

''(b) Except as provided in subsections (c), (d), and (e), the amendments made by this title [enacting sections 58b, 1339, and 1627a of this title, amending sections 81c, 81*o*, 1313, 1330, 1431, 1498, 1555, 2192, 2251, 2253, and 2703 of this title, section 925 of Title 18, Crimes and Criminal Procedure, and section 162 of Title 26, Internal Revenue Code, and enacting provisions set out as notes under sections 2, 81c, 81*o*, and 1339 of this title, and section 162 of Title 26] shall take effect on the 15th day.

''(c)(1) The amendment made by section 204 [amending section 1441 of this title] shall apply with respect to vessels returning from the British Virgin Islands on or after the 15th day.

''(2) The amendments made by section 207 [amending this section] shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day; except for such of those articles that, on or before the 15th day, had been taken on board for transit to the customs territory of the United States.

''(3)(A) The amendment made by section 208 [amending section 1466 of this title] shall apply with respect to entries made in connection with arrivals of vessels on or after the 15th day.

''(B) Upon request therefor filed with the customs officer concerned on or before the 90th day after the date of the enactment of this Act [Oct. 30, 1984], any entry in connection with the arrival of a vessel used primarily for transporting passengers or property—

''(i) made before the 15th day but not liquidated as of January 1, 1983, or

''(ii) made before the 15th day but which is the subject of an action in a court of competent jurisdiction on September 19, 1983, and

''(iii) with respect to which there would have been no duty if the amendment made by section 208 applied to such entry,

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, be liquidated or reliquidated as though such entry had been made on the 15th day.

''(4) The amendments made by section 209 [enacting section 1484a of this title and amending section 1202 of this title] shall apply with respect to articles launched into space from the customs territory of the United States on or after January 1, 1985.

''(5)(A) The amendment made by section 210(a) [amending section 1505 of this title] shall take effect on the 30th day after the date of the enactment of this Act [Oct. 30, 1984].

''(B) The amendment made by section 210(b) [amending section 1520 of this title] shall apply with respect to determinations made or ordered on or after the date of the enactment of this Act [Oct. 30, 1984].

''(d)(1) The amendments made by section 212 [amending sections 1520, 1564, and 1641 of this title and sections 1581, 1582, 2631, 2636, 2640, and 2643 of Title 28, Judiciary and Judicial Procedure] shall take effect upon the close of the 180th day following the date of the enactment of this Act [Oct. 30, 1984] with the following exceptions:

''(A) Section 641(c)(1)(B) and section 641(c)(2) of the Tariff Act of 1930, as added by such section [19 U.S.C. 1641(c)(1)(B), (2)], shall take effect three years after the date of the enactment of this Act [Oct. 30, 1984].

''(B) The amendments made to the Tariff Act of 1930 by subsection (c) of section 212 [no subsec. (c) of section 212 was enacted] shall take effect on such date of enactment [Oct. 30, 1984].

''(2) A license in effect on the date of enactment of this Act [Oct. 30, 1984] under section 641 of the Tariff Act of 1930 (as in effect before such date of enactment) shall continue in force as a license to transact customs business as a customs broker, subject to all the provisions of section 212 and such licenses shall be accepted as permits for the district or districts covered by that license.

''(3) Any proceeding for revocation or suspension of a license instituted under section 641 of the Tariff Act of 1930 before the date of the enactment of this Act [Oct. 30, 1984] shall continue and be governed by the law in effect at the time the proceeding was instituted.

''(4) If any provision of section 212 or its application to any person or circumstances is held invalid, it shall not affect the validity of the remaining provisions or their application to any other person or circumstances.

''(e) The amendments made by section 213 [enacting sections 1589a, 1613b, and 1616a of this title, amending sections 1602, 1605, 1606, 1607, 1608, 1609, 1610, 1611, 1612, 1613, 1614, 1615, 1618, and 1619 of this title and repealing section 7607 of Title 26, Internal Revenue Code] shall take effect October 15, 1984.''

EFFECTIVE DATE OF 1953 AMENDMENTS, ENACTMENTS, AND REPEALS

Section 1 of act Aug. 8, 1953, provided that such act [see Short Title of 1953 Amendment note set out under section 1654 of this title] is effective, except as otherwise specifically provided for, on and after the thirtieth day following the date of its enactment [Aug. 8, 1953].

The exception ''except as otherwise specifically provided for'' apparently refers to the amendments made to the provisions preceding subd. (1) of section 1308 of this title, and to section 1557(b) of this title, for which separate effective dates were provided as explained in notes under such sections.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

SAVINGS PROVISION

Section 23 of act Aug. 8, 1953, provided: ''Except as may be otherwise provided for in this Act [see Short Title of 1953 Amendment note set out under section 1654 of this title], the repeal of existing law or modifications thereof embraced in this Act shall not affect any act done, or any right accruing or accrued, or any suit or proceeding had or commenced in any civil or criminal case prior to such repeal or modification, but all liabilities under such laws shall continue, except as otherwise specifically provided in this Act, and may be enforced in the same manner as if such repeal or modification had not been made.''

TRANSFER OF FUNCTIONS

Functions of all other officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Customs officers and employees, referred to in text, are under Department of the Treasury.

MARKING REQUIREMENTS FOR ARTICLES QUALIFYING AS GOODS OF NAFTA COUNTRY

Section 207(b) of Pub. L. 103–182 provided that: ''Articles that qualify as goods of a NAFTA country under regulations issued by the Secretary in accordance with Annex 311 of the Agreement [North American Free Trade Agreement] are exempt from the marking requirements promulgated by the Secretary of the Treas-

ury under section 1907(c) of the Omnibus Trade and Competitiveness Act of 1988 (Public Law 100–418 [102 Stat. 1315]), but are subject to the requirements of section 304 of the Tariff Act of 1930 (19 U.S.C. 1304).''

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1558, 1595a of this title.

§ 1305. Immoral articles; importation prohibited

(a) Prohibition of importation

All persons are prohibited from importing into the United States from any foreign country any book, pamphlet, paper, writing, advertisement, circular, print, picture, or drawing containing any matter advocating or urging treason or insurrection against the United States, or forcible resistance to any law of the United States, or containing any threat to take the life of or inflict bodily harm upon any person in the United States, or any obscene book, pamphlet, paper, writing, advertisement, circular, print, picture, drawing, or other representation, figure, or image on or of paper or other material, or any cast, instrument, or other article which is obscene or immoral, or any drug or medicine or any article whatever for causing unlawful abortion, or any lottery ticket, or any printed paper that may be used as a lottery ticket, or any advertisement of any lottery. No such articles whether imported separately or contained in packages with other goods entitled to entry, shall be admitted to entry; and all such articles and, unless it appears to the satisfaction of the appropriate customs officer that the obscene or other prohibited articles contained in the package were inclosed therein without the knowledge or consent of the importer, owner, agent, or consignee, the entire contents of the package in which such articles are contained, shall be subject to seizure and forfeiture as hereinafter provided: *Provided*, That the drugs hereinbefore mentioned, when imported in bulk and not put up for any of the purposes hereinbefore specified, are excepted from the operation of this subdivision: *Provided further*, That the Secretary of the Treasury may, in his discretion, admit the so-called classics or books of recognized and established literary or scientific merit, but may, in his discretion, admit such classics or books only when imported for noncommercial purposes: *Provided further*, That effective January 1, 1993, this section shall not apply to any lottery ticket, printed paper that may be used as a lottery ticket, or advertisement of any lottery, that is printed in Canada for use in connection with a lottery conducted in the United States.

(b) [1] Enforcement procedures

Upon the appearance of any such book or matter at any customs office, the same shall be seized and held by the appropriate customs officer to await the judgment of the district court as hereinafter provided; and no protest shall be taken to the United States Court of International Trade from the decision of such customs officer. Upon the seizure of such book or matter, such customs officer shall transmit information thereof to the United States attorney of the district in which is situated either—

(1) the office at which such seizure took place; or

(2) the place to which such book or matter is addressed;

and the United States attorney shall institute proceedings in the district court for the forfeiture, confiscation, and destruction of the book or matter seized. Upon the adjudication that such book or matter thus seized is of the character the entry of which is by this section prohibited, it shall be ordered destroyed and shall be destroyed. Upon adjudication that such book or matter thus seized is not of the character the entry of which is by this section prohibited, it shall not be excluded from entry under the provisions of this section.

In any such proceeding any party in interest may upon demand have the facts at issue determined by a jury and any party may have an appeal or the right of review as in the case of ordinary actions or suits.

(c) [1] Institution of forfeiture proceedings

Notwithstanding the provisions of subsections (a) and (b) of this section, whenever a customs officer discovers any obscene material after such material has been imported or brought into the United States, or attempted to be imported or brought into the United States, he may refer the matter to the United States attorney for the institution of forfeiture proceedings under this section. Such proceedings shall begin no more than 30 days after the time the material is seized; except that no seizure or forfeiture shall be invalidated for delay if the claimant is responsible for extending the action beyond the allowable time limits or if proceedings are postponed pending the consideration of constitutional issues.

(d) Stay of forfeiture proceedings

Upon motion of the United States, a court shall stay such civil forfeiture proceedings commenced under this section pending the completion of any related criminal matter.

(b) [1] Coordination of forfeiture proceedings with criminal proceedings

(1) Notwithstanding subsection (a) of this section, whenever the Customs Service is of the opinion that criminal prosecution would be appropriate or that further criminal investigation is warranted in connection with allegedly obscene material seized at the time of entry, the appropriate customs officer shall immediately transmit information concerning such seizure to

[1] So in original. Two subsecs. (b) and (c) have been enacted. Second subsecs. (b) and (c) probably should be designated (e) and (f), respectively.

the United States Attorney[2] of the district of the addressee's residence. No notice to the addressee or consignee concerning the seizure is required at the time of such transmittal.

(2) Upon receipt of such information, such United States attorney shall promptly determine whether in such attorney's opinion the referral of the matter for forfeiture under this section would materially affect the Government's ability to conduct a criminal investigation with respect to such seizure.

(3) If the United States attorney is of the opinion that no prejudice to such investigation will result from such referral, such attorney shall immediately so notify the Customs Service in writing. The appropriate customs officer shall immediately notify in writing the addressee or consignee of the seizure and shall transmit information concerning such seizure to the United States Attorney[2] of the district in which is situated the office at which such seizure has taken place. The actions described in paragraphs (1) through (3) of this subsection shall take place within sufficient time to allow for the filing of a forfeiture complaint within 14 days of the seizure unless the United States Attorney[2] of the district of the addressee's residence certifies in writing and includes specific, articulable facts demonstrating that the determination required in paragraph (2) of this subsection could not be made in sufficient time to comply with this deadline. In such cases, the actions described in paragraphs (1) through (3) of this subsection shall take place within sufficient time to allow for the filing of a forfeiture complaint within 21 days of seizure.

(4) If the United States attorney for the district of the addressee's residence concludes that material prejudice to such investigation will result from such referral, such United States attorney shall place on file, within 14 days of the date of seizure, a dated certification stating that it is the United States attorney's judgment that referral of the matter for forfeiture under this section would materially affect the Government's ability to conduct a criminal investigation with respect to the seizure. The certification shall set forth specific, articulable facts demonstrating that withholding referral for forfeiture is necessary.

(5)(A) As soon as the circumstances change so that withholding of referral for forfeiture is no longer necessary for purposes of the criminal investigation, the United States attorney shall immediately so notify the Customs Service in writing and shall furnish a copy of the certification described in paragraph (4) above to the Customs Service.

(B) In any matter referred to a United States attorney for possible criminal prosecution wherein subparagraph (5)(A) does not apply, the United States attorney shall immediately notify the Customs Service in writing concerning the disposition of the matter, whether by institution of a prosecution or a letter of declination, and shall also furnish a copy of the certification described in paragraph (4) of this subsection to the Customs Service.

(C) Upon receipt of the notification described in subparagraph (A) or (B) of this paragraph, the appropriate customs officer shall immediately notify the addressee or consignee of the seizure and shall transmit information concerning the seizure, including a copy of the certification described in paragraph (4) above and a copy of the notification described in subparagraph (A) or (B) of this paragraph, to the United States attorney of the district in which is situated the office at which such seizure has taken place, who shall institute forfeiture proceedings in accordance with subsection (a) hereof within 14 days of the date of the notification described in subparagraph (A) or (B) above. A copy of the certification described in paragraph (4) above and a copy of the notification described in subparagraph (A) or (B) of this paragraph shall be affixed to the complaint for forfeiture.

(c)[3] Stay on motion

Upon motion of the United States, a court, for good cause shown, shall stay civil forfeiture proceedings commenced under this section pending the completion of any related criminal matter whether in the same or in a different district.

(June 17, 1930, ch. 497, title III, § 305, 46 Stat. 688; June 25, 1948, ch. 645, § 21, 62 Stat. 862; June 25, 1948, ch. 646, § 1, 62 Stat. 869; June 2, 1970, Pub. L. 91–271, title III, § 301(a), 84 Stat. 287; Jan. 8, 1971, Pub. L. 91–662, § 1, 84 Stat. 1973; Oct. 10, 1980, Pub. L. 96–417, title VI, § 601(2), 94 Stat. 1744; Aug. 23, 1988, Pub. L. 100–418, title I, § 1901(a), 102 Stat. 1312; Sept. 28, 1988, Pub. L. 100–449, title II, § 206, 102 Stat. 1864; Nov. 18, 1988, Pub. L. 100–690, title VII, § 7522(e)[d], 102 Stat. 4500.)

PRIOR PROVISIONS

Provisions in substantially the same language as those of this section were made by act Oct. 3, 1913, ch. 16, § IV, subsections 1, 2, and 3, 38 Stat. 194, superseding similar provisions of previous tariff acts. Those subsections were superseded by act Sept. 21, 1922, ch. 356, title III, § 305, 42 Stat. 937, and repealed by section 321 of that act. Section 305 of act Sept. 21, 1922, was superseded by section 305 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1988—Subsec. (a). Pub. L. 100–449 inserted proviso at end of first par. directing that, "effective January 1, 1993, this section shall not apply to any lottery ticket, printed paper that may be used as a lottery ticket, or advertisement of any lottery, that is printed in Canada for use in connection with a lottery conducted in the United States".

Pub. L. 100–418, § 1901(a)(1), designated second par. of subsec. (a) as subsec. (b) "Enforcement procedures".

Subsec. (b). Pub. L. 100–690, § 7522(e), added subsec. (b) relating to coordination of forfeiture proceedings with criminal proceedings.

Pub. L. 100–418, § 1901(a)(1), (2), designated second par. of subsec. (a) as subsec. (b) "Enforcement procedures" and amended second sentence generally. Prior to amendment, second sentence read as follows: "Upon the seizure of such book or matter such customs officer shall transmit information thereof to the United States attorney of the district in which is situated the office at which such seizure has taken place, who shall institute proceedings in the district court for the forfeiture, confiscation, and destruction of the book or matter seized."

Subsec. (c). Pub. L. 100–690, § 7522(e), added subsec. (c) relating to stay on motion.

[2] So in original. Probably should not be capitalized.

[3] So in original. Two subsecs. (b) and (c) have been enacted. Second subsecs. (b) and (c) probably should be designated (e) and (f), respectively.

Pub. L. 100–418, § 1901(a)(3), added subsec. (c) relating to institution of forfeiture proceedings.

Subsec. (d). Pub. L. 100–418 added subsec. (d) relating to stay of forfeiture proceedings.

1980—Subsec. (a). Pub. L. 96–417, in second undesignated par., redesignated the United States Customs Court as the United States Court of International Trade.

1971—Subsec. (a). Pub. L. 91–662 struck out ''for the prevention of conception or'' before ''for causing unlawful abortion''.

1970—Subsec. (a). Pub. L. 91–271 substituted references to the appropriate customs officer for references to the collector wherever appearing.

1948—Subsec. (b). Act June 25, 1948, eff. Sept. 1, 1948, repealed subsec. (b) which related to penalties against government officers. See section 552 of Title 18, Crimes and Criminal Procedure.

CHANGE OF NAME

Act June 25, 1948, eff. Sept. 1, 1948, substituted ''United States attorney'' for ''district attorney''. See section 541 of Title 28, Judiciary and Judicial Procedure, and Historical and Revision Notes thereunder.

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENTS

Amendment by Pub. L. 100–449 effective on date the United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

Section 1901(b) of Pub. L. 100–418 provided that: ''The amendments made by subsection (a) [amending this section] apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act [Aug. 23, 1988].''

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–417 effective Nov. 1, 1980, and applicable with respect to civil actions pending on or commenced on or after such date, see section 701(a) of Pub. L. 96–417, set out as a note under section 251 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1971 AMENDMENT

Amendment by Pub. L. 91–662 effective Jan. 9, 1971, see section 7 of Pub. L. 91–662, set out as a note under section 552 of Title 18, Crimes and Criminal Procedure.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

Functions of all other officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Customs officers, referred to in text, are under Department of the Treasury.

IMPORTATION OF RU–486

Memorandum of President of the United States, Jan. 22, 1993, 58 F.R. 7459, provided:

Memorandum for the Secretary of Health and Human Services

In Import Alert 66–47, the Food and Drug Administration (''FDA'') excluded the drug Mifepristine—commonly known as RU–486—from the list of drugs that individuals can import into the United States for their ''personal use,'' although the drugs have not yet been approved for distribution by the FDA. (*See* FDA Regulatory Procedures Manual, Chapter 9–71.) Import Alert 66–47 effectively bans the importation into this Nation of a drug that is used in other nations as a nonsurgical means of abortion.

I am informed that in excluding RU–486 from the personal use importation exemption, the FDA appears to have based its decision on factors other than an assessment of the possible health and safety risks of the drug. Accordingly, I hereby direct that you promptly instruct the FDA to determine whether there is sufficient evidence to warrant exclusion of RU–486 from the list of drugs that qualify for the personal use importation exemption. Furthermore, if the FDA concludes that RU–486 meets the criteria for the personal use importation exemption, I direct that you immediately take steps to rescind Import Alert 66–47.

In addition, I direct that you promptly assess initiatives by which the Department of Health and Human Services can promote the testing, licensing, and manufacturing in the United States of RU–486 or other antiprogestins.

You are hereby authorized and directed to publish this memorandum in the Federal Register.

WILLIAM J. CLINTON.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 22 section 614; title 28 section 1581.

§ 1306. Cattle, sheep, swine, and meats; importation prohibited in certain cases

(a) In general

Except as provided in subsection (b) of this section, if the Secretary of Agriculture determines that rinderpest or foot-and-mouth disease exists in any foreign country, he shall officially notify the Secretary of the Treasury and give public notice thereof, and thereafter, and until the Secretary of Agriculture gives notice in a similar manner that such disease no longer exists in such foreign country, the importation into the United States of cattle, sheep, or other ruminants, or swine, or of fresh, chilled, or frozen meat of such animals, from such foreign country, is prohibited: *Provided*, That wild ruminants or swine may be imported from any such country upon such conditions, including post entry conditions, to be prescribed in import permits or in regulations, as the Secretary may impose for the purpose of preventing the dissemination of said diseases into or within the United States: *And provided further*, That the subsequent distribution, maintenance, and exhibition of such animals in the United States shall be limited to zoological parks approved by said Secretary as meeting such standards as he may by regulation prescribe for the purpose of preventing the dissemination of said diseases into or within the United States. The Secretary may at any time seize and dispose of any such animals which are not handled in accordance with the conditions imposed by him or which are distributed to or maintained or exhibited at any place in the United States which is not then an approved zoological park, in such manner as he deems necessary for said purpose.

(b) Exception

The Secretary of Agriculture may permit, subject to such terms and conditions as the Secretary determines appropriate, the importation

of cattle, sheep, other ruminants, or swine (including embryos of the animals), or the fresh, chilled, or frozen meat of the animals, from a region if the Secretary determines that the region from which the animal or meat originated is, and is likely to remain, free from rinderpest and foot-and-mouth disease, or is, and is likely to remain, a region of low prevalence of rinderpest and foot-and-mouth disease.

(c) Regulations

The Secretary of Agriculture is authorized to make rules and regulations to carry out the purposes of this section, and in such rules and regulations the Secretary of Agriculture may prescribe the terms and conditions for the destruction of all cattle, sheep, and other ruminants, and swine, and of all meats, offered for entry and refused admission into the United States, unless such cattle, sheep, ruminants, swine, or meats be exported by the consignee within the time fixed therefor in such rules and regulations.

(June 17, 1930, ch. 497, title III, § 306, 46 Stat. 689; Sept. 2, 1958, Pub. L. 85–867, 72 Stat. 1685; Dec. 15, 1967, Pub. L. 90–201, § 18, 81 Stat. 600; Sept. 28, 1988, Pub. L. 100–449, title III, § 301(f)(5), 102 Stat. 1869; Dec. 8, 1993, Pub. L. 103–182, title III, § 361(d)(1), 107 Stat. 2123; Dec. 8, 1994, Pub. L. 103–465, title IV, § 431(g), 108 Stat. 4969.)

PRIOR PROVISIONS

Provisions concerning the importation of neat cattle and the hides of neat cattle were contained in act Oct. 3, 1913, ch. 16, § IV, H, subsections 1 and 2, 38 Stat. 195, superseding similar provisions of previous tariff acts. Those subsections were superseded by act Sept. 21, 1922, ch. 356, title III, § 306, 42 Stat. 937, and repealed by section 321 thereof. Section 306 of the 1922 act was superseded by section 306 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1994—Subsec. (b). Pub. L. 103–465 inserted before period at end ", or is, and is likely to remain, a region of low prevalence of rinderpest and foot-and-mouth disease".

1993—Subsec. (a). Pub. L. 103–182, § 361(d)(1)(A), substituted heading for one which read "Rinderpest and foot-and-mouth disease" and "Except as provided in subsection (b) of this section, if the Secretary of Agriculture" for "If the Secretary of Agriculture".

Subsec. (b). Pub. L. 103–182, § 361(d)(1)(B), added subsec. (b) and struck out former subsec. (b) "Imports from Canada" which read as follows: "Notwithstanding subsection (a) of this section, the Secretary of Agriculture may permit, subject to such terms and conditions as the Secretary of Agriculture determines appropriate, the importation of cattle, sheep, or other ruminants, or swine (including embryos of such animals) or the fresh, chilled, or frozen meat of such animals from a region of Canada notwithstanding the existence of rinderpest or foot-and-mouth disease in Canada, if—

"(1) the United States and Canada have entered into an agreement delineating the criteria for recognizing that a geographical region of either country is free from rinderpest or foot-and-mouth disease; and

"(2) the appropriate official of the government of Canada certifies that the region of Canada from which the animal or meat originated is free from rinderpest and foot-and-mouth disease."

1988—Subsec. (b). Pub. L. 100–449 added subsec. (b).

1967—Subsec. (b). Pub. L. 90–201 repealed subsec. (b) prohibiting importation of meats unfit for human food. See section 620 of Title 21, Food and Drugs.

1958—Subsec. (a). Pub. L. 85–867 struck out "domestic" before "ruminants", substituted "meat of such animals" for "beef, veal, mutton, lamb, or pork", and inserted provisos prohibiting importation of wild ruminants or swine except under conditions preventing dissemination of livestock diseases and limiting distribution, maintenance and exhibition of such animals to approved zoological parks, and seizure and disposal provision.

Subsec. (c). Pub. L. 85–867 struck out "domestic" before "ruminants" in two places.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date of entry into force of the WTO Agreement with respect to the United States [Jan. 1, 1995], except as otherwise provided, see section 451 of Pub. L. 103–465, set out as an Effective Date note under section 3601 of this title.

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENT

Amendment by Pub. L. 100–449 effective on date the United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

EFFECTIVE DATE OF 1967 AMENDMENT

Amendment by Pub. L. 90–201 effective on expiration of sixty days after Dec. 15, 1967, see section 20(a) of Pub. L. 90–201, set out as an Effective Date note under section 601 of Title 21, Food and Drugs.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 16 section 1540; title 21 section 136a.

§ 1307. Convict-made goods; importation prohibited

All goods, wares, articles, and merchandise mined, produced, or manufactured wholly or in part in any foreign country by convict labor or/and forced labor or/and indentured labor under penal sanctions shall not be entitled to entry at any of the ports of the United States, and the importation thereof is hereby prohibited, and the Secretary of the Treasury is authorized and directed to prescribe such regulations as may be necessary for the enforcement of this provision. The provisions of this section relating to goods, wares, articles, and merchandise mined, produced, or manufactured by forced labor or/and indentured labor, shall take effect on January 1, 1932; but in no case shall such provisions be applicable to goods, wares, articles, or merchandise so mined, produced, or manufactured which are not mined, produced, or manufactured in such quantities in the United States as to meet the consumptive demands of the United States.

"Forced labor", as herein used, shall mean all work or service which is exacted from any person under the menace of any penalty for its nonperformance and for which the worker does not offer himself voluntarily.

(June 17, 1930, ch. 497, title III, § 307, 46 Stat. 689.)

PRIOR PROVISIONS

Provisions in the same language as the provisions of this section were made by act Oct. 3, 1913, ch. 16, § IV, I, 38 Stat. 195, superseding similar provisions of previous tariff acts. That subdivision was superseded by act Sept. 21, 1922, ch. 356, title III, § 307, 42 Stat. 937, and repealed by section 321 of that act. Section 307 of act

Sept. 21, 1922, was superseded by section 307 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

SENSE OF CONGRESS REQUESTING PRESIDENT TO INSTRUCT SECRETARY OF THE TREASURY TO ENFORCE SECTION 1307 WITHOUT DELAY

Pub. L. 100–418, title I, § 1906, Aug. 23, 1988, 102 Stat. 1313, related to Congressional findings of deplorable forced labor conditions in former Soviet Union and request of President to instruct Secretary of the Treasury to enforce this section without delay, prior to repeal by Pub. L. 103–199, title II, § 204(a), Dec. 17, 1993, 107 Stat. 2322.

§ 1308. Repealed. Pub. L. 87–456, title III, § 301(a), May 24, 1962, 76 Stat. 75

Section, acts June 17, 1930, ch. 497, title III, § 308, 46 Stat. 690; June 25, 1938, ch. 679, § 4, 52 Stat. 1079; Aug. 8, 1953, ch. 397, § 10(a)(1), (b) to (f), 67 Stat. 512; Aug. 28, 1954, ch. 1045, § 1, 68 Stat. 914; Aug. 28, 1957, Pub. L. 85–211, § 3, 71 Stat. 487; Apr. 16, 1958, Pub. L. 85–379, 72 Stat. 88; May 16, 1958, Pub. L. 85–414, § 1, 72 Stat. 118, prescribed articles for temporary free importation under bond for exportation.

EFFECTIVE DATE OF REPEAL

Repeal effective with respect to articles entered, or withdrawn from warehouse, for consumption on or after Aug. 31, 1963, see section 501(a) of Pub. L. 87–456, set out as an Effective Date of Tariff Classification Act of 1962 note preceding section 1202 of this title.

§ 1309. Supplies for certain vessels and aircraft

(a) Exemption from customs duties and internal-revenue tax

Articles of foreign or domestic origin may be withdrawn, under such regulations as the Secretary of the Treasury may prescribe, from any customs bonded warehouse, from continuous customs custody elsewhere than in a bonded warehouse, or from a foreign-trade zone free of duty and internal-revenue tax, or from any internal-revenue bonded warehouse, from any brewery, or from any winery premises or bonded premises for the storage of wine, free of internal-revenue tax—

(1) for supplies (not including equipment) of (A) vessels or aircraft operated by the United States, (B) vessels of the United States employed in the fisheries or in the whaling business, or actually engaged in foreign trade or trade between the Atlantic and Pacific ports of the United States or between the United States and any of its possessions, or between Hawaii and any other part of the United States, or between Alaska and any other part of the United States, or (C) aircraft registered in the United States and actually engaged in foreign trade or trade between the United States and any of its possessions, or between Hawaii and any other part of the United States or between Alaska and any other part of the United States; or

(2) for supplies (including equipment) or repair of (A) vessels of war of any foreign nation, or (B) foreign vessels employed in the fisheries or in the whaling business, or actually engaged in foreign trade or trade between the United States and any of its possessions, or between Hawaii and any other part of the United States or between Alaska and any other part of the United States, where such trade by foreign vessels is permitted; or

(3) for supplies (including equipment), ground equipment, maintenance, or repair of aircraft registered in any foreign country and actually engaged in foreign trade or trade between the United States and any of its possessions, or between Hawaii and any other part of the United States or between Alaska and any other part of the United States, where trade by foreign aircraft is permitted. With respect to articles for ground equipment, the exemption hereunder shall apply only to duties and to taxes imposed upon or by reason of importation.

The provisions for free withdrawals made by this subsection shall not apply to petroleum products for vessels or aircraft in voyages or flights exclusively between Hawaii or Alaska and any airport or Pacific coast seaport of the United States.

(b) Drawback

Articles withdrawn from bonded warehouses, bonded manufacturing warehouses, continuous customs custody elsewhere than in a bonded warehouse, or from a foreign-trade zone, imported articles, and articles of domestic manufacture or production, laden as supplies upon any such vessel or aircraft of the United States or laden as supplies (including equipment) upon, or used in the maintenance or repair of, any such foreign vessel or aircraft, shall be considered to be exported within the meaning of the drawback provisions of this chapter.

(c) Articles removed in, or returned to, the United States

Any article exempted from duty or tax, or in respect of which drawback has been allowed, under this section or section 1317 of this title and thereafter removed in the United States from any vessel or aircraft, or otherwise returned to the United States, shall be treated as an importation from a foreign country.

(d) Reciprocal privileges

The privileges granted by this section and section 1317 of this title in respect of aircraft registered in a foreign country shall be allowed only if the Secretary of the Treasury shall have been advised by the Secretary of Commerce that he has found that such foreign country allows, or will allow, substantially reciprocal privileges in respect of aircraft registered in the United States. If the Secretary of Commerce shall advise the Secretary of the Treasury that he has found that a foreign country has discontinued, or will discontinue, the allowance of such privileges, the privileges granted by this section and such section 1317 shall not apply thereafter in respect of aircraft registered in that foreign country.

(June 17, 1930, ch. 497, title III, § 309, 46 Stat. 690; June 25, 1938, ch. 679, § 5(a), 52 Stat. 1080; July 22, 1941, ch. 314, § 3, 55 Stat. 602; Aug. 8, 1953, ch. 397, § 11(a), 67 Stat. 514; July 7, 1960, Pub. L. 86–606, § 5(a), 74 Stat. 361; Aug. 20, 1990, Pub. L. 101–382, title III, § 484A(b), 104 Stat. 708.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Oct. 3, 1913, ch. 16, § IV, K, 38 Stat. 197,

which superseded a like provision made by an amendment of R.S. § 2982, by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 21, 36 Stat. 88. Section IV, K, of the act of 1913, and R.S. § 2982 were superseded by act Sept. 21, 1922, ch. 356, title III, § 309, 42 Stat. 938, and respectively repealed by sections 321 and 642 thereof. Section 309 of the act of 1922 was superseded by section 309 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1990—Subsec. (b). Pub. L. 101–382 inserted ''imported articles,'' after ''foreign-trade zone,''.

1960—Subsec. (a). Pub. L. 86–606 inserted '', or between Hawaii and any other part of the United States or between Alaska and any other part of the United States'' after ''possessions'' wherever appearing, and made the provisions for free withdrawals inapplicable to petroleum products for vessels or aircraft in voyages or flights between Hawaii or Alaska and any airport or Pacific coast seaport of the United States.

1953—Subsec. (a). Act Aug. 8, 1953, extended the exemption from payment of duty and internal revenue tax theretofore available to supplies for certain vessels and aircraft withdrawn from bonded warehouses, bonded manufacturing warehouses, or continuous customs custody elsewhere to supplies withdrawn from foreign trade zones; accorded free entry for equipment withdrawn for foreign vessels; and enlarged the classes of vessels and aircraft theretofore covered to include all vessels and aircraft operated by the United States.

Subsec. (b). Act Aug. 8, 1953, made technical changes to conform with the changes made by such act in subsec. (a), including insertion of ''or from a foreign-trade zone,''.

1941—Subsec. (a). Act July 22, 1941, inserted ''or from any internal-revenue bonded warehouse, from any brewery, or from any winery premises or bonded premises for the storage of wine, free of internal-revenue tax'' after ''internal-revenue tax''.

1938—Act June 25, 1938, amended section generally, adding subsecs. (c) and (d).

EFFECTIVE DATE OF 1990 AMENDMENT

Section 484A(c) of Pub. L. 101–382 provided that: ''Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, the amendments made by this section [amending this section and section 1313 of this title] shall apply to—

''(1) claims filed or liquidated on or after January 1, 1988, and

''(2) claims that are unliquidated, under protest, or in litigation on the date of enactment of this Act [Aug. 20, 1990].''

EFFECTIVE DATE OF 1960 AMENDMENT

Section 5(b) of Pub. L. 86–606 provided that: ''The amendment made by this section [amending this section] shall apply only with respect to articles withdrawn as provided in section 309(a) of the Tariff Act of 1930, as amended [subsec. (a) of this section], on or after the date of the enactment of this Act [July 7, 1960].''

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1557 of this title; title 26 sections 5003, 5053, 5055, 5214.

§ 1310. Free importation of merchandise recovered from sunken and abandoned vessels

Whenever any vessel laden with merchandise, in whole or in part subject to duty, has been sunk in any river, harbor, bay, or waters subject to the jurisdiction of the United States, and within its limits, for the period of two years and is abandoned by the owner thereof, any person who may raise such vessel shall be permitted to bring any merchandise recovered therefrom into the port nearest to the place where such vessel was so raised free from the payment of any duty thereupon, but under such regulations as the Secretary of the Treasury may prescribe.

(June 17, 1930, ch. 497, title III, § 310, 46 Stat. 691.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Oct. 3, 1913, ch. 16, § IV, L, 38 Stat. 197, superseding similar provisions of previous tariff acts. That section was superseded by act Sept. 21, 1922, ch. 356, title III, § 310, 42 Stat. 938, and repealed by section 321 of that act. Section 310 of act Sept. 21, 1922, was superseded by section 310 of act June 17, 1930, and repealed by section 651(a)(1) of the 1930 act.

§ 1311. Bonded manufacturing warehouses

All articles manufactured in whole or in part of imported materials, or of materials subject to internal-revenue tax, and intended for exportation without being charged with duty, and without having an internal-revenue stamp affixed thereto, shall, under such regulations as the Secretary of the Treasury may prescribe, in order to be so manufactured and exported, be made and manufactured in bonded warehouses similar to those known and designated in Treasury Regulations as bonded warehouses, class six: *Provided*, That the manufacturer of such articles shall first give satisfactory bonds for the faithful observance of all the provisions of law and of such regulations as shall be prescribed by the Secretary of the Treasury: *Provided further*, That the manufacture of distilled spirits from grain, starch, molasses, or sugar, including all dilutions or mixtures of them or either of them, shall not be permitted in such manufacturing warehouses.

Whenever goods manufactured in any bonded warehouse established under the provisions of the preceding paragraph shall be exported directly therefrom or shall be duly laden for transportation and immediate exportation under the supervision of the proper officer who shall be duly designated for that purpose, such goods shall be exempt from duty and from the requirements relating to revenue stamps.

No flour, manufactured in a bonded manufacturing warehouse from wheat imported after ninety days after June 17, 1930, shall be withdrawn from such warehouse for exportation without payment of a duty on such imported wheat equal to any reduction in duty which by treaty will apply in respect of such flour in the country to which it is to be exported.

Any materials used in the manufacture of such goods, and any packages, coverings, vessels, brands, and labels used in putting up the same may, under the regulations of the Secretary of the Treasury, be conveyed without the payment of revenue tax or duty into any bonded manufac-

turing warehouse, and imported goods may, under the aforesaid regulations, be transferred without the exaction of duty from any bonded warehouse into any bonded manufacturing warehouse; but this privilege shall not be held to apply to implements, machinery, or apparatus to be used in the construction or repair of any bonded manufacturing warehouse or for the prosecution of the business carried on therein.

Articles or materials received into such bonded manufacturing warehouse or articles manufactured therefrom may be withdrawn or removed therefrom for direct shipment and exportation or for transportation and immediate exportation in bond to foreign countries or to the Philippine Islands under the supervision of the officer duly designated therefor by the appropriate customs officer of the port, who shall certify to such shipment and exportation, or ladening for transportation, as the case may be, describing the articles by their mark or otherwise, the quantity, the date of exportation, and the name of the vessel: *Provided*, That the by-products incident to the processes of manufacture, including waste derived from cleaning rice in bonded warehouses under the Act of March 24, 1874, ch. 65, 18 Stat. 24, in said bonded warehouses may be withdrawn for domestic consumption on the payment of duty equal to the duty which would be assessed and collected by law if such waste or by-products were imported from a foreign country: *Provided*, That all waste material may be destroyed under Government supervision. All labor performed and services rendered under these provisions shall be under the supervision of a duly designated officer of the customs and at the expense of the manufacturer.

A careful account shall be kept by the appropriate customs officer of all merchandise delivered by him to any bonded manufacturing warehouse, and a sworn monthly return, verified by the customs officers in charge, shall be made by the manufacturer containing a detailed statement of all imported merchandise used by him in the manufacture of exported articles.

Before commencing business the proprietor of any manufacturing warehouse shall file with the Secretary of the Treasury a list of all the articles intended to be manufactured in such warehouse, and state the formula of manufacture and the names and quantities of the ingredients to be used therein.

Articles manufactured under these provisions may be withdrawn under such regulations as the Secretary of the Treasury may prescribe for transportation and delivery into any bonded warehouse for the sole purpose of export therefrom: *Provided*, That cigars manufactured in whole of tobacco imported from any one country, made and manufactured in such bonded manufacturing warehouses, may be withdrawn for home consumption upon the payment of the duties on such tobacco in its condition as imported under such regulations as the Secretary of the Treasury may prescribe, and the payment of the internal-revenue tax accruing on such cigars in their condition as withdrawn, and the boxes or packages containing such cigars shall be stamped to indicate their character, origin of tobacco from which made, and place of manufacture.

The provisions of section 3433 of the Revised Statutes shall, so far as may be practicable, apply to any bonded manufacturing warehouse established under this chapter and to the merchandise conveyed therein.

Distilled spirits and wines which are rectified in bonded manufacturing warehouses, class six, and distilled spirits which are reduced in proof and bottled in such warehouses, shall be deemed to have been manufactured within the meaning of this section, and may be withdrawn as hereinbefore provided, and likewise for shipment in bond to Puerto Rico, subject to the provisions of this section, and under such regulations as the Secretary of the Treasury may prescribe, there to be withdrawn for consumption or be rewarehoused and subsequently withdrawn for consumption: *Provided*, That upon withdrawal in Puerto Rico for consumption, the duties imposed by the customs laws of the United States shall be collected on all imported merchandise (in its condition as imported) and imported containers used in the manufacture and putting up of such spirits and wines in such warehouses.

No article manufactured in a bonded warehouse from materials that are goods subject to NAFTA drawback, as defined in section 3333(a) of this title, may be withdrawn from warehouse for exportation to a NAFTA country, as defined in section 3301(4) of this title, without assessment of a duty on the materials in their condition and quantity, and at their weight, at the time of importation into the United States. The duty shall be paid before the 61st day after the date of exportation, except that upon the presentation, before such 61st day, of satisfactory evidence of the amount of any customs duties paid to the NAFTA country on the article, the customs duty may be waived or reduced (subject to section 1508(b)(2)(B) of this title) in an amount that does not exceed the lesser of—

(1) the total amount of customs duties paid or owed on the materials on importation into the United States, or

(2) the total amount of customs duties paid on the article to the NAFTA country.

If Canada ceases to be a NAFTA country and the suspension of the operation of the United States-Canada Free-Trade Agreement thereafter terminates, no article manufactured in a bonded warehouse, except to the extent that such article is made from an article that is a drawback eligible good under section 204(a) of the United States-Canada Free-Trade Agreement Implementation Act of 1988, may be withdrawn from such warehouse for exportation to Canada during the period such Agreement is in operation without payment of a duty on such imported merchandise in its condition, and at the rate of duty in effect, at the time of importation.

(June 17, 1930, ch. 497, title III, § 311, 46 Stat. 691; June 26, 1936, ch. 830, title IV, § 404, 49 Stat. 1960; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; July 26, 1979, Pub. L. 96–39, title VIII, § 856(b), 93 Stat. 295; Jan. 12, 1983, Pub. L. 97–446, title II, § 202, 96 Stat. 2350; Sept. 28, 1988, Pub. L. 100–449, title II, § 204(c)(1), 102 Stat. 1862; Dec. 8, 1993, Pub. L. 103–182, title II, § 203(b)(1), 107 Stat. 2088.)

REFERENCES IN TEXT

Act March 24, 1874, referred to in text, which provided that ''importers' bonded warehouses, to be used for the storage and cleansing of imported rice intended for exportation to foreign countries, may be established at any port of entry in the United States, under such rules and regulations as the Secretary of the Treasury may prescribe'', was repealed by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

R.S. § 3433, referred to in text, was amended by act Feb. 27, 1877, ch. 69, 19 Stat. 248. The provisions of R.S. § 3433 as they existed prior to the amendment by act Feb. 27, 1877, were reenacted as section 10 of act Oct. 1, 1890, ch. 1244, 26 Stat. 614. Section 55 of said act Oct. 1, 1890, repealed all laws and parts of laws inconsistent therewith. The provisions of said section 10 of act Oct. 1, 1890, were incorporated into the Internal Revenue Code of 1939, as subsections (a), (b), (c), and (d)(1) of section 3177. See section 5521 of Title 26, Internal Revenue Code.

Section 204 of the United States-Canada Free-Trade Agreement Implementation Act of 1988, referred to in text, is section 204 of Pub. L. 100–449, which is set out in a note under section 2112 of this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Oct. 3, 1913, ch. 16, § IV, M, 38 Stat. 197, which was superseded by act Sept. 21, 1922, ch. 356, title III, § 311, 42 Stat. 938, and repealed by section 321 thereof. Section 311 of the 1922 act was superseded by section 311 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Section IV, M, of the act of 1913 superseded previous similar provisions of the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 23, 36 Stat. 88, which superseded those of the Dingley Tariff Act of July 24, 1897, ch. 11, § 15, 30 Stat. 207. Similar provisions were contained in the Wilson Tariff Act of Aug. 27, 1894, ch. 349, § 9, 28 Stat. 548.

AMENDMENTS

1993—Pub. L. 103–182 amended last par. generally. Prior to amendment, last par. read as follows: ''No article manufactured in a bonded warehouse, except to the extent that such article is made from an article that is a drawback eligible good under section 204(a) of the United States-Canada Free-Trade Agreement Implementation Act of 1988, may be withdrawn from such warehouse for exportation to Canada on or after January 1, 1994, or such later date as may be proclaimed by the President under section 204(b)(2)(B) of such Act of 1988, without payment of a duty on such imported merchandise in its condition, and at the rate of duty in effect, at the time of importation.''

1988—Pub. L. 100–449 added par. at end relating to articles withdrawn for exportation to Canada on and after Jan. 1, 1994, and to drawback-eligible goods under the United States-Canada Free-Trade Agreement Implementation Act of 1988.

1983—Pub. L. 97–446 struck out ''at an exterior port'' after ''bonded warehouse'' and ''immediate'' after ''sole purpose of'' in eighth par.

1979—Pub. L. 96–39, in par. relating to distilled spirits and wine, struck out provision that no internal revenue tax be imposed on distilled spirits and wines rectified in class six warehouses if such distilled spirits and wines are exported or shipped in accordance with the provisions of this section, and that no person rectifying distilled spirits or wines in such warehouses be subject by reason of such rectification to the payment of special tax as rectifier.

1970—Pub. L. 91–271 substituted references to the appropriate customs officer for references to the collector wherever appearing.

1936—Act June 26, 1936, inserted par. at end relating to distilled spirits and wine.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 applicable (1) with respect to exports from the United States to Canada on Jan. 1, 1996, if Canada is a NAFTA country on that date and after such date for so long as Canada continues to be a NAFTA country and (2) with respect to exports from the United States to Mexico on Jan. 1, 2001, if Mexico is a NAFTA country on that date and after such date for so long as Mexico continues to be a NAFTA country, see section 213(c) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENT

Amendment by Pub. L. 100–449 effective on date the United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Section 856(b) of Pub. L. 96–39 provided that: ''Effective January 1, 1980, the second proviso to the last paragraph of section 311 of the Tariff Act of 1930 [this section] is hereby repealed.''

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

Functions of all other officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Customs officers, referred to in text, are under Department of the Treasury.

WITHDRAWAL OF DISTILLED SPIRITS TO MANUFACTURING BONDED WAREHOUSES; TRANSFERS TO WAREHOUSES PENDING EXPORTATION

Pub. L. 96–39, title VIII, § 856(a), July 26, 1979, 93 Stat. 295, as amended by Pub. L. 99–514, § 2, Oct. 22, 1986, 100 Stat. 2095, provided that: ''In the case of articles described in section 5522(a) of the Internal Revenue Code of 1986 [formerly I.R.C. 1954, 26 U.S.C. 5522(a)] (as in effect before its repeal by section 807(a)(50) of the Distilled Spirits Tax Revision Act of 1979 [section 807(50) of Pub. L. 96–39]) the first sentence of the eighth paragraph of section 311 of the Tariff Act of 1930 (19 U.S.C. 1311) shall be applied as if such first sentence did not include the phrase 'at an exterior port'.''

CROSS REFERENCES

Section to apply to any foreign trade agreement to extent such agreement assures to United States preferential rate of duty on wheat flour, see section 1352 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1352, 1508, 2703 of this title; title 18 section 2341; title 26 section 5214.

§ 1312. Bonded smelting and refining warehouses

(a) Bond; charges against bond

Any plant engaged in smelting or refining, or both, of metal-bearing materials as defined in this section may, upon the giving of satisfactory bond, be designated a bonded smelting or refining warehouse. Metal-bearing materials may be entered into a bonded smelting or refining warehouse without the payment of duties thereon

and there smelted or refined, or both, together with metal-bearing materials of domestic or foreign origin. Upon arrival of imported metal-bearing materials at the warehouse they shall be sampled according to commercial methods and assayed, both under customs supervision. The bond shall be charged with a sum equal in amount to the duties which would be payable on such metal-bearing materials in their condition as imported if entered for consumption, and the bond charge shall be adjusted to reflect changes in the applicable rate of duty occurring while the imported materials are still covered by the bond.

(b) Cancellation of charges against bond

The several charges against such bond may be canceled in whole or in part—

(1) upon the exportation from the bonded warehouses which treated the metal-bearing materials, or from any other bonded smelting or refining warehouse, of a quantity of the same kind of metal contained in any product of smelting or refining of metal-bearing materials equal to the dutiable quantity contained in the imported metal-bearing materials less wastage provided for in subsection (c) of this section; except that in the case of a withdrawal for exportation of such a product to a NAFTA country, as defined in section 3301(4) of this title, if any of the imported metal-bearing materials are goods subject to NAFTA drawback, as defined in section 3333(a) of this title, the duties on the materials shall be paid, and the charges against the bond canceled, before the 61st day after the date of exportation; but upon the presentation, before such 61st day, of satisfactory evidence of the amount of any customs duties paid to the NAFTA country on the product, the duties on the materials may be waived or reduced (subject to section 1508(b)(2)(B) of this title) in an amount that does not exceed the lesser of—

(A) the total amount of customs duties owed on the materials on importation into the United States, or

(B) the total amount of customs duties paid to the NAFTA country on the product, or

(2) upon payment of duties on the dutiable quantity of metal contained in the imported metal-bearing materials, or

(3) upon the transfer of the bond charges to another bonded smelting or refining warehouse by physical shipment of a quantity of the same kind of metal contained in any product of smelting or refining of metal-bearing materials equal to the dutiable quantity contained in the imported metal-bearing materials less wastage provided for in subsection (c) of this section, or

(4) upon the transfer of the bond charges to a bonded customs warehouse other than a bonded smelting or refining warehouse by physical shipment of a quantity of the same kind of metal contained in any product of smelting or refining equal to the dutiable quantity contained in the imported metal-bearing materials less wastage provided for in subsection (c) of this section, and upon withdrawal from such other warehouse for exportation or domestic consumption the provisions of this section shall apply; except that in the case of a withdrawal for exportation of such a product to a NAFTA country, as defined in section 3301(4) of this title, if any of the imported metal-bearing materials are goods subject to NAFTA drawback, as defined in section 3333(a) of this title, the duties on the materials shall be paid, and the charges against the bond canceled, before the 61st day after the date of exportation; but upon the presentation, before such 61st day, of satisfactory evidence of the amount of any customs duties paid to the NAFTA country on the product, the duties on the materials may be waived or reduced (subject to section 1508(b)(2)(B) of this title) in an amount that does not exceed the lesser of—

(A) the total amount of customs duties owed on the materials on importation into the United States, or

(B) the total amount of customs duties paid to the NAFTA country on the product, or

(5) upon the transfer to another bonded smelting or refining warehouse without physical shipment of metal of bond charges representing a quantity of dutiable metal contained in imported metal-bearing materials less wastage provided for in subsection (c) of this section of the plant of initial treatment of such materials provided there is on hand at the warehouse to which the transfer is made sufficient like metal in any form to satisfy the transferred bond charges.

If Canada ceases to be a NAFTA country and the suspension of the operation of the United States-Canada Free-Trade Agreement thereafter terminates, no charges against such bond may be canceled in whole or part upon an exportation to Canada under paragraph (1) or (4) during the period such Agreement is in operation except to the extent that the metal-bearing materials were of Canadian origin as determined in accordance with section 202 of the United States-Canada Free-Trade Agreement Implementation Act of 1988.

(c) Allowance on bond for wastage of metals

For purposes of paragraphs (1), (3), (4), and (5) of subsection (b) of this section, due allowances shall be made for wastage of metals other than copper, lead, and zinc, as ascertained from time to time by the Secretary of the Treasury.

(d) Credit for exportation of product other than refined metal

Upon the exportation of a product of smelting or refining other than refined metal the bond shall be credited with a quantity of metal equivalent to the quantity of metal contained in the product exported less the proportionate part of the deductions allowed for losses in determination of the bond charge being cancelled that would not ordinarily be sustained in production of the specific product exported as ascertained from time to time by the Secretary of the Treasury; except that in the case of a withdrawal for exportation to a NAFTA country, as defined in section 3301(4) of this title, if any of the imported metal-bearing materials are goods sub-

ject to NAFTA drawback, as defined in section 3333(a) of this title, charges against the bond shall be paid before the 61st day after the date of exportation; but upon the presentation, before such 61st day, of satisfactory evidence of the amount of any customs duties paid to the NAFTA country on the product, the bond shall be credited (subject to section 1508(b)(2)(B) of this title) in an amount not to exceed the lesser of—

(1) the total amount of customs duties paid or owed on the materials on importation into the United States, or

(2) the total amount of customs duties paid to the NAFTA country on the product.

If Canada ceases to be a NAFTA country and the suspension of the operation of the United States-Canada Free-Trade Agreement thereafter terminates, no bond shall be credited under this subsection with respect to an exportation of a product to Canada during the period such Agreement is in operation except to the extent that the product is a drawback eligible good under section 204(a) of the United States-Canada Free-Trade Agreement Implementation Act of 1988.

(e) General bond for two or more warehouses

Two or more smelting or refining warehouses may be included under one general bond and the quantities of each kind of metal subject to duty on hand at all of such warehouses may be aggregated to satisfy the bond obligation.

(f) Definitions

For purposes of this section—

(1) the term ''metal-bearing materials'' means metal-bearing ores and other metal-bearing materials provided for in chapter 26 of the Harmonized Tariff Schedule of the United States, metal waste and scrap and unwrought metal to be smelted or refined provided for in chapters 71 through 83 of the Harmonized Tariff Schedule of the United States, and metal compounds to be processed for the recovery of their metal content;

(2) the term ''smelting or refining'' embraces only pyrometallurgical, hydrometallurgical, electrometallurgical, chemical, or other processes—

(A) for the treatment of metal-bearing materials to reduce the metal content thereof to a metallic state in the course of recovering it in forms which if imported would be classifiable in chapters 71 through 83 of the Harmonized Tariff Schedule of the United States as unwrought metal, or in the form of oxides or other compounds which are obtained directly from the treatment of materials provided for in chapter 26 of the Harmonized Tariff Schedule of the United States, and

(B) for the treatment of unwrought metal or metal waste and scrap to remove impurities or undesired components; and

(3) the term ''product of smelting or refining'' means metals or metal-bearing materials resulting directly from smelting or refining processes, but does not include metal-bearing ores of chapter 26 of the Harmonized Tariff Schedule of the United States.

(g) Supervision and cost of labor under this section

Labor performed and services rendered pursuant to this section shall be under the supervision of an officer of the customs, to be appointed by the Secretary of the Treasury and at the expense of the manufacturer. The Secretary of the Treasury is authorized to make such rules and regulations as may be necessary to carry out the provisions of this section.

(June 17, 1930, ch. 497, title III, § 312, 46 Stat. 692; May 24, 1962, Pub. L. 87–456, title III, § 301(b), 76 Stat. 75; Aug. 23, 1988, Pub. L. 100–418, title I, § 1214(h)(1), 102 Stat. 1157; Sept. 28, 1988, Pub. L. 100–449, title II, § 204(c)(2), 102 Stat. 1862; Dec. 8, 1993, Pub. L. 103–182, title II, § 203(b)(2), 107 Stat. 2088.

REFERENCES IN TEXT

Sections 202 and 204 of the United States-Canada Free-Trade Agreement Implementation Act of 1988, referred to in subsecs. (b) and (d), are sections 202 and 204 of Pub. L. 100–449, which are set out in a note under section 2112 of this title.

The Harmonized Tariff Schedule of the United States, referred to in subsec. (f), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Oct. 3, 1913, ch. 16, § IV, N, subsection 1, 38 Stat. 198, which was superseded by act Sept. 21, 1922, ch. 356, title III, § 312, 42 Stat. 940, and repealed by section 321 thereof. Section 312 of the act of 1922 was superseded by section 312 of act June 17, 1930, and repealed by section 651(a)(1) of the 1930 act.

Provisions more or less similar were contained in the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 24, 36 Stat. 89, the Dingley Tariff Act of July 24, 1897, ch. 11, § 29, 30 Stat. 210, the McKinley Tariff Act of Oct. 1, 1890, ch. 1244, § 24, 26 Stat. 617, and the Wilson Tariff Act of Aug. 27, 1894, ch. 349, § 21, 28 Stat. 551.

Previous provisions for sampling lead ores were contained in act Mar. 2, 1895, ch. 189, § 1, 28 Stat. 933, prior to repeal by act Sept. 21, 1922, ch. 356, title III, § 321, 42 Stat. 947.

AMENDMENTS

1993—Subsec. (b). Pub. L. 103–182, § 203(b)(2)(B), inserted concluding provisions following par. (5).

Subsec. (b)(1). Pub. L. 103–182, § 203(b)(2)(A), struck out ''(other than exportation to Canada on or after January 1, 1994, or such later date as may be proclaimed by the President under section 204(b)(2)(B) of the United States-Canada Free-Trade Agreement Implementation Act of 1988, except to the extent that the metal-bearing materials were of Canadian origin as determined in accordance with section 202 of such Act of 1988)'' after ''upon the exportation'' and inserted provisions excepting goods withdrawn for exportation to a NAFTA country.

Subsec. (b)(4). Pub. L. 103–182, § 203(b)(2)(A), struck out ''(other than exportation to Canada on or after January 1, 1994, or such later date as may be proclaimed by the President under section 204(b)(2)(B) of the United States-Canada Free-Trade Agreement Implementation Act of 1988, except to the extent that the metal-bearing materials were of Canadian origin as determined in accordance with section 202 of such Act of 1988)'' after ''warehouse for exportation'' and inserted provisions excepting goods withdrawn for exportation to a NAFTA country.

Subsec. (d). Pub. L. 103–182, § 203(b)(2)(C), struck out ''(other than exportation to Canada on or after January 1, 1994, or such later date as may be proclaimed by the

President under section 204(b)(2)(B) of the United States-Canada Free-Trade Agreement Implementation Act of 1988, except to the extent that the product is a drawback eligible good under section 204(a) of such Act of 1988)'' after ''Upon the exportation'' and inserted before concluding period provisions excepting goods withdrawn for exportation to a NAFTA country, including pars. (1) and (2), as well as sentence relating to conditions arising should Canada cease to be a NAFTA country.

1988—Subsec. (b)(1), (4). Pub. L. 100–449, § 204(c)(2)(A), inserted ''(other than exportation to Canada on or after January 1, 1994, or such later date as may be proclaimed by the President under section 204(b)(2)(B) of the United States-Canada Free-Trade Agreement Implementation Act of 1988, except to the extent that the metal-bearing materials were of Canadian origin as determined in accordance with section 202 of such Act of 1988)'' after ''exportation''.

Subsec. (d). Pub. L. 100–449, § 204(c)(2)(B), inserted ''(other than exportation to Canada on or after January 1, 1994, or such later date as may be proclaimed by the President under section 204(b)(2)(B) of the United States-Canada Free-Trade Agreement Implementation Act of 1988, except to the extent that the product is a drawback eligible good under section 204(a) of such Act of 1988)'' after ''exportation''.

Subsec. (f)(1). Pub. L. 100–418, § 1214(h)(1)(A), substituted ''chapter 26 of the Harmonized Tariff Schedule of the United States'' for ''schedule 6, part 1, of the Tariff Schedules of the United States'' and ''chapters 71 through 83 of the Harmonized Tariff Schedule of the United States'' for ''schedule 6, part 2, of such schedules'' and struck out the quotation marks surrounding ''metal waste and scrap'' and ''unwrought metal''.

Subsec. (f)(2)(A). Pub. L. 100–418, § 1214(h)(1)(B), substituted ''chapters 71 through 83 of the Harmonized Tariff Schedule of the United States'' for ''part 2 of schedule 6'' and ''chapter 26 of the Harmonized Tariff Schedule of the United States'' for ''part 1 of schedule 6'' and struck out single quotation marks surrounding ''unwrought metal''.

Subsec. (f)(3). Pub. L. 100–418, § 1214(h)(1)(C), substituted ''of chapter 26 of the Harmonized Tariff Schedule of the United States'' for ''as defined in part 1 of schedule 6''.

1962—Pub. L. 87–456 amended section generally, and among other changes, substituted ''metal-bearing minerals'' for ''ores or crude metals'', authorized adjustment of the bond charge to reflect changes in the applicable rate of duty occurring while the imported materials are still covered by the bond, permitted two or more warehouses to be included under one general bond, prohibited allowances for wastage of copper, lead, and zinc, and defined ''metal-bearing materials'', ''smelting or refining'', and ''product of smelting or refining''.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 applicable (1) with respect to exports from the United States to Canada on Jan. 1, 1996, if Canada is a NAFTA country on that date and after such date for so long as Canada continues to be a NAFTA country and (2) with respect to exports from the United States to Mexico on Jan. 1, 2001, if Mexico is a NAFTA country on that date and after such date for so long as Mexico continues to be a NAFTA country, see section 213(c) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENTS

Amendment by Pub. L. 100–449 effective on date the United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

Amendment by Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.

EFFECTIVE DATE OF 1962 AMENDMENT

Amendment by Pub. L. 87–456 effective with respect to articles entered, or withdrawn from warehouse, for consumption on or after Aug. 31, 1963, see section 501(a) of Pub. L. 87–456.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1508 of this title.

§ 1313. Drawback and refunds

(a) Articles made from imported merchandise

Upon the exportation or destruction under customs supervision of articles manufactured or produced in the United States with the use of imported merchandise, provided that those articles have not been used prior to such exportation or destruction, the full amount of the duties paid upon the merchandise so used shall be refunded as drawback, less 1 per centum of such duties, except that such duties shall not be so refunded upon the exportation or destruction of flour or by-products produced from imported wheat. Where two or more products result from the manipulation of imported merchandise, the drawback shall be distributed to the several products in accordance with their relative values at the time of separation.

(b) Substitution for drawback purposes

If imported duty-paid merchandise and any other merchandise (whether imported or domestic) of the same kind and quality are used in the manufacture or production of articles within a period not to exceed three years from the receipt of such imported merchandise by the manufacturer or producer of such articles, there shall be allowed upon the exportation, or destruction under customs supervision, of any such articles, notwithstanding the fact that none of the imported merchandise may actually have been used in the manufacture or production of the exported or destroyed articles, an amount of drawback equal to that which would have been allowable had the merchandise used therein been imported, but only if those articles have not been used prior to such exportation or destruction; but the total amount of drawback allowed upon the exportation or destruction under customs supervision of such articles, together with the total amount of drawback allowed in respect of such imported merchandise under any other provision of law, shall not exceed 99 per centum of the duty paid on such imported merchandise.

(c) Merchandise not conforming to sample or specifications

Upon the exportation, or destruction under the supervision of the Customs Service, of merchandise—

(1) not conforming to sample or specifications, shipped without the consent of the consignee, or determined to be defective as of the time of importation;

(2) upon which the duties have been paid;

(3) which has been entered or withdrawn for consumption; and

(4) which, within 3 years after release from the custody of the Customs Service, has been

returned to the custody of the Customs Service for exportation or destruction under the supervision of the Customs Service;

the full amount of the duties paid upon such merchandise, less 1 percent, shall be refunded as drawback.

(d) Flavoring extracts; medicinal or toilet preparations; bottled distilled spirits and wines

Upon the exportation of flavoring extracts, medicinal or toilet preparations (including perfumery) manufactured or produced in the United States in part from domestic alcohol on which an internal-revenue tax has been paid, there shall be allowed a drawback equal in amount to the tax found to have been paid on the alcohol so used.

Upon the exportation of bottled distilled spirits and wines manufactured or produced in the United States on which an internal-revenue tax has been paid or determined, there shall be allowed, under regulations to be prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury, a drawback equal in amount to the tax found to have been paid or determined on such bottled distilled spirits and wines. In the case of distilled spirits, the preceding sentence shall not apply unless the claim for drawback is filed by the bottler or packager of the spirits and unless such spirits have been stamped or restamped, and marked, especially for export, under regulations prescribed by the Commissioner of Internal Revenue, with the approval of the Secretary of the Treasury.

(e) Imported salt for curing fish

Imported salt in bond may be used in curing fish taken by vessels licensed to engage in the fisheries, and in curing fish on the shores of the navigable waters of the United States, whether such fish are taken by licensed or unlicensed vessels, and upon proof that the salt has been used for either of such purposes, the duties on the same shall be remitted.

(f) Exportation of meats cured with imported salt

Upon the exportation of meats, whether packed or smoked, which have been cured in the United States with imported salt, there shall be refunded, upon satisfactory proof that such meats have been cured with imported salt, the duties paid on the salt so used in curing such exported meats, in amounts not less than $100.

(g) Materials for construction and equipment of vessels built for foreigners

The provisions of this section shall apply to materials imported and used in the construction and equipment of vessels built for foreign account and ownership, or for the government of any foreign country, notwithstanding that such vessels may not within the strict meaning of the term be articles exported.

(h) Jet aircraft engines

Upon the exportation of jet aircraft engines manufactured or produced abroad that have been overhauled, repaired, rebuilt, or reconditioned in the United States with the use of imported merchandise, including parts, there shall be refunded, upon satisfactory proof that such imported merchandise has been so used, the duties which have been paid thereon, in amounts not less than $100.

(i) Time limitation on exportation

No drawback shall be allowed under the provisions of this section unless the completed article is exported within five years after importation of the imported merchandise.

(j) Unused merchandise drawback

(1) If imported merchandise, on which was paid any duty, tax, or fee imposed under Federal law because of its importation—

(A) is, before the close of the 3-year period beginning on the date of importation—

(i) exported, or

(ii) destroyed under customs supervision; and

(B) is not used within the United States before such exportation or destruction;

then upon such exportation or destruction 99 percent of the amount of each duty, tax, or fee so paid shall be refunded as drawback. The exporter (or destroyer) has the right to claim drawback under this paragraph, but may endorse such right to the importer or any intermediate party.

(2) Subject to paragraph (4), if there is, with respect to imported merchandise on which was paid any duty, tax, or fee imposed under Federal law because of its importation, any other merchandise (whether imported or domestic), that—

(A) is commercially interchangeable with such imported merchandise;

(B) is, before the close of the 3-year period beginning on the date of importation of the imported merchandise, either exported or destroyed under customs supervision; and

(C) before such exportation or destruction—

(i) is not used within the United States, and

(ii) is in the possession of, including ownership while in bailment, in leased facilities, in transit to, or in any other manner under the operational control of, the party claiming drawback under this paragraph, if that party—

(I) is the importer of the imported merchandise, or

(II) received from the person who imported and paid any duty due on the imported merchandise a certificate of delivery transferring to the party the imported merchandise, commercially interchangeable merchandise, or any combination of imported and commercially interchangeable merchandise (and any such transferred merchandise, regardless of its origin, will be treated as the imported merchandise and any retained merchandise will be treated as domestic merchandise);

then upon the exportation or destruction of such other merchandise the amount of each such duty, tax, and fee paid regarding the imported merchandise shall be refunded as drawback, but in no case may the total drawback on the imported merchandise, whether available under this paragraph or any other provision of law or

any combination thereof, exceed 99 percent of that duty, tax, or fee.

(3) The performing of any operation or combination of operations (including, but not limited to, testing, cleaning, repacking, inspecting, sorting, refurbishing, freezing, blending, repairing, reworking, cutting, slitting, adjusting, replacing components, relabeling, disassembling, and unpacking), not amounting to manufacture or production for drawback purposes under the preceding provisions of this section on—

(A) the imported merchandise itself in cases to which paragraph (1) applies, or

(B) the commercially interchangeable merchandise in cases to which paragraph (2) applies,

shall not be treated as a use of that merchandise for purposes of applying paragraph (1)(B) or (2)(C).

(4) Effective upon the entry into force of the North American Free Trade Agreement, the exportation to a NAFTA country, as defined in section 2(4) of the North American Free Trade Agreement Implementation Act [19 U.S.C. 3301(4)], of merchandise that is fungible with and substituted for imported merchandise, other than merchandise described in paragraphs (1) through (8) of section 203(a) of that Act, shall not constitute an exportation for purposes of paragraph (2) [19 U.S.C. 3333(a)].

(k) Use of domestic merchandise acquired in exchange for imported merchandise of same kind and quality

For purposes of subsections (a) and (b) of this section, the use of any domestic merchandise acquired in exchange for imported merchandise of the same kind and quality shall be treated as the use of such imported merchandise if no certificate of delivery is issued with respect to such imported merchandise.

(*l*) Regulations

Allowance of the privileges provided for in this section shall be subject to compliance with such rules and regulations as the Secretary of the Treasury shall prescribe, which may include, but need not be limited to, the authority for the electronic submission of drawback entries and the designation of the person to whom any refund or payment of drawback shall be made.

(m) Source of payment

Any drawback of duties that may be authorized under the provisions of this chapter shall be paid from the customs receipts of Puerto Rico, if the duties were originally paid into the Treasury of Puerto Rico.

(n) Refunds, waivers, or reductions under North American Free Trade Agreement Implementation Act

(1) For purposes of this subsection and subsection (*o*) of this section—

(A) the term ''NAFTA Act'' means the North American Free Trade Agreement Implementation Act [19 U.S.C. 3301 et seq.];

(B) the terms ''NAFTA country'' and ''good subject to NAFTA drawback'' have the same respective meanings that are given such terms in sections 2(4) and 203(a) of the NAFTA Act [19 U.S.C. 3301(4), 3333(a)]; and

(C) a refund, waiver, or reduction of duty under paragraph (2) of this subsection or paragraph (1) of subsection (*o*) of this section is subject to section 1508(b)(2)(B) of this title.

(2) For purposes of subsections (a), (b), (f), (h), (p), and (q) of this section, if an article that is exported to a NAFTA country is a good subject to NAFTA drawback, no customs duties on the good may be refunded, waived, or reduced in an amount that exceeds the lesser of—

(A) the total amount of customs duties paid or owed on the good on importation into the United States, or

(B) the total amount of customs duties paid on the good to the NAFTA country.

(3) If Canada ceases to be a NAFTA country and the suspension of the operation of the United States-Canada Free-Trade Agreement thereafter terminates, then for purposes of subsections (a), (b), (f), (h), (j)(2), and (q) of this section, the shipment to Canada during the period such Agreement is in operation of an article made from or substituted for, as appropriate, a drawback eligible good under section 204(a) of the United States-Canada Free-Trade Implementation Act of 1988 does not constitute an exportation.

(*o*) Vessels built for account of resident of NAFTA country

(1) For purposes of subsection (g) of this section, if—

(A) a vessel is built for the account and ownership of a resident of a NAFTA country or the government of a NAFTA country, and

(B) imported materials that are used in the construction and equipment of the vessel are goods subject to NAFTA drawback,

the amount of customs duties refunded, waived, or reduced on such materials may not exceed the lesser of the total amount of customs duties paid or owed on the materials on importation into the United States or the total amount of customs duties paid on the vessel to the NAFTA country.

(2) If Canada ceases to be a NAFTA country and the suspension of the operation of the United States-Canada Free-Trade Agreement thereafter terminates, then for purposes of subsection (g) of this section, vessels built for Canadian account and ownership, or for the Government of Canada, may not be considered to be built for any foreign account and ownership, or for the government of any foreign country, except to the extent that the materials in such vessels are drawback eligible goods under section 204(a) of the United States-Canada Free-Trade Implementation Act of 1988.

(p) Substitution of finished petroleum derivatives

(1) In general

Notwithstanding any other provision of this section, if—

(A) an article (hereafter referred to in this subsection as the ''exported article'') of the same kind and quality as a qualified article is exported;

(B) the requirements set forth in paragraph (2) are met; and

(C) a drawback claim is filed regarding the exported article;

the amount of the duties paid on, or attributable to, such qualified article shall be refunded as drawback to the drawback claimant.

(2) Requirements

The requirements referred to in paragraph (1) are as follows:

(A) The exporter of the exported article—

(i) manufactured or produced the qualified article in a quantity equal to or greater than the quantity of the exported article,

(ii) purchased or exchanged, directly or indirectly, the qualified article from a manufacturer or producer described in subsection (a) or (b) of this section in a quantity equal to or greater than the quantity of the exported article,

(iii) imported the qualified article in a quantity equal to or greater than the quantity of the exported article, or

(iv) purchased or exchanged, directly or indirectly, an imported qualified article from an importer in a quantity equal to or greater than the quantity of the exported article.

(B) In the case of the requirement described in subparagraph (A)(ii), the manufacturer or producer produced the qualified article in a quantity equal to or greater than the quantity of the exported article.

(C) In the case of the requirement of subparagraph (A)(i) or (A)(ii), the exported article is exported during the period that the qualified article described in subparagraph (A)(i) or (A)(ii) (whichever is applicable) is manufactured or produced, or within 180 days after the close of such period.

(D) In the case of the requirement of subparagraph (A)(i) or (A)(ii), the specific petroleum refinery or production facility which made the qualified article concerned is identified.

(E) In the case of the requirement of subparagraph (A)(iii) or (A)(iv), the exported article is exported within 180 days after the date of entry of an imported qualified article described in subparagraph (A)(iii) or (A)(iv) (whichever is applicable).

(F) Except as otherwise specifically provided in this subsection, the drawback claimant complies with all requirements of this section, including providing certificates which establish the drawback eligibility of articles for which drawback is claimed.

(G) The manufacturer, producer, importer, exporter, and drawback claimant of the qualified article and the exported article maintain all records required by regulation.

(3) "Qualified article" defined, etc.

For purposes of this subsection—

(A) The term ''qualified article'' means an article—

(i) described in—

(I) headings 2707, 2708, 2710, 2711, 2712, 2713, 2714, 2715, 2901, and 2902 of the Harmonized Tariff Schedule of the United States, or

(II) headings 3901 through 3914 of such Schedule (as such headings apply to liquids, pastes, powders, granules, and flakes), and

(ii) which is—

(I) manufactured or produced as described in subsection (a) or (b) of this section from crude petroleum or a petroleum derivative, or

(II) imported duty-paid.

(B) An exported article is of the same kind and quality as the qualified article for which it is substituted under this subsection if it is a product that is commercially interchangeable with or referred to under the same eight-digit classification of the Harmonized Tariff Schedule of the United States as the qualified article.

(C) The term ''drawback claimant'' means the exporter of the exported article or the refiner, producer, or importer of such article. Any person eligible to file a drawback claim under this subparagraph may designate another person to file such claim.

(4) Limitation on drawback

The amount of drawback payable under this subsection shall not exceed the amount of drawback that would be attributable to the article—

(A) manufactured or produced under subsection (a) or (b) of this section by the manufacturer or producer described in clause (i) or (ii) of paragraph (2)(A), or

(B) imported under clause (iii) or (iv) of paragraph (2)(A).

(q) Packaging material

Packaging material, when used on or for articles or merchandise exported or destroyed under subsection (a), (b), (c), or (j) of this section, shall be eligible under such subsection for refund, as drawback, of 99 percent of any duty, tax, or fee imposed under Federal law on the importation of such material.

(r) Filing drawback claims

(1) A drawback entry and all documents necessary to complete a drawback claim, including those issued by the Customs Service, shall be filed or applied for, as applicable, within 3 years after the date of exportation or destruction of the articles on which drawback is claimed, except that any landing certificate required by regulation shall be filed within the time limit prescribed in such regulation. Claims not completed within the 3-year period shall be considered abandoned. No extension will be granted unless it is established that the Customs Service was responsible for the untimely filing.

(2) A drawback entry for refund filed pursuant to any subsection of this section shall be deemed filed pursuant to any other subsection of this section should it be determined that drawback is not allowable under the entry as originally filed but is allowable under such other subsection.

(s) Designation of merchandise by successor

(1) For purposes of subsection (b) of this section, a drawback successor may designate im-

ported merchandise used by the predecessor before the date of succession as the basis for drawback on articles manufactured by the drawback successor after the date of succession.

(2) For purposes of subsection (j)(2) of this section, a drawback successor may designate—

(A) imported merchandise which the predecessor, before the date of succession, imported; or

(B) imported merchandise, commercially interchangeable merchandise, or any combination of imported and commercially interchangeable merchandise for which the successor received, before the date of succession, from the person who imported and paid any duty due on the imported merchandise a certificate of delivery transferring to the successor such merchandise;

as the basis for drawback on merchandise possessed by the drawback successor after the date of succession.

(3) For purposes of this subsection, the term ''drawback successor'' means an entity to which another entity (in this subsection referred to as the ''predecessor'') has transferred by written agreement, merger, or corporate resolution—

(A) all or substantially all of the rights, privileges, immunities, powers, duties, and liabilities of the predecessor; or

(B) the assets and other business interests of a division, plant, or other business unit of such predecessor, but only if in such transfer the value of the transferred realty, personalty, and intangibles (other than drawback rights, inchoate or otherwise) exceeds the value of all transferred drawback rights, inchoate or otherwise.

(4) No drawback shall be paid under this subsection until either the predecessor or the drawback successor (who shall also certify that it has the predecessor's records) certifies that—

(A) the transferred merchandise was not and will not be claimed by the predecessor, and

(B) the predecessor did not and will not issue any certificate to any other person that would enable that person to claim drawback.

(t) Drawback certificates

Any person who issues a certificate which would enable another person to claim drawback shall be subject to the recordkeeping provisions of this chapter, with the retention period beginning on the date that such certificate is issued.

(u) Eligibility of entered or withdrawn merchandise

Imported merchandise that has not been regularly entered or withdrawn for consumption shall not satisfy any requirement for use, exportation, or destruction under this section.

(v) Multiple drawback claims

Merchandise that is exported or destroyed to satisfy any claim for drawback shall not be the basis of any other claim for drawback; except that appropriate credit and deductions for claims covering components or ingredients of such merchandise shall be made in computing drawback payments.

(w) Limited applicability for certain agricultural products

(1) In general

No drawback shall be available with respect to an agricultural product subject to the over-quota rate of duty established under a tariff-rate quota, except pursuant to subsection (j)(1) of this section.

(2) Application to tobacco

Notwithstanding paragraph (1), drawback shall also be available pursuant to subsection (a) of this section with respect to any tobacco subject to the over-quota rate of duty established under a tariff-rate quota.

(June 17, 1930, ch. 497, title III, § 313, 46 Stat. 693; May 17, 1932, ch. 190, 47 Stat. 158; June 26, 1936, ch. 830, title IV, §§ 402, 403, 49 Stat. 1960; Aug. 8, 1951, ch. 297, 65 Stat. 175; Aug. 8, 1953, ch. 397, § 12, 67 Stat. 515; Aug. 6, 1956, ch. 1021, § 2, 70 Stat. 1076; Aug. 18, 1958, Pub. L. 85–673, § 1, 72 Stat. 624; Oct. 22, 1968, Pub. L. 90–630, § 2(b), 82 Stat. 1328; Jan. 12, 1971, Pub. L. 91–692, § 3(a), 84 Stat. 2076; Dec. 28, 1980, Pub. L. 96–609, title II, § 201(a), 94 Stat. 3560; Oct. 30, 1984, Pub. L. 98–573, title II, § 202, 98 Stat. 2973; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1888(2), 100 Stat. 2924; Sept. 28, 1988, Pub. L. 100–449, title II, § 204(c)(3), 102 Stat. 1862; Aug. 20, 1990, Pub. L. 101–382, title I, § 134(a)(1), (2), title III, § 484A(a), 104 Stat. 649, 707; Dec. 8, 1993, Pub. L. 103–182, title II, § 203(b)(3), (c), title VI, § 632(a), 107 Stat. 2089, 2092, 2192; Dec. 8, 1994, Pub. L. 103–465, title IV, §§ 404(e)(5)(A), 422(d), 108 Stat. 4961, 4965.)

REFERENCES IN TEXT

The North American Free Trade Agreement Implementation Act, referred to in subsec. (n)(1)(A), is Pub. L. 103–182, Dec. 8, 1993, 107 Stat. 2057. For complete classification of this Act to the Code, see Short Title note set out under section 3301 of this title and Tables.

Section 204 of the United States-Canada Free-Trade Agreement Implementation Act of 1988, referred to in subsecs. (n)(3) and (*o*)(2), is section 204 of Pub. L. 100–449, which is set out in a note under section 2112 of this title.

The Harmonized Tariff Schedule of the United States, referred to in subsec. (p)(3)(A)(i), (B), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Oct. 3, 1913, ch. 16, § IV, O, 38 Stat. 200, which was superseded by act Sept. 21, 1922, ch. 356, title III, § 313, 42 Stat. 940, and repealed by section 321 thereof. Section 313 of the 1922 act was superseded by section 313 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Earlier provisions relating to this subject were made by the Tariff Acts of Oct. 1, 1890, ch. 1244, § 25, 26 Stat. 617; Aug. 27, 1894, ch. 349, § 22, 28 Stat. 551; July 24, 1897, ch. 11, § 30, 30 Stat. 211; and Aug. 5, 1909, ch. 6, § 25, 36 Stat. 90, which superseded provisions of a similar nature contained in R.S. §§ 3019, 3020, 3026, as amended by act Mar. 10, 1880, ch. 37, 21 Stat. 67, and said sections 3019, 3020, and 3026, were also repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

The provisions of section IV, O, of the act of 1913, similar to subdivision (g) of this section concerning materials used in the construction and equipment of vessels built for foreign account, superseded a similar provision of act June 26, 1884, ch. 121, § 17, 23 Stat. 57.

The provisions of subsec. (e) of this section concerning imported salt used in curing fish superseded some-

what similar provisions in R.S. § 3022, which was repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

Section 642 of the act of Sept. 21, 1922, also repealed sections 3015 to 3026, inclusive, 3028 to 3047, inclusive, and 3049 to 3057, inclusive of the Revised Statutes, which were concerned with the subject of drawback.

R.S. § 3048, which was not repealed, read as follows: ''So much money as may be necessary for the payment of debentures or drawbacks and allowances which may be authorized and payable, is hereby appropriated for that purpose out of any money in the Treasury, to be expended under the direction of the Secretary of that Department, according to the laws authorizing debentures or drawbacks and allowances. The collectors of the customs shall be the disbursing agents to pay such debentures, drawbacks, and allowances. All debenture certificates issued according to law shall be received in payment of duties at the customhouse where the same have been issued, the laws regulating drawbacks having been complied with.''

Permanent appropriations to pay debentures and other charges arising from duties, drawbacks, bounties, and allowances were also contained in R.S. § 3689, incorporated in section 711 of former Title 31, Money and Finance, prior to repeal effective July 1, 1935, by act June 26, 1934, ch. 756, §§ 1, 2, 48 Stat. 1225.

AMENDMENTS

1994—Subsec. (w). Pub. L. 103–465, § 422(d), designated existing provisions as par. (1), inserted heading, and added par. (2).

Pub. L. 103–465, § 404(e)(5)(A), added subsec. (w).

1993—Subsec. (a). Pub. L. 103–182, § 632(a)(1), inserted ''or destruction under customs supervision'' after ''Upon the exportation'', ''provided that those articles have not been used prior to such exportation or destruction,'' after ''use of imported merchandise,'', and ''or destruction'' after ''refunded upon the exportation'', and substituted ''by-products produced from imported wheat'' for ''by-products produced from wheat imported after ninety days after June 17, 1930''.

Subsec. (b). Pub. L. 103–182, § 632(a)(2), substituted ''any other merchandise (whether imported or domestic)'' for ''duty-free or domestic merchandise'', inserted '', or destruction under customs supervision,'' after ''there shall be allowed upon the exportation'', substituted ''production of the exported or destroyed articles'' for ''production of the exported articles'', inserted '', but only if those articles have not been used prior to such exportation or destruction'' after ''merchandise used therein been imported'' and ''or destruction under customs supervision'' after ''but the total amount of drawback allowed upon the exportation''.

Subsec. (c). Pub. L. 103–182, § 632(a)(3), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: ''Upon the exportation of merchandise not conforming to sample or specifications or shipped without the consent of the consignee upon which the duties have been paid and which have been entered or withdrawn for consumption and, within ninety days after release from customs custody, unless the Secretary authorizes in writing a longer time, returned to customs custody for exportation, the full amount of the duties paid upon such merchandise shall be refunded as drawback, less 1 per centum of such duties.''

Subsec. (j). Pub. L. 103–182, § 203(c)(1), (2), substituted ''Subject to paragraph (4), if'' for ''If'' in par. (2) and added par. (4). See Construction of 1993 Amendment note below.

Pub. L. 103–182, § 632(a)(4), amended subsec. (j) generally, substituting present provisions for provisions which authorized drawbacks for imported merchandise which, upon either exportation or destruction, was in the same condition as when imported.

Subsec. (*l*). Pub. L. 103–182, § 632(a)(5), substituted ''the authority for the electronic submission of drawback entries'' for ''the fixing of a time limit within which drawback entries or entries for refund under any of the provisions of this section or section 1309(b) of this title shall be filed and completed,''.

Subsecs. (n), (*o*). Pub. L. 103–182, § 203(b)(3), amended subsecs. (n) and (*o*) generally, substituting present provisions for provisions which related to, in subsec. (n), drawback-eligible goods under United States-Canada Free-Trade Agreement Implementation Act of 1988 and, in subsec. (*o*), vessels built for Canadian account or for Government of Canada.

Subsec. (p). Pub. L. 103–182, § 632(a)(6), amended subsec. (p) generally, substituting present provisions for provisions relating to substitution of crude petroleum or petroleum derivatives.

Subsecs. (q) to (v). Pub. L. 103–182, § 632(a)(7), added subsecs. (q) to (v).

1990—Subsec. (n). Pub. L. 101–382, § 134(a)(1), inserted '', except an article'' before ''made from'' and substituted comma for ''of 1988'' before ''does not''.

Subsec. (*o*). Pub. L. 101–382, § 134(a)(2), inserted at end ''This subsection shall apply to vessels delivered to Canadian account or owner, or to the Government of Canada, on and after January 1, 1994 (or, if later, the date proclaimed by the President under section 204(b)(2)(B) of the United States-Canada Free-Trade Agreement Implementation Act of 1988).''

Subsec. (p). Pub. L. 101–382, § 484A(a), added subsec. (p).

1988—Subsecs. (n), (*o*). Pub. L. 100–449 added subsecs. (n) and (*o*).

1986—Subsec. (j)(2), (3). Pub. L. 99–514, § 1888(2)(A), redesignated par. (3) as (2) and redesignated par. (4) relating to imported packaging material as (3).

Subsec. (j)(4). Pub. L. 99–514, § 1888(2), redesignated par. (4) relating to imported packaging material as (3) and amended par. (4) relating to the performing of incidental operations generally. Prior to amendment, such par. (4) read as follows: ''The performing of incidental operations (including, but not limited to, testing, cleaning, repacking, and inspecting) on the imported merchandise itself, not amounting to manufacture or production for drawback purposes under the preceding provisions of this section, shall not be treated as a use of that merchandise for purposes of applying paragraph (1)(B).''

1984—Subsec. (j)(2) to (4). Pub. L. 98–573, § 202(1), redesignated par. (2), relating to the performing of incidental operations, as (4), and inserted after par. (1) new pars. (3) and (4).

Subsecs. (k) to (m). Pub. L. 98–573, § 202(2), (3), added subsec. (k) and redesignated former subsecs. (k) and (*l*) as (*l*) and (m), respectively.

1980—Subsecs. (j) to (*l*). Pub. L. 96–609, § 201(a), added subsec. (j) and redesignated former subsecs. (j) and (k) as (k) and (*l*), respectively.

1971—Subsecs. (h) to (k). Pub. L. 91–692 added subsec. (h) and redesignated former subsecs. (h) to (j) as (i) to (k), respectively.

1968—Subsec. (d). Pub. L. 90–630 permitted, under Treasury regulations, the drawback of tax with regard to distilled spirits exported as ships' stores where the stamping, restamping, or marking is done after the spirits have been removed from the original bottling plant.

1958—Subsec. (b). Pub. L. 85–673 substituted ''merchandise'' for ''sugar, or metal, or ore containing metal, or flaxseed or linseed, or flaxseed or linseed oil, or printing papers coated or uncoated,'' after ''duty-paid'' and ''allowable had the''.

1956—Subsec. (b). Act Aug. 6, 1956, inserted ''or printing papers, coated or uncoated,'' after ''linseed oil,'' wherever appearing.

1953—Subsec. (b). Act Aug. 8, 1953, § 12(a), extended from one year to three years the period during which substitution for drawback purposes may be made.

Subsec. (c). Act Aug. 8, 1953, § 12(b), extended the period during which the merchandise can be returned to customs custody for exportation from thirty days to ninety days or such longer period as the Secretary of the Treasury may allow; and provided for the refunding of duties in cases where the merchandise upon which the duties have been paid was sent to the consignee without his consent.

Subsec. (h). Act Aug. 8, 1953, § 12(c), substituted reference to ''this section'' for ''this section or of section 152a of this title (relating to drawback on shipments to the Philippine Islands),''; struck out another reference to the Philippine Islands; and substituted ''five years'' for ''three years''.

Subsec. (i). Act Aug. 8, 1953, § 12(c), broadened the authority of the Secretary of the Treasury to make such regulations for the administration of the drawback provisions as may be necessary.

1951—Subsec. (b). Act Aug. 8, 1951, extended the provisions of such subsection to flaxseed and linseed, and flaxseed and linseed oil, and omitted ''(or shipment to the Philippine Islands)'' before ''of any such articles''.

1936—Subsec. (d). Act June 26, 1936, inserted second par.

CHANGE OF NAME

''Puerto Rico'' substituted in subsec. (j) for ''Porto Rico'' pursuant to act May 17, 1932, which is classified to section 731a of Title 48, Territories and Insular Possessions.

EFFECTIVE DATE OF 1994 AMENDMENT

Section 404(e)(5)(B) of Pub. L. 103–465 provided that: ''The amendment made by subparagraph (A) [amending this section] shall take effect on the earlier of the date of entry into force of the WTO Agreement with respect to the United States [Jan. 1, 1995] or January 1, 1995.''

Amendment by section 422(d) of Pub. L. 103–465 effective beginning on the effective date of the Presidential proclamation, authorized under section 421 of Pub. L. 103–465 (set out as a note under section 2135 of this title), establishing a tariff-rate quota pursuant to Article XXVIII of the GATT 1947 or the GATT 1994 with respect to tobacco, see section 422(e) of Pub. L. 103–465, set out as a note under section 1314i of Title 7, Agriculture.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by section 203(b)(3) of Pub. L. 103–182 applicable (1) with respect to exports from the United States to Canada on Jan. 1, 1996, if Canada is a NAFTA country on that date and after such date for so long as Canada continues to be a NAFTA country and (2) with respect to exports from the United States to Mexico on Jan. 1, 2001, if Mexico is a NAFTA country on that date and after such date for so long as Mexico continues to be a NAFTA country, see section 213(c) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

Amendment by section 203(c) of Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 213(b) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

Section 632(b) of Pub. L. 103–182 provided that: ''Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law, the amendment made by paragraph (6) of subsection (a) [amending this section] shall apply to—

''(1) claims filed or liquidated on or after January 1, 1988, and

''(2) claims that are unliquidated, under protest, or in litigation on the date of the enactment of this Act [Dec. 8, 1993].''

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by section 484A(a) of Pub. L. 101–382 applicable to claims filed or liquidated on or after Jan. 1, 1988, and claims that are unliquidated, under protest, or in litigation on Aug. 20, 1990, see section 484A(c) of Pub. L. 101–382, set out as a note under section 1309 of this title.

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENT

Amendment by Pub. L. 100–449 effective on date the United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective on 15th day after Oct. 30, 1984, see section 214(a), (b) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Section 201(b) of Pub. L. 96–609 provided that: ''The amendments made by subsection (a) [amending this section] shall apply with respect to articles entered, or withdrawn from warehouse, for consumption on or after the date of the enactment of this Act [Dec. 28, 1980].''

EFFECTIVE DATE OF 1971 AMENDMENT

Section 3(b) of Pub. L. 91–692 provided that: ''The amendments made by subsection (a) [amending this section] shall apply with respect to articles exported on or after the date of the enactment of this Act [Jan. 12, 1971].''

EFFECTIVE DATE OF 1968 AMENDMENT

For effective date of amendment by Pub. L. 90–630, see section 4 of Pub. L. 90–630, set out as a note under section 5008 of Title 26, Internal Revenue Code.

EFFECTIVE DATE OF 1958 AMENDMENT

Section 2 of Pub. L. 85–673 provided that: ''The amendment made by the first section of this Act [amending this section] shall be effective with respect to articles exported on or after the 30th day after the date of the enactment of this Act [Aug. 18, 1958].''

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

CONSTRUCTION OF 1993 AMENDMENT

Amendment by section 203(c) of Pub. L. 103–182 to be made after amendment by section 632(a) of Pub. L. 103–182 is executed, see section 212 of Pub. L. 103–182, set out as a note under section 58c of this title.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Commissioner of Internal Revenue, referred to in this section, is an officer of Department of the Treasury.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1508 of this title; title 7 section 5676.

§ 1313a. Appropriations for refunds, drawbacks, bounties, etc.

There are appropriated such amounts as hereafter may be necessary for refund or payment of custom collections or receipts, and payment of debentures or drawbacks, bounties, and allowances, as authorized by law.

(June 30, 1949, ch. 286, title I, 63 Stat. 360.)

CODIFICATION

Section was not enacted as part of the Tariff Act of 1930 which comprises this chapter.

§ 1314. Repealed. June 25, 1938, ch. 679, § 35, 52 Stat. 1092, eff. July 25, 1938

Section, act June 17, 1930, ch. 497, title III, § 314, 46 Stat. 695, related to reimportation of tax-free exports.

§ 1315. Effective date of rates of duty

(a) Articles entered or withdrawn from warehouse for consumption

Except as otherwise specially provided for, the rate or rates of duty imposed by or pursuant to this chapter or any other law on any article entered for consumption or withdrawn from warehouse for consumption shall be the rate or rates in effect when the documents comprising the entry for consumption or withdrawal from warehouse for consumption and any estimated or liquidated duties then required to be paid have been deposited with the Customs Service by written, electronic or such other means as the Secretary by regulation shall prescribe, except that—

(1) any article released under an informal mail entry shall be subject to duty at the rate or rates in effect when the preparation of the entry is completed;

(2) any article which is not subject to a quantitative or tariff-rate quota and which is covered by an entry for immediate transportation made at the port of original importation under section 1552 of this title, if entered for consumption at the port designated by the consignee, or his agent, in such transportation entry without having been taken into the custody of the appropriate customs officer under section 1490 of this title, shall be subject to the rate or rates in effect when the transportation entry was accepted at the port of original importation; and

(3) any article for which duties may, under section 1505 of this title, be paid at a time later than the time of making entry shall be subject to the rate or rates in effect at the time of entry.

(b) Articles removed from intended place of release

Any article which has been entered for consumption but which, before release from custody of the Customs Service, is removed from the port or other place of intended release because of inaccessibility, overcarriage, strike, act of God, or unforeseen contingency, shall be subject to duty at the rate or rates in effect when the entry for consumption and any required duties were deposited in accordance with subsection (a) of this section, but only if the article is returned to such port or place within ninety days after the date of removal and the identity of the article as that covered by the entry is established in accordance with regulations prescribed by the Secretary of the Treasury.

(c) Quantity of merchandise at time of importation

Insofar as duties are based upon the quantity of any merchandise, such duties shall, except as provided in chapter 98 of the Harmonized Tariff Schedule of the United States and section 1562 of this title (relating respectively to certain beverages and to manipulating warehouses), be levied and collected upon the quantity of such merchandise at the time of its importation.

(d) Effective date of administrative rulings resulting in higher rates

No administrative ruling resulting in the imposition of a higher rate of duty or charge than the Secretary of the Treasury shall find to have been applicable to imported merchandise under an established and uniform practice shall be effective with respect to articles entered for consumption or withdrawn from warehouse for consumption prior to the expiration of thirty days after the date of publication in the Federal Register of notice of such ruling; but this provision shall not apply with respect to the imposition of antidumping duties, or the imposition of countervailing duties under section 1303 of this title (as in effect on the day before the effective date of title II of the Uruguay Round Agreements Act) or section 1671 of this title. This subsection shall not apply with respect to increases in rates of duty resulting from the enactment of the Harmonized Tariff Schedule of the United States to replace the Tariff Schedules of the United States.

(June 17, 1930, ch. 497, title III, § 315, 46 Stat. 695; June 25, 1938, ch. 679, § 6, 52 Stat. 1081; Aug. 8, 1953, ch. 397, § 3(a), 67 Stat. 508; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Jan. 3, 1975, Pub. L. 93–618, title III, § 331(c), 88 Stat. 2053; Oct. 3, 1978, Pub. L. 95–410, title I, § 101, title II, § 204, 92 Stat. 888, 900; July 26, 1979, Pub. L. 96–39, title XI, § 1106(e), 93 Stat. 312; Aug. 23, 1988, Pub. L. 100–418, title I, § 1213(c), 102 Stat. 1155; Dec. 8, 1993, Pub. L. 103–182, title VI, § 633, 107 Stat. 2198; Dec. 8, 1994, Pub. L. 103–465, title II, § 261(d)(1)(B)(i), 108 Stat. 4909.)

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States and the Tariff Schedules of the United States, referred to in subsecs. (c) and (d), are not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

For the effective date of title II of the Uruguay Round Agreements Act [Pub. L. 103–465], referred to in subsec. (d), as Jan. 1, 1995, see section 291 of Pub. L. 103–465, set out as an Effective Date of 1994 Amendment note under section 1671 of this title.

AMENDMENTS

1994—Subsec. (d). Pub. L. 103–465 inserted ''(as in effect on the day before the effective date of title II of the Uruguay Round Agreements Act) or section 1671 of this title'' after ''section 1303 of this title''.

1993—Subsec. (a). Pub. L. 103–182, § 633(1), substituted ''Customs Service by written, electronic or such other means as the Secretary by regulation shall prescribe,'' for ''appropriate customs officer in the form and man-

ner prescribed by regulations of the Secretary of the Treasury,'' in introductory provisions.

Subsec. (b). Pub. L. 103–182, § 633(2), substituted ''custody of the Customs Service'' for ''customs custody''.

Subsec. (c). Pub. L. 103–182, § 633(3), substituted ''chapter 98 of the Harmonized Tariff Schedule of the United States'' for ''paragraph 813''.

1988—Subsec. (d). Pub. L. 100–418 inserted at end ''This subsection shall not apply with respect to increases in rates of duty resulting from the enactment of the Harmonized Tariff Schedule of the United States to replace the Tariff Schedules of the United States.''

1979—Subsec. (d). Pub. L. 96–39 amended directory language of Pub. L. 93–618, § 331(c), to correct a typographical error, and did not involve any change in text. See 1975 Amendment note below.

1978—Subsec. (a)(3). Pub. L. 95–410, § 101, added par. (3).

Subsec. (d). Pub. L. 95–410, § 204, substituted ''publication in the Federal Register'' for ''publication in the weekly Treasury Decisions''.

1975—Subsec. (d). Pub. L. 93–618, as amended by Pub. L. 96–39, inserted ''or the imposition of countervailing duties under section 1303 of this title'' after ''antidumping duties''.

1970—Subsec. (a). Pub. L. 91–271 substituted reference to the appropriate customs officer for reference to the collector.

1953—Act Aug. 8, 1953, amended section generally by dividing section into subsections, and by changing the provisions set out as subsecs. (a) and (b) to clarify such provisions with respect to effective dates of rates of duty.

1938—Act June 25, 1938, amended section generally, among which changes it inserted provisions set out as subsecs. (c) and (d).

EFFECTIVE DATE OF 1994 AMENDMENT

Section 261(d)(2) of title II of Pub. L. 103–465 provided that: ''The amendments made by this subsection [amending this section and sections 1337, 1671, 1677i, 2192, and 2194 of this title and provisions set out as a note under section 1303 of this title] shall take effect on the effective date of this title [Jan. 1, 1995, see Effective Date of 1994 Amendment note set out under section 1671 of this title].

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.

EFFECTIVE DATE OF 1975 AMENDMENT

Section 331(d) of Pub. L. 93–618, as amended by Pub. L. 103–465, title II, § 261(d)(1)(A)(i), Dec. 8, 1994, 108 Stat. 4909, provided that:

''(1) The amendments made by this section [amending this section and sections 1303 and 1516 of this title] shall take effect on the date of the enactment of this Act [Jan. 3, 1975.]

''(2) For purposes of applying the provisions of section 303(a)(4) of the Tariff Act of 1930 [section 1303(a)(4) of this title] (as amended by subsection (a)) with respect to any investigation which was initiated before the date of the enactment of this Act [Jan. 3, 1975] under section 303 of such Act (as in effect before such date), such investigation shall be treated as having been initiated on the day after such date of enactment under section 303(a)(3)(B) of such Act.''

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

TRANSFER OF FUNCTIONS

Functions of all other officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by 1950 Reorg. Plan No. 26, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Customs officers, referred to in text, are under Department of the Treasury.

§ 1316. Omitted

CODIFICATION

Section, act June 17, 1930, ch. 497, title III, § 316, 46 Stat. 695, prohibiting the construction of this chapter so as to abrogate or affect the treaty between the United States and Cuba concluded on Dec. 11, 1902, was omitted in view of the termination of such treaty on Aug. 21, 1963 (see note hereunder), and section 401 of Pub. L. 87–456, title IV, May 24, 1962, 76 Stat. 78, set out as a note under section 1351 of this title. Section 401(d) of Pub. L. 87–456 declares sections 124 and 125 of this title as inapplicable so long as section 401(a) of Pub. L. 87–456, declaring Cuba as a nation dominated or controlled by the foreign government or foreign organization controlling the world communist movement, applies.

TREATY BETWEEN UNITED STATES AND CUBA

The treaty concluded between the United States and the Republic of Cuba on Dec. 11, 1902, referred to in text, was terminated Aug. 21, 1963, pursuant to notice given by the United States on Aug. 21, 1962. See Bevans, Treaties, and Other International Agreements of the United States of America, 1776 to 1949, vol. VI, page 1106.

§ 1317. Tobacco products; supplies for certain vessels and aircraft

(a) Exportation of tobacco products

The shipment or delivery of manufactured tobacco, snuff, cigars, or cigarettes, for consumption beyond the jurisdiction of the internal-revenue laws of the United States, as defined by section 2197(a) of title 26, shall be deemed exportation within the meaning of the customs and internal-revenue laws applicable to the exportation of such articles without payment of duty or internal-revenue tax.

(b) Exportation of supplies for certain vessels and aircraft

The shipment or delivery of any merchandise for use as supplies (including equipment) upon, or in the maintenance or repair of any vessel or aircraft described in subdivision (2) or (3) of section 1309(a) of this title, or for use as ground equipment for any such aircraft, shall be deemed an exportation within the meaning of the customs and internal-revenue laws applicable to the exportation of such merchandise without the payment of duty or internal-revenue tax. With respect to merchandise for use as ground equipment, such shipment or delivery shall not be deemed an exportation within the meaning of the internal-revenue laws relating to taxes

other than those imposed upon or by reason of importation.

(June 17, 1930, ch. 497, title III, § 317, 46 Stat. 696; June 25, 1938, ch. 679, § 5(b), 52 Stat. 1081; Aug. 8, 1953, ch. 397, § 11(b), 67 Stat. 514.)

REFERENCES IN TEXT

Section 2197(a) of title 26, referred to in subsec. (a), is a reference to section 2197(a) of the Internal Revenue Code of 1939, which was repealed by section 7851 of Title 26, Internal Revenue Code.

AMENDMENTS

1953—Subsec. (b). Act Aug. 8, 1953, extended to foreign vessels the exemption from payment of duty and internal revenue tax theretofore available for supplies used in the maintenance or repair of aircraft; and provided an exemption for ground equipment for foreign-flag aircraft from duties and taxes imposed on, by reason of, importation.

1938—Act June 25, 1938, amended section catchline, designated existing provisions as subsec. (a), and added subsec. (b).

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

REPEALS

Insofar as subsec. (a) of this section related exclusively to Internal Revenue it was repealed and incorporated as section 2197(b) of the Internal Revenue Code of 1939. See section 4(a) of enacting sections of Internal Revenue Code of 1939. Section 2197(b) of I. R. C. 1939 was replaced by section 5704(b) of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1309 of this title.

§ 1318. Emergencies

Whenever the President shall by proclamation declare an emergency to exist by reason of a state of war, or otherwise, he may authorize the Secretary of the Treasury to extend during the continuance of such emergency the time herein prescribed for the performance of any act, and may authorize the Secretary of the Treasury to permit, under such regulations as the Secretary of the Treasury may prescribe, the importation free of duty of food, clothing, and medical, surgical, and other supplies for use in emergency relief work. The Secretary of the Treasury shall report to the Congress any action taken under the provisions of this section.

(June 17, 1930, ch. 497, title III, § 318, 46 Stat. 696.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 622, 42 Stat. 988, which was superseded by section 318 of the Tariff Act of 1930, comprising this section, and repealed by section 651(a)(1) of said 1930 Act.

TRANSFER OF FUNCTIONS

Functions of Secretary of the Treasury under this section with respect to functions transferred to Secretary of Commerce in sections 1303 and 1671 et seq. of this title by section 5(a)(1)(C) of Reorg. Plan No. 3 of 1979 transferred to Secretary of Commerce pursuant to Reorg. Plan No. 3 of 1979, § 5(a)(1)(E), 44 F.R. 69275, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title, to be exercised in consultation with Secretary of the Treasury.

PROC. NO. 2948. MERCHANDISE IN GENERAL-ORDER AND BONDED WAREHOUSES

Proc. No. 2948, Oct. 12, 1951, 16 F.R. 10589, 65 Stat. c41, provided:

[Whereas clauses omitted]

NOW, THEREFORE, I, HARRY S. TRUMAN, President of the United States of America, acting under and by virtue of the authority vested in me by the foregoing provision of section 318 of the Tariff Act of 1930 [this section] do hereby authorize the Secretary of the Treasury, until the termination of the national emergency proclaimed on December 16, 1950, or until it shall be determined by the President and declared by his proclamation that such action is no longer necessary, whichever is earlier:

(1) To extend the one-year period prescribed in section 491, *supra*, as amended [section 1491 of this title], for not more than one year from and after the expiration of such one-year period in any case in which such period has already expired or shall hereafter expire during the continuance of the said national emergency;

(2) To extend the three-year period prescribed in sections 557 and 559, *supra*, as amended [sections 1557 and 1559 of this title], for not more than one year from and after the expiration of such three-year period in any case in which such period has already expired or shall hereafter expire during the continuance of the said national emergency; and

(3) To extend further the one-year period prescribed in section 491, *supra*, as amended [section 1491 of this title], and the three-year period prescribed in sections 557 and 559, *supra*, as amended [sections 1557 and 1559 of this title], for additional periods of not more than one year each from and after the expiration of the immediately preceding extension in any case in which such extension shall expire during the continuance of the said national emergency:

Provided, however, that in each and every case under numbered paragraphs (1), (2), and (3) above in which the merchandise is charged against an entry bond the Secretary of the Treasury shall require that the principal on such bond, in order to obtain the benefit of any extension which may be granted under the authority of this proclamation, shall furnish to the collector of customs at the port where the bond is on file either the agreement of the sureties on the bond to remain bound under the terms and conditions of the bond to the same extent as if no extension had been granted, or an additional bond with acceptable sureties to cover the period of extension; and that, in each and every case in which the merchandise remains charged against a carrier's bond the Secretary of the Treasury shall require that the principal on such bond shall agree to the extension and shall furnish to the collector of customs at the port where the charge was made the agreement of the sureties on the bond to remain bound under the terms and conditions of the bond to the same extent as if no extension had been granted; and

Provided further, that as a condition to the granting of any extension or further extension of the periods prescribed in sections 491, 557, and 559 of the Tariff Act of 1930, *supra*, as amended [sections 1491, 1557 and 1559 of this title], under numbered paragraphs (1), (2), or (3) above the Secretary of the Treasury may require that there shall be furnished to the collector of customs in the district in which the warehouse is located, in connection with the application for such extension, the consent of the warehouse proprietor to such extension or, in the alternative, proof of payment of all charges

or amounts due or owing to such warehouse proprietor for the storage or handling of the imported merchandise; and

Provided further, that the extensions of one year authorized by this proclamation shall not apply to any case in which the period sought to be extended expired prior to December 16, 1950, or in which the merchandise in question has been sold by the Government as abandoned.

This proclamation supersedes Proclamation No. 2599 of November 4, 1943, as amended by Proclamation No. 2712 of December 3, 1946, but it shall not be construed (1) as invalidating any action heretofore taken under the provisions of the said Proclamation No. 2599 or under the provisions of that proclamation as amended by the said Proclamation No. 2712, or (2) as imposing the conditions set forth in the second proviso above upon the granting of extensions for which applications are pending on the date of this proclamation.

§ 1319. Duty on coffee imported into Puerto Rico

The Legislature of Puerto Rico is empowered to impose tariff duties upon coffee imported into Puerto Rico, including coffee grown in a foreign country coming into Puerto Rico from the United States. Such duties shall be collected and accounted for as now provided by law in the case of duties collected in Puerto Rico.

(June 17, 1930, ch. 497, title III, § 319, 46 Stat. 696; May 17, 1932, ch. 190, 47 Stat. 158.)

CHANGE OF NAME

''Puerto Rico'' substituted in text for ''Porto Rico'' pursuant to act May 17, 1932, which is classified to section 731a of Title 48, Territories and Insular Possessions.

ACTIONS UNDER CARIBBEAN BASIN ECONOMIC RECOVERY PROGRAM NOT TO AFFECT PUERTO RICAN DUTIES ON IMPORTED COFFEE

Pub. L. 98–67, title II, § 214(e), Aug. 5, 1983, 97 Stat. 393, provided that: ''No action pursuant to this title [19 U.S.C. 2701 et seq.] may affect any tariff duty imposed by the Legislature of Puerto Rico pursuant to section 319 of the Tariff Act of 1930 (19 U.S.C. 1319) on coffee imported into Puerto Rico.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2464 of this title.

§ 1319a. Duty on coffee; ratification of duties imposed by Legislature of Puerto Rico

The taxes and duties imposed by the Legislature of Puerto Rico by Joint Resolution Numbered 59 approved by the Governor of Puerto Rico May 5, 1930, and by Act Numbered 77 approved by the Governor of Puerto Rico May 5, 1931, as amended by Act Numbered 7 approved by the Governor April 9, 1934, including therein such taxes and duties on coffee brought into Puerto Rico from any State or Territory or district or possession of the United States, or other place subject to the jurisdiction of the United States, are legalized and ratified, and the collection of all such taxes and duties made under or by authority of either of said acts of the Puerto Rican Legislature, including such taxes and duties on coffee brought into Puerto Rico from any State, Territory, district, or possession of the United States, or other place subject to the jurisdiction of the United States, is legalized, ratified, and confirmed as fully to all intents and purposes as if the same had, by prior Act of Congress, been specifically authorized and directed.

(June 18, 1934, ch. 604, 48 Stat. 1017; Aug. 20, 1935, ch. 578, 49 Stat. 665.)

CODIFICATION

Section was not enacted as part of Tariff Act of 1930 which constitutes this chapter.

AMENDMENTS

1935—Act Aug. 20, 1935, amended section generally.

§ 1320. Repealed. Aug. 8, 1953, ch. 397, § 6(b), 67 Stat. 510

Section, act June 17, 1930, ch. 497, title III, § 320, 46 Stat. 696, related to reciprocal agreements covering advertising matter.

EFFECTIVE DATE OF REPEAL; SAVINGS PROVISION

Repeal effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

§ 1321. Administrative exemptions

(a) Disregard of minor discrepancies in collection of taxes and duties; admission of articles free of duty or tax; limit on amount of exemption

The Secretary of the Treasury, in order to avoid expense and inconvenience to the Government disproportionate to the amount of revenue that would otherwise be collected, is authorized, under such regulations as he shall prescribe, to—

(1) disregard a difference of an amount specified by the Secretary by regulation, but not less than $20, between the total estimated duties, fees, and taxes deposited, or the total duties, fees, and taxes tentatively assessed, with respect to any entry of merchandise and the total amount of duties, fees, and taxes actually accruing thereon;

(2) admit articles free of duty and of any tax imposed on or by reason of importation, but the aggregate fair retail value in the country of shipment of articles imported by one person on one day and exempted from the payment of duty shall not exceed an amount specified by the Secretary by regulation, but not less than—

(A) $100 in the case of articles sent as bona fide gifts from persons in foreign countries to persons in the United States ($200 in the case of articles sent as bona fide gifts from persons in the Virgin Islands, Guam, and American Samoa), or

(B) $200 in the case of articles accompanying, and for the personal or household use of, persons arriving in the United States who are not entitled to any exemption from duty under subheading 9804.00.30 or 9804.00.70 of title I of this Act,[1] or

(C) $200 in any other case.

The privilege of this subdivision (2) shall not be granted in any case in which merchandise covered by a single order or contract is forwarded in separate lots to secure the benefit of this subdivision (2); and

(3) waive the collection of duties, fees, and taxes due on entered merchandise when such

[1] See References in Text note below.

duties, fees, or taxes are less than $20 or such greater amount as may be specified by the Secretary by regulation.

(b) Reduction or modification of exemption

The Secretary of the Treasury is authorized by regulations to prescribe exceptions to any exemption provided for in subsection (a) of this section whenever he finds that such action is consistent with the purpose of subsection (a) of this section or is necessary for any reason to protect the revenue or to prevent unlawful importations.

(June 17, 1930, ch. 497, title III, § 321, as added June 25, 1938, ch. 679, § 7, 52 Stat. 1081; amended Aug. 8, 1953, ch. 397, § 13, 67 Stat. 515; Sept. 21, 1961, Pub. L. 87–261, § 2(c), 75 Stat. 541; June 30, 1965, Pub. L. 89–62, § 2, 79 Stat. 208; Jan. 3, 1975, Pub. L. 93–618, title VI, § 610(a), 88 Stat. 2075; Oct. 3, 1978, Pub. L. 95–410, title II, § 205, 92 Stat. 900; Jan. 12, 1983, Pub. L. 97–446, title I, § 115(b), 96 Stat. 2335; Aug. 23, 1988, Pub. L. 100–418, title I, § 1214(h)(2), 102 Stat. 1157; Dec. 8, 1993, Pub. L. 103–182, title VI, § 651, 107 Stat. 2209.)

REFERENCES IN TEXT

Title I of this Act, referred to in subsec. (a)(2)(B), means title I of act June 17, 1930, as amended, which contained the Tariff Schedules of the United States and which formerly were set out under section 1202 of this title. The Tariff Schedules of the United States were replaced by the Harmonized Tariff Schedule of the United States. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

AMENDMENTS

1993—Subsec. (a)(1). Pub. L. 103–182, § 651(1), substituted ''of an amount specified by the Secretary by regulation, but not less than $20,'' for ''of less than $10'', inserted '', fees,'' after ''duties'' wherever appearing, and struck out ''and'' at end.

Subsec. (a)(2). Pub. L. 103–182, § 651(2), substituted ''shall not exceed an amount specified by the Secretary by regulation, but not less than—'' for ''shall not exceed—'' in introductory provisions, substituted ''$100'' and ''$200'' for ''$50'' and ''$100'', respectively, in subpar. (A), substituted ''$200'' for ''$25'' in subpar. (B), substituted ''$200'' for ''$5'' in subpar. (C), and substituted ''; and'' for period at end.

Subsec. (a)(3). Pub. L. 103–182, § 651(3), added par. (3).

Subsec. (b). Pub. L. 103–182, § 651(4), struck out ''to diminish any dollar amount specified in subsection (a) of this section and'' after ''authorized by regulations'' and substituted ''subsection (a) of this section'' for ''such subsection'' in two places.

1988—Subsec. (a)(2)(B). Pub. L. 100–418 substituted ''subheading 9804.00.30 or 9804.00.70'' for ''item 812.25 or 813.31''.

1983—Subsec. (a)(2)(A). Pub. L. 97–446 substituted ''$50'' for ''$25'' and ''$100'' for ''$40''.

1978—Subsec. (a)(1). Pub. L. 95–410, § 205(a), substituted ''$10'' for ''$3'' and ''duties and taxes'' for ''duties or taxes'' in three places.

Subsec. (a)(2). Pub. L. 95–410, § 205(b)(1)–(3), substituted in: subpar. (A), ''$25'' and ''$40'' for ''$10'' and ''$20''; subpar. (B), ''$25'' for ''$10''; and subpar. (C), ''$5'' for ''$1''.

1975—Subsec. (a)(2)(A). Pub. L. 93–618 inserted ''($20, in the case of articles sent as bona fide gifts from persons in the Virgin Islands, Guam, and American Samoa)'' after ''United States''.

1965—Subsec. (a)(2). Pub. L. 89–62 substituted ''fair retail value in the country of shipment'' for ''value'' in the material preceding subpar. (A) and ''item 812.25 or 813.31 of section 1202 of this title'' for ''paragraph 1798(b)(2) or (c)(2) of section 1201 of this title'' in subpar. (B).

1961—Subsec. (a). Pub. L. 87–261 inserted ''(b)(2) or'' after ''paragraph 1798''.

1953—Act Aug. 8, 1953, (1) divided section into subsections; (2) increased from $1 to $3 the difference between deposited or assessed duties and actual duties which may be disregarded by the collector; (3) permitted free entry of bona fide gifts from persons outside the United States up to $10; (4) allowed persons to bring with them articles up to $10 in value for their personal use; (5) continued to allow free entry up to $1 in other cases; and (6) enabled the Secretary of the Treasury to reduce these amounts if he found such action necessary to protect the revenue.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT

Section 115(c) of Pub. L. 97–446 provided that: ''The amendments made by this section [amending the Tariff Schedules and this section] shall apply with respect to returning residents of the United States who arrive in the United States on or after the 15th day after the date of the enactment of this Act [Jan. 12, 1983].''

EFFECTIVE DATE OF 1975 AMENDMENT

Section 610(b) of Pub. L. 93–618 provided that: ''The amendment made by subsection (a) [amending this section] shall apply with respect to articles entered, or withdrawn from warehouse, for consumption after the date of enactment of this Act [Jan. 3, 1975].''

EFFECTIVE DATE OF 1965 AMENDMENT

Section 4 of Pub. L. 89–62 provided in part that: ''The amendments made by section 2 [amending this section] shall apply with respect to articles arriving in the United States on or after October 1, 1965.''

EFFECTIVE DATE OF 1961 AMENDMENT

Section 2(d) of Pub. L. 87–261 provided that: ''The amendments made by subsections (a), (b), and (c) [amending this section and former section 1201 of this title] shall apply with respect to persons arriving in the United States on or after the 30th day after the date of the enactment of this Act [Sept. 21, 1961].''

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

EFFECTIVE DATE

Section effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as an Effective Date of 1938 Amendment note under section 1401 of this title.

§ 1322. International traffic and rescue work; United States-Mexico Boundary Treaty of 1970

(a) Vehicles and other instruments of international traffic except communications satellites

Vehicles and other instruments of international traffic, of any class specified by the Secretary of the Treasury, shall be excepted from the application of the customs laws to such extent and subject to such terms and conditions as may be prescribed in regulations or instructions of the Secretary of the Treasury. The authority delegated to the Secretary by this sub-

section shall not extend to communications satellites and components and parts thereof.

(b) Rescue and relief equipment; personal property related to use of land under United States-Mexico Boundary Treaty of 1970; forfeit of articles to United States

The Secretary of the Treasury may provide by regulation or instruction for the admission, without entry and without the payment of any duty or tax imposed upon or by reason of importation, of—

(1) aircraft, equipment, supplies, and spare parts for use in searches, rescues, investigations, repairs, and salvage in connection with accidental damage to aircraft;

(2) fire-fighting and rescue and relief equipment and supplies for emergent temporary use in connection with conflagrations;

(3) rescue and relief equipment and supplies for emergent temporary use in connection with floods and other disasters; and

(4) personal property related to the use and enjoyment of a separated tract of land as described in article III of the Treaty To Resolve Pending Boundary Differences and Maintain the Rio Grande and Colorado Rivers as the International Boundary between the United States of America and the United Mexican States signed on November 23, 1970.

Any articles admitted under the authority of this subsection and used otherwise than for a purpose herein expressed, or not exported in such time and manner as may be prescribed in the regulations or instructions herein authorized, shall be forfeited to the United States.

(June 17, 1930, ch. 497, title III, § 322, as added Aug. 8, 1953, ch. 397, § 14, 67 Stat. 516; amended Oct. 25, 1972, Pub. L. 92–549, title I, § 107, 86 Stat. 1162; Oct. 30, 1984, Pub. L. 98–573, title I, §§ 124(c), 127(b), 98 Stat. 2959.)

REFERENCES IN TEXT

The customs laws, referred to in subsec. (a), are classified generally to this title.

AMENDMENTS

1984—Subsec. (a). Pub. L. 98–573, § 127(b), substituted ''excepted'' for ''granted the customary exceptions''.

Pub. L. 98–573, § 124(c), inserted ''The authority delegated to the Secretary by this subsection shall not extend to communications satellites and components and parts thereof.''

1972—Pub. L. 92–549, § 107(a), inserted ''United States-Mexico Boundary Treaty of 1970'' in section catchline.

Subsec. (b)(4). Pub. L. 92–549, § 107(b), added cl. (4).

EFFECTIVE DATE OF 1984 AMENDMENT

Section 195(a), (b), (d) of Pub. L. 98–573 provided that:

''(a) Except as provided in section 126 and in subsections (b) and (c), the amendments made by subtitles B, C, and D [amending this section and sections 1202 and 1504 of this title] shall apply with respect to articles entered on or after the 15th day after the date of the enactment of this Act [Oct. 30, 1984].

''(b)(1) The amendment made by sections 117 and 124 [amending this section] shall apply with respect to articles entered on or after January 1, 1985.

''(2) The amendments made by section 127 [amending this section] shall apply with respect to articles entered on or after a date to be proclaimed by the President which shall be consonant with the entering into force for the United States of the Customs Convention on Containers, 1972.

''(d) For purposes of this section—

''(1) The term 'entered' means entered, or withdrawn from warehouse for consumption in the customs territory of the United States.

''(2) The term 'entry' includes any withdrawal from warehouse.''

EFFECTIVE DATE

Section effective on and after thirtieth day following Aug. 8, 1953, see note set out under section 1304 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 46 App. section 883.

§ 1323. Conservation of fishery resources

Upon the convocation of a conference on the use or conservation of international fishery resources, the President shall, by all appropriate means at his disposal, seek to persuade countries whose domestic fishing practices or policies affect such resources, to engage in negotiations in good faith relating to the use or conservation of such resources. If, after such efforts by the President and by other countries which have agreed to engage in such negotiations, any other country whose conservation practices or policies affect the interests of the United States and such other countries, has in the judgment of the President, failed or refused to engage in such negotiations in good faith, the President may, if he is satisfied that such action is likely to be effective in inducing such country to engage in such negotiations in good faith, increase the rate of duty on any fish (in any form) which is the product of such country, for such time as he deems necessary, to a rate not more than 50 percent above the rate existing on July 1, 1934.

(June 17, 1930, ch. 497, title III, § 323, as added Oct. 11, 1962, Pub. L. 87–794, title II, § 257(i), 76 Stat. 883.)

PART II—UNITED STATES INTERNATIONAL TRADE COMMISSION

§ 1330. Organization of Commission

(a) Membership

The United States International Trade Commission (referred to in this subtitle as the ''Commission'') shall be composed of six commissioners who shall be appointed by the President, by and with the advice and consent of the Senate. No person shall be eligible for appointment as a commissioner unless he is a citizen of the United States, and, in the judgment of the President, is possessed of qualifications requisite for developing expert knowledge of international trade problems and efficiency in administering the duties and functions of the Commission. A person who has served as a commissioner for more than 5 years (excluding service as a commissioner before January 3, 1975) shall not be eligible for reappointment as a commissioner. Not more than three of the commissioners shall be members of the same political party, and in making appointments members of different political parties shall be appointed alternately as nearly as may be practicable.

(b) Terms of office

The terms of office of the commissioners holding office on January 3, 1975, which (but for this

sentence) would expire on June 16, 1975, June 16, 1976, June 16, 1977, June 16, 1978, June 16, 1979, and June 16, 1980, shall expire on December 16, 1976, June 16, 1978, December 16, 1979, June 16, 1981, December 16, 1982, and June 16, 1984, respectively. The term of office of each commissioner appointed after such date shall expire 9 years from the date of the expiration of the term for which his predecessor was appointed, except that—

(1) any commissioner appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and

(2) any commissioner may continue to serve as a commissioner after an expiration of his term of office until his successor is appointed and qualified.

(c) Chairman and vice chairman; quorum

(1) The chairman and the vice chairman of the Commission shall be designated by the President from among the members of the Commission not ineligible, under paragraph (3), for designation. The President shall notify the Congress of his designations under this paragraph. If, as of the date on which a term begins under paragraph (2), the President has not designated the chairman of the Commission for such term, the Commissioner[1] who, as of such date—

(A) is a member of a different political party than the chairman of the Commission for the immediately preceding term, and

(B) has the longest period of continuous service as a commissioner,

shall serve as chairman of the Commission for the portion of such term preceding the date on which an individual designated by the President takes office as chairman.

(2) After June 16, 1978, the terms of office for the chairman and vice chairman of the Commission shall be as follows:

(A) The first term of office occurring after such date shall begin on June 17, 1978, and end at the close of June 16, 1980.

(B) Each term of office thereafter shall begin on the day after the closing date of the immediately preceding term of office and end at the close of the 2-year period beginning on such day.

(3)(A) The President may not designate as the chairman of the Commission for any term any commissioner who is a member of the political party of which the chairman of the Commission for the immediately preceding term is a member.

(B) The President may not designate as the vice chairman of the Commission for any term any commissioner who is a member of the political party of which the chairman for that term is a member.

(C) If any commissioner does not complete a term as chairman or vice chairman by reason of death, resignation, removal from office as a commissioner, or expiration of his term of office as a commissioner, the President shall designate as the chairman or vice chairman, as the case may be, for the remainder of such term a commissioner who is a member of the same political party.

(4) The vice chairman shall act as chairman in case of the absence or disability of the chairman. During any period in which there is no chairman or vice chairman, the commissioner having the longest period of continuous service as a commissioner shall act as chairman.

(5) No commissioner shall actively engage in any business, vocation, or employment other than that of serving as a commissioner.

(6) A majority of the commissioners in office shall constitute a quorum, but the Commission may function notwithstanding vacancies.

(d) Effect of divided vote in certain cases

(1) In a proceeding in which the Commission is required to determine—

(A) under section 2252 of this title, whether increased imports of an article are a substantial cause of serious injury, or the threat thereof, as described in subsection (b)(1) of that section (hereafter in this subsection referred to as ''serious injury''), or

(B) under section 2436 of this title, whether market disruption exists.

and the commissioners voting are equally divided with respect to such determination, then the determination, agreed upon by either group of commissioners may be considered by the President as the determination of the Commission.

(2) If under section 2252(b) or 2436 of this title there is an affirmative determination of the Commission, or a determination of the Commission which the President may consider an affirmative determination under paragraph (1), that serious injury or market disruption exists, respectively, and a majority of the commissioners voting are unable to agree on a finding or recommendation described in section 2252(e)(1) of this title or the finding described in section 2436(a)(3) of this title, as the case may be (hereafter in this subsection referred to as a ''remedy finding''), then—

(A) if a plurality of not less than three commissioners so voting agree on a remedy finding, such remedy finding shall, for purposes of section 2253 of this title, be treated as the remedy finding of the Commission, or

(B) if two groups, both of which include not less than 3 commissioners, each agree upon a remedy finding and the President reports under section 2254(a) of this title that—

(i) he is taking the action agreed upon by one such group, then the remedy finding agreed upon by the other group shall, for purposes of section 2253 of this title, be treated as the remedy finding of the Commission, or

(ii) he is taking action which differs from the action agreed upon by both such groups, or that he will not take any action, then the remedy finding agreed upon by either such group may be considered by the Congress as the remedy finding of the Commission and shall, for purposes of section 2253 of this title, be treated as the remedy finding of the Commission.

(3) In any proceeding to which paragraph (1) applies in which the commissioners voting are

[1] So in original. Probably should not be capitalized.

equally divided on a determination that serious injury exists, or that market disruption exists, the Commission shall report to the President the determination of each group of commissioners. In any proceeding to which paragraph (2) applies, the Commission shall report to the President the remedy finding of each group of commissioners voting.

(4) In a case to which paragraph (2)(B)(ii) applies, for purposes of section 2253(a) of this title, notwithstanding section 2192(a)(1)(A) of this title, the second blank space in the joint resolution described in such section 2192(a)(1)(A) of this title shall be filled with the appropriate date and the following: ''The action which shall take effect under section 203(a) of the Trade Act of 1974 is the finding or recommendation agreed upon by Commissioners _____, _____, and _____.'' The three blank spaces shall be filled with the names of the appropriate Commissioners.

(5) Whenever, in any case in which the Commission is authorized to make an investigation upon its own motion, upon complaint, or upon application of any interested party, one-half of the number of commissioners voting agree that the investigation should be made, such investigation shall thereupon be carried out in accordance with the statutory authority covering the matter in question. Whenever the Commission is authorized to hold hearings in the course of any investigation and one-half of the number of commissioners voting agree that hearings should be held, such hearings shall thereupon be held in accordance with the statutory authority covering the matter in question.

(e) Authorization of appropriations

(1) For the fiscal year beginning October 1, 1976, and each fiscal year thereafter, there are authorized to be appropriated to the Commission only such sums as may hereafter be provided by law.

(2)(A) There are authorized to be appropriated to the Commission for necessary expenses (including the rental of conference rooms in the District of Columbia and elsewhere) not to exceed the following:

(i) $41,170,000 for fiscal year 1991.

(ii) $44,052,000 for fiscal year 1992.

(B) Not to exceed $2,500 of the amount authorized to be appropriated for any fiscal year under subparagraph (A) may be used, subject to the approval of the Chairman of the Commission, for reception and entertainment expenses.

(C) No part of any sum that is appropriated under the authority of subparagraph (A) may be used by the Commission in the making of any special study, investigation, or report that is requested by any agency of the executive branch unless that agency reimburses the Commission for the cost thereof.

(3) There are authorized to be appropriated to the Commission for each fiscal year after September 30, 1977, in addition to any other amount authorized to be appropriated for such fiscal year, such sums as may be necessary for increases authorized by law in salary, pay, retirement, and other employee benefits.

(f) Treatment of Commission under Paperwork Reduction Act

The Commission shall be considered to be an independent regulatory agency for purposes of chapter 35 of title 44.

(June 17, 1930, ch. 497, title III, § 330, 46 Stat. 696; Aug. 7, 1953, ch. 348, title II, § 201, 67 Stat. 472; Jan. 3, 1975, Pub. L. 93–618, title I, §§ 172(a), (b), 175(b), 88 Stat. 2009–2011; Oct. 4, 1976, Pub. L. 94–455, title XVIII, § 1801(a), (b), 90 Stat. 1762; Aug. 17, 1977, Pub. L. 95–106, §§ 1, 2(a), 91 Stat. 867; Oct. 10, 1978, Pub. L. 95–430, 92 Stat. 1020; Jan. 12, 1983, Pub. L. 97–456, § 1(a), 96 Stat. 2503; Oct. 30, 1984, Pub. L. 98–573, title II, § 248(c), title VII, § 701, 98 Stat. 2998, 3043; Apr. 7, 1986, Pub. L. 99–272, title XIII, § 13021, 100 Stat. 305; Dec. 22, 1987, Pub. L. 100–203, title IX, § 9502, 101 Stat. 1330–380; Aug. 23, 1988, Pub. L. 100–418, title I, §§ 1401(b)(4), 1611, 1612, 102 Stat. 1240, 1262; Nov. 10, 1988, Pub. L. 100–647, title IX, § 9001(a)(15), 102 Stat. 3808; Dec. 7, 1989, Pub. L. 101–207, § 2, 103 Stat. 1833; Aug. 20, 1990, Pub. L. 101–382, title I, § 101, 104 Stat. 633; Dec. 4, 1991, Pub. L. 102–185, § 1(a)(1), (2), (c)(1), 105 Stat. 1280.)

AMENDMENT OF SUBSECTION (c)(3)(A), (C)

Pub. L. 102–185, § 1(a)(2), (3)(B), Dec. 4, 1991, 105 Stat. 1280, provided that, applicable to terms beginning on and after June 17, 1996, subsection (c)(3)(A) of this section is amended by inserting '', *or who has less than 1 year of continuous service as a commissioner as of the date such designation is being made''* *before the period and subsection (c)(3)(C) of this section is amended by adding at the end thereof the following new sentence: ''Designation of a chairman under this subparagraph may be made without regard to the 1-year continuous service requirement under subparagraph (A).''*

REFERENCES IN TEXT

Section 203(a) of the Trade Act of 1974, referred to in subsec. (d)(4), is classified to section 2253(a) of this title.

CODIFICATION

Provisions of subsec. (c) which prescribed the annual basic compensation of the commissioners were omitted to conform to the provisions of the Executive Schedule. See sections 5314 and 5315 of Title 5, Government Organization and Employees.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 8, 1916, ch. 463, § 700, 39 Stat. 795. That section was superseded by section 330 of act June 17, 1930, comprising this section.

AMENDMENTS

1991—Subsec. (c)(1). Pub. L. 102–185, § 1(c)(1), inserted at end ''If, as of the date on which a term begins under paragraph (2), the President has not designated the chairman of the Commission for such term, the Commissioner who, as of such date—

''(A) is a member of a different political party than the chairman of the Commission for the immediately preceding term, and

''(B) has the longest period of continuous service as a commissioner,

shall serve as chairman of the Commission for the portion of such term preceding the date on which an individual designated by the President takes office as chairman.''

Subsec. (c)(3)(A). Pub. L. 102–185, §1(a)(1)(A), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: ''The President may not designate as the chairman of the Commission for any term—

''(i) either of the two commissioners with the shortest period of service on the Commission as of the beginning date of the term of office for which the designation of chairman is to be made; or

''(ii) any commissioner who is a member of the political party of which the chairman of the Commission for the immediately preceding term is a member.''

Subsec. (c)(3)(C). Pub. L. 102–185, §1(a)(1)(B), struck out at end ''Designation of a chairman under this subparagraph may be made without regard to the limitation set forth in subparagraph (A)(i).''

1990—Subsec. (e)(2). Pub. L. 101–382 amended par. (2) generally. Prior to amendment, par. (2) read as follows: ''There are authorized to be appropriated to the Commission for necessary expenses (including the rental of conference rooms in the District of Columbia and elsewhere) for fiscal year 1990 not to exceed $39,943,000; of which not to exceed $2,500 may be used, subject to approval by the Chairman of the Commission, for reception and entertainment expenses. No part of any sum that is appropriated under the authority of this paragraph may be used by the Commission for the making of any special study, investigation, or report that is requested by any agency of the executive branch unless that agency reimburses the Commission for the cost thereof.''

1989—Subsec. (e)(2). Pub. L. 101–207 substituted ''1990'' for ''1988'' and ''$39,943,000'' for ''$35,386,000''.

1988—Subsec. (c)(3)(A)(i). Pub. L. 100–647 substituted ''with the shortest period of service on'' for ''most recently appointed to''.

Pub. L. 100–418, §1611, which directed that subsec. (c)(A)(i) of this section be amended by substituting ''with the shortest period of service on'' for ''most recently appointed to'', was probably intended to be an amendment to subsec. (c)(3)(A)(i). See amendment by Pub. L. 100–647 above.

Subsec. (d)(1)(A). Pub. L. 100–418, §1401(b)(4)(A), substituted ''2252'' for ''2251''.

Subsec. (d)(2). Pub. L. 100–418, §1401(b)(4)(B)(i), (iii), in introductory provisions substituted ''2252(b)'' and ''2252(e)(1)'' for ''2251'' and ''2251(d)(1)'', respectively.

Subsec. (d)(2)(A). Pub. L. 100–418, §1401(b)(4)(B)(iv), substituted ''section 2253 of this title'' for ''sections 2252 and 2253 of this title''.

Subsec. (d)(2)(B). Pub. L. 100–418, §1401(b)(4)(B)(iv), (v), in introductory provisions substituted ''section 2254(a) of this title'' for ''section 2253(b) of this title'' and, in cls. (i) and (ii), substituted ''section 2253 of this title'' for ''sections 2252 and 2253 of this title''.

Subsec. (d)(4). Pub. L. 100–418, §1401(b)(4)(C), substituted ''section 2253(a) of this title'' for ''section 2253(c)(1) of this title'' and ''section 203(a) of the Trade Act of 1974'' for ''section 203(c)(1) of the Trade Act of 1974''.

Subsec. (f). Pub. L. 100–418, §1612, added subsec. (f).

1987—Subsec. (e)(2). Pub. L. 100–203 substituted ''for fiscal year 1988 not to exceed $35,386,000'' for ''fiscal year 1986 not to exceed $28,901,000''.

1986—Subsec. (e)(2). Pub. L. 99–272 amended first sentence generally, substituting ''for fiscal year 1986 not to exceed $28,901,000'' for ''for fiscal year 1985 not to exceed $28,410,000''.

1984—Subsec. (d)(4). Pub. L. 98–573, §248(c), substituted ''the joint resolution described in such section 2192(a)(1)(A)'' for ''the concurrent resolution described in such section 2192''.

Subsec. (e)(2). Pub. L. 98–573, §701, substituted authorization of appropriation of not more than $28,410,000 for fiscal year 1985 for necessary expenses, including the rental of conference rooms in the District of Columbia and elsewhere for provision authorizing appropriation of not more than $19,737,000 for necessary expenses for fiscal year 1983, and inserted provision that not more than $2,500 may be used, subject to approval by the Chairman of the Commission, for reception and entertainment expenses.

1983—Subsec. (e)(2). Pub. L. 97–456 substituted authorization of appropriation of not exceeding $19,737,000 for fiscal 1983 for authorization not exceeding $12,963,000 for fiscal 1979, and inserted provision relating to reimbursement by agencies of the executive branch for studies requested by them.

1978—Subsec. (e)(2). Pub. L. 95–430 substituted provisions authorizing $12,963,000 to be appropriated for the necessary expenses of the Commission for fiscal year 1979 for provisions authorizing $11,522,000 to be appropriated for similar expenses for fiscal year 1978.

1977—Subsec. (c). Pub. L. 95–106, §2(a), inserted provisions in par. (1) for the Congressional notification of Presidential designations, substituted, in par. (2), provisions covering the expiration of terms of office after June 16, 1978, for provisions covering the expiration of terms of office on and after June 17, 1975, added par. (3), and redesignated as pars. (4) to (6) provisions formerly contained in par. (1).

Subsec. (e). Pub. L. 95–106, §1, designated existing provisions as par. (1) and added pars. (2) and (3).

1976—Subsec. (b). Pub. L. 94–455, §1801(a), inserted provisions that any commissioner may continue to serve as a commissioner after an expiration of his term of office until his successor is appointed and qualified.

Subsec. (d)(1). Pub. L. 94–455, §1801(b)(2), substituted provisions relating to consideration by the President of determinations of the Commission as to whether increased imports of an article are a substantial cause of serious injury or threat or whether market disruption exists for provisions relating to consideration by the President of findings of the Commission in connection with any authority conferred upon the President by law to make changes in import restrictions.

Subsec. (d)(2) to (5). Pub. L. 94–455, §1801(b), added pars. (2) to (4) and redesignated former par. (2) as (5).

1975—Subsec. (a). Pub. L. 93–618, §172(a), substituted ''United States International Trade Commission'' for ''United States Tariff Commission'' and inserted provision that a person who has served as a commissioner for more than five years (excluding service as a commissioner before January 3, 1975) shall not be eligible for reappointment as a commissioner.

Subsec. (b). Pub. L. 93–618, §172(a), lengthened the term of office from 6 years to 9 years for commissioners appointed after Jan. 3, 1975, and substituted Dec. 16, 1976, June 16, 1978, Dec. 16, 1979, June 16, 1981, Dec. 16, 1982, and June 16, 1984, for June 16, 1975, June 16, 1976, June 16, 1977, June 16, 1978, June 16, 1979, and June 16, 1980, respectively, as the expiration dates for the terms of office of commissioners serving on Jan. 3, 1975.

Subsec. (c). Pub. L. 93–618, §172(b), designated existing provisions as par. (1), inserted ''Except as provided in paragraph (2),'' before ''The'', and added par. (2).

Subsec. (e). Pub. L. 93–618, §175(b), added subsec. (e).

1953—Subsec. (d). Act Aug. 7, 1953, added subsec. (d).

EFFECTIVE DATE OF 1991 AMENDMENT

Section 1(a)(3) of Pub. L. 102–185 provided that:

''(A) MODIFICATION.—The amendments made by paragraph (1) [amending this section] shall apply to terms beginning on and after June 17, 1990.

''(B) 1-YEAR REQUIREMENT.—The amendments made by paragraph (2) [amending this section] shall apply to terms beginning on and after June 17, 1996.''

Section 1(c)(2) of Pub. L. 102–185 provided that: ''The amendment made by this subsection [amending this section] shall take effect on the 10th day following the date of the enactment of this Act [Dec. 4, 1991].''

EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by Pub. L. 100–647 applicable as if such amendment took effect on Aug. 23, 1988, see section 9001(b) of Pub. L. 100–647, set out as an Effective and Termination Dates of 1988 Amendments note under section 58c of this title.

Amendment by section 1401(b)(4) of Pub. L. 100–418 effective Aug. 23, 1988, and applicable with respect to in-

vestigations initiated under part 1 (§ 2251 et seq.) of subchapter II of chapter 12 of this title on or after that date, see section 1401(c) of Pub. L. 100–418, set out as a note under section 2251 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by section 248(c) of Pub. L. 98–573 effective on 15th day after Oct. 30, 1984, see section 214(a), (b) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 2(b) of Pub. L. 95–106 provided that: ''The amendment made by this section [amending this section] shall apply with respect to the designation of chairmen and vice chairmen of the United States International Trade Commission for terms beginning after June 16, 1978.''

EFFECTIVE DATE OF 1976 AMENDMENT

Section 1801(c) of Pub. L. 94–455 provided that: ''The amendments made by subsection (b) [amending this section] shall apply to determinations, findings, and recommendations made under sections 201 and 406 of the Trade Act of 1974 [sections 2251 and 2436 of this title] after the date of the enactment of this Act [Oct. 4, 1976].''

APPOINTMENT OF CHAIRMAN IN 1992

Section 1(b) of Pub. L. 102–185 provided that: ''In the case of the term of the chairman of the United States International Trade Commission beginning June 17, 1992—

''(1) section 330(c)(3)(A) of the Tariff Act of 1930 [19 U.S.C. 1330(c)(3)(A)] shall not apply, and

''(2) the President shall designate as chairman a Commissioner who is a member of the same political party as the chairman of the Commission serving on June 16, 1986.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2231, 2253, 3353, 3371 of this title.

§ 1331. General powers

(a) Administration

(1)(A) Except as provided in paragraph (2), the chairman of the Commission shall—

(i) appoint and fix the compensation of such employees of the Commission as he deems necessary (other than the personal staff of each commissioner), including the secretary,

(ii) procure the services of experts and consultants in accordance with the provisions of section 3109 of title 5, and

(iii) exercise and be responsible for all other administrative functions of the Commission.

(B) The chairman of the Commission may accept, hold, administer, and utilize gifts, devises, and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Commission.

(C) Any decision by the chairman under subparagraph (A) or (B) shall be subject to disapproval by a majority vote of all the commissioners in office.

(2) Subject to approval by a majority vote of all the commissioners in office, the chairman may—

(A) terminate the employment of any supervisory employee of the Commission whose duties involve substantial personal responsibility for Commission matters and who is compensated at a rate equal to, or in excess of, the rate for grade GS–15 of the General Schedule in section 5332 of title 5, and

(B) formulate the annual budget of the Commission.

(3) No member of the Commission, in making public statements with respect to any policy matter for which the Commission has responsibility, shall represent himself as speaking for the Commission, or his views as being the views of the Commission, with respect to such matter except to the extent that the Commission has adopted the policy being expressed.

(b) Application of civil service law

Except for employees excepted under civil service rules, all employees of the commission shall be appointed from lists of eligibles to be supplied by the Director of the Office of Personnel Management and in accordance with the civil service law.

(c) Expenses

All of the expenses of the commission, including all necessary expenses for transportation incurred by the commissioners or by their employees under their orders in making any investigation or upon official business in any other places than at their respective headquarters, shall be allowed and paid on the presentation of itemized vouchers therefor approved by the chairman (except that in the case of a commissioner, or the personal staff of any commissioner, such vouchers may be approved by that commissioner).

(d) Principal office at Washington

The principal office of the commission shall be in the city of Washington, but it may meet and exercise all its powers at any other place. The commission may, by one or more of its members, or by such agents as it may designate, prosecute any inquiry necessary to its duties in any part of the United States or in any foreign country.

(e) Office at New York

The commission is authorized to establish and maintain an office at the port of New York for the purpose of directing or carrying on any investigation, receiving and compiling statistics, selecting, describing, and filing samples of articles, and performing any of the duties or exercising any of the powers imposed upon it by law.

(f) Official seal

The commission is authorized to adopt an official seal, which shall be judicially noticed.

(June 17, 1930, ch. 497, title III, § 331, 46 Stat. 697; Aug. 17, 1977, Pub. L. 95–106, § 3(a), (b), 91 Stat. 868; 1978 Reorg. Plan No. 2, § 102, eff. Jan. 1, 1979, 43 F.R. 36037, 92 Stat. 3783; Jan. 12, 1983, Pub. L. 97–456, § 1(b), 96 Stat. 2503.)

REFERENCES IN TEXT

The civil service law, referred to in subsec. (b), is set forth in Title 5, Government Organization and Employees. See, particularly, section 3301 et seq. of Title 5.

CODIFICATION

In subsec. (a), provisions which specified a salary of $7,500 per year for the secretary to the commission have been omitted as obsolete and superseded. Sections 1202 and 1204 of the Classification Act of 1949, 63 Stat. 972, 973, repealed the Classification Act of 1923 and all

other laws or parts of laws inconsistent with the 1949 Act. The Classification Act of 1949 was repealed by Pub. L. 89–554, Sept. 6, 1966, § 8(a), 80 Stat. 632, and reenacted as chapter 51 and subchapter III of chapter 53 of Title 5, Government Organization and Employees. Section 5102 of Title 5 contains the applicability provisions of the 1949 Act, and section 5103 of Title 5 authorizes the Office of Personnel Management to determine the applicability to specific positions and employees.

In subsec. (b), the words ''Except for employees excepted under the civil service rules'' substituted for ''With the exception of the secretary, a clerk to each commissioner, and such special experts as the commission may from time to time find necessary for the conduct of its work''. Appointments are now subject to the civil service laws unless specifically excepted by such laws or by laws enacted subsequent to Executive Order 8743, Apr. 23, 1941, issued by the President pursuant to the act of Nov. 26, 1940, ch. 919, title I, § 1, 54 Stat. 1211, which covered most excepted positions into the classified (competitive) civil service. The Order is set out as a note under section 3301 of Title 5.

PRIOR PROVISIONS

Provisions similar to subsecs. (a) to (e) of this section were contained in act Sept. 8, 1916, ch. 463, § 701, 39 Stat. 975. That section was superseded by section 331 of act June 17, 1930, comprising this section.

Provisions similar to those of subsecs. (f) and (g) of this section were contained in act Sept. 21, 1922, ch. 356, title III, § 318, 42 Stat. 947. That section was superseded by section 331 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1983—Subsec. (a)(1). Pub. L. 97–456 designated existing provisions relating to the chairman's exercise of and responsibility for all administrative functions as subpar. (A), redesignated former subpars. (A) through (C) as cls. (i) through (iii), added subpar. (B), designated provisions relating to disapproval by a majority of the commissioners of any decision by the chairman as subpar. (C), and in (C) as so designated, substituted ''subparagraph (A) or (B)'' for ''this paragraph'' after ''chairman under''.

1977—Subsec. (a). Pub. L. 95–106, § 3(a), designated existing provisions as par. (1), substituted provisions authorizing the chairman to perform certain required functions subject to approval by the Commission for provisions authorizing the Commission to perform certain required functions and inserted provisions requiring the chairman to exercise and be responsible for all other administrative functions of the Commission, and added pars. (2) and (3).

Subsec. (c). Pub. L. 95–106, § 3(b)(1), substituted ''approved by the chairman (except that in the case of a commissioner, or the personal staff of any commissioner, such vouchers may be approved by that commissioner)'' for ''approved by the Commission''.

Subsec. (d). Pub. L. 95–106, § 3(b)(2), redesignated subsecs. (e) to (g) as (d) to (f), respectively. Former subsec. (d), relating to offices and supplies, was struck out.

EFFECTIVE DATE OF 1977 AMENDMENT

Section 3(c) of Pub. L. 95–106 provided that: ''The amendments made by this section [amending this section] take effect on the date of enactment of this Act [Aug. 17, 1977].''

TRANSFER OF FUNCTIONS

''Director of the Office of Personnel Management'' substituted for ''Civil Service Commission'' in subsec. (b) pursuant to Reorg. Plan No. 2 of 1978, § 102, 43 F.R. 36037, 92 Stat. 3783, set out under section 1101 of Title 5, Government Organization and Employees, which transferred functions vested by statute in Civil Service Commission to Director of Office of Personnel Management (except as otherwise specified), effective Jan. 1, 1979, as provided by section 1–102 of Ex. Ord. No. 12107, Dec. 28, 1978, 44 F.R. 1055, set out under section 1101 of Title 5.

§ 1332. Investigations

(a) Investigations and reports

It shall be the duty of the commission to investigate the administration and fiscal and industrial effects of the customs laws of this country, the relations between the rates of duty on raw materials and finished or partly finished products, the effects of ad valorem and specific duties and of compound specific and ad valorem duties, all questions relative to the arrangement of schedules and classification of articles in the several schedules of the customs law, and, in general, to investigate the operation of customs laws, including their relation to the Federal revenues, their effect upon the industries and labor of the country, and to submit reports of its investigations as hereafter provided.

(b) Investigations of tariff relations

The commission shall have power to investigate the tariff relations between the United States and foreign countries, commercial treaties, preferential provisions, economic alliances, the effect of export bounties and preferential transportation rates, the volume of importations compared with domestic production and consumption, and conditions, causes, and effects relating to competition of foreign industries with those of the United States, including dumping and cost of production.

(c) Investigation of Paris Economy Pact

The commission shall have power to investigate the Paris Economy Pact and similar organizations and arrangements in Europe.

(d) Information for President and Congress

In order that the President and the Congress may secure information and assistance, it shall be the duty of the commission to—

(1) Ascertain conversion costs and costs of production in the principal growing, producing, or manufacturing centers of the United States of articles of the United States, whenever in the opinion of the commission it is practicable;

(2) Ascertain conversion costs and costs of production in the principal growing, producing, or manufacturing centers of foreign countries of articles imported into the United States, whenever in the opinion of the commission such conversion costs or costs of production are necessary for comparison with conversion costs or costs of production in the United States and can be reasonably ascertained;

(3) Select and describe articles which are representative of the classes or kinds of articles imported into the United States and which are similar to or comparable with articles of the United States; select and describe articles of the United States similar to or comparable with such imported articles; and obtain and file samples of articles so selected, whenever the commission deems it advisable;

(4) Ascertain import costs of such representative articles so selected;

(5) Ascertain the grower's, producer's, or manufacturer's selling prices in the principal

growing, producing, or manufacturing centers of the United States of the articles of the United States so selected; and

(6) Ascertain all other facts which will show the differences in or which affect competition between articles of the United States and imported articles in the principal markets of the United States.

(e) Definitions

When used in this subdivision and in subdivision (d) of this section—

(1) The term ''article'' includes any commodity, whether grown, produced, fabricated, manipulated, or manufactured;

(2) The term ''import cost'' means the transaction value of the imported merchandise determined in accordance with section 1401a(b) of this title plus, when not included in the transaction value, all necessary expenses, exclusive of customs duties, of bringing such merchandise to the United States.

(f) Omitted

(g) Reports to President and Congress

The commission shall put at the disposal of the President of the United States, the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, whenever requested, all information at its command, and shall make such investigations and reports as may be requested by the President or by either of said committees or by either branch of the Congress. However, the Commission may not release information which the Commission considers to be confidential business information unless the party submitting the confidential business information had notice, at the time of submission, that such information would be released by the Commission, or such party subsequently consents to the release of the information. The Commission shall report to Congress on the first Monday of December of each year after June 17, 1930, a statement of the methods adopted and all expenses incurred, a summary of all reports made during the year, and a list of all votes taken by the commission during the year, showing those commissioners voting in the affirmative and the negative on each vote and those commissioners not voting on each vote and the reasons for not voting. Each such annual report shall include a list of all complaints filed under section 1337 of this title during the year for which such report is being made, the date on which each such complaint was filed, and the action taken thereon, and the status of all investigations conducted by the commission under such section during such year and the date on which each such investigation was commenced.

(June 17, 1930, ch. 497, title III, § 332, 46 Stat. 698; Jan. 3, 1975, Pub. L. 93–618, title I, § 173, title III, § 341(b), 88 Stat. 2010, 2056; July 26, 1979, Pub. L. 96–39, title II, § 202(a)(1), 93 Stat. 201; Aug. 23, 1988, Pub. L. 100–418, title I, § 1613, 102 Stat. 1262; Nov. 10, 1988, Pub. L. 100–647, title IX, § 9001(a)(16), 102 Stat. 3808.)

REFERENCES IN TEXT

The customs laws, referred to in subsec. (a), are classified generally to this title.

CODIFICATION

Subsection (f) directed the Tariff Commission to ascertain the cost of crude petroleum during three years preceding 1930.

PRIOR PROVISIONS

Provisions similar to subsections (a), (b), and (g) of this section were contained in act Sept. 8, 1916, ch. 463, §§ 702 to 704, 39 Stat. 796. Those sections were superseded by section 332 of act June 17, 1930, comprising this section.

Provisions similar to those of subdivision (c) of this section were contained in act Sept. 8, 1916, ch. 463, § 708, 39 Stat. 798. That section was superseded by section 332 of act June 17, 1930, comprising this section.

Provisions similar to subdivisions (d) and (e) of this section were contained in act Sept. 21, 1922, ch. 356, title III, § 318, 42 Stat. 947. Section 318 of act 1922 was superseded by section 332 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of said 1930 act.

Act Oct. 3, 1913, ch. 16, § IV, R, 38 Stat. 201, directed President to ascertain certain facts and report to Congress when imports amounted to less than 5 per centum of domestic consumption, prior to repeal by act Sept. 21, 1922, ch. 356, title III, § 321, 42 Stat. 947.

AMENDMENTS

1988—Subsec. (g). Pub. L. 100–647 substituted ''report to Congress on the first'' for ''report to Congress. on the first''.

Pub. L. 100–418 substituted ''. However, the Commission may not release information which the Commission considers to be confidential business information unless the party submitting the confidential business information had notice, at the time of submission, that such information would be released by the Commission, or such party subsequently consents to the release of the information. The Commission shall report to Congress.'' for '', and shall report to Congress''.

1979—Subsec. (e)(2). Pub. L. 96–39 substituted ''the transaction value of the imported merchandise determined in accordance with section 1401a(b) of this title plus, when not included in the transaction value, all necessary expenses, exclusive of customs duties, of bringing such merchandise to the United States'' for ''the price at which an article is freely offered for sale in the ordinary course of trade in the usual wholesale quantities for exportation to the United States plus, when not included in such price, all necessary expenses, exclusive of customs duties, of bringing such imported article to the United States''.

1975—Subsec. (g). Pub. L. 93–618 substituted ''a summary of all reports made during the year, and a list of all votes taken by the commission during the year, showing those commissioners voting in the affirmative and the negative on each vote and those commissioners not voting on each vote and the reasons for not voting'' for ''and a summary of all reports made during the year'', and inserted last sentence relating to complaints included in annual reports.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–647 applicable as if such amendment took effect on Aug. 23, 1988, see section 9001(b) of Pub. L. 100–647, set out as an Effective and Termination Dates of 1988 Amendments note under section 58c of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 1, 1980, see section 204(a) of Pub. L. 96–39, set out as a note under section 1401a of this title.

EFFECTIVE DATE OF 1975 AMENDMENT

Amendment by Pub. L. 93–618 effective on 90th day after Jan. 3, 1975, see section 341(c) of Pub. L. 93–618, set out as a note under section 1337 of this title.

DELEGATION OF FUNCTIONS

Functions of President under subsec. (g) of this section regarding reports by United States International Trade Commission to President delegated to United States Trade Representative, see section 5–301 of Ex. Ord. No. 12661, Dec. 27, 1988, 54 F.R. 779, set out as a note under section 2901 of this title.

CONTINUATION OF REPORTS WITH RESPECT TO SYNTHETIC ORGANIC CHEMICALS

Pub. L. 95–106, § 5, Aug. 17, 1977, 91 Stat. 869, directed International Trade Commission to make, for each calendar year ending before Jan. 1, 1981, reports with respect to synthetic organic chemicals similar in scope to reports made with respect to such chemicals for calendar year 1976.

REVIEW OF CUSTOMS TARIFF SCHEDULES

Act Sept. 1, 1954, ch. 1213, title I, § 101, 68 Stat. 1136, as amended Aug. 2, 1956, ch. 894, 70 Stat. 955; May 19, 1958, Pub. L. 85–418, § 3, 72 Stat. 120, provided for a complete study by the Tariff Commission for the purpose of clarifying and simplifying the tariff classification, with a report to go to the President and to the chairmen of the appropriate committees of Congress no later than Jan. 1, 1959. See section 1332 of this title.

CROSS REFERENCES

Importation of intoxicating liquors into any State, Territory, or possession in violation of its laws prohibited, see section 2 of the 21st Amendment to the Constitution.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2252, 3011, 3437 of this title; title 16 section 742h.

§ 1332a. Importation of red cedar shingles

(a) Investigation by Commission

The United States International Trade Commission is directed to conduct an investigation as soon as practicable after the close of the calendar year 1939 and each calendar year thereafter, for the purpose of ascertaining the quantities of red cedar shingles shipped by producers in the United States and the quantities of imported red cedar shingles entered for consumption, or withdrawn from warehouse for consumption, during each of the three calendar years immediately preceding any such investigation.

(b) Duty on imported shingles; amount

If the Commission finds, on the basis of an investigation under subdivision (a) of this section, that in any calendar year after 1938 the quantity of imported red cedar shingles entered for consumption, or withdrawn from warehouse for consumption, was in excess of 30 per centum of the combined total for such year of the respective quantities ascertained in such investigation, it shall so report to the President. If the President approves the report of the Commission, he shall so proclaim, and on and after the day following the filing of such proclamation with the Division of the Federal Register and so long as any trade agreement entered into under the authority of section 1351 of this title, shall be in effect with respect to the importation into the United States of red cedar shingles, there shall be a duty upon imported red cedar shingles entered for consumption, or withdrawn from warehouse for consumption, in any calendar year in excess of 30 per centum of the annual average for the preceding three calendar years of the combined total of the quantity of such shingles shipped by producers in the United States and of the quantity of such imported shingles entered for consumption, or withdrawn from warehouse for consumption. The rate of such duty shall be 25 cents per square. Any duty imposed under this section shall be treated for the purposes of all provisions of law relating to customs revenue as a duty imposed by section 1001[1] of this title, and shall not apply to shingles entered for consumption before the duty becomes applicable.

(c) Exemptions from duty

The quantity of red cedar shingles entitled to exemption from any duty imposed pursuant to this section shall be ascertained for each quota period by the Commission and reported to the Secretary of the Treasury.

(July 1, 1940, ch. 499, 54 Stat. 708; Jan. 3, 1975, Pub. L. 93–618, title I, § 171(b), 88 Stat. 2009.)

REFERENCES IN TEXT

Section 1001 of this title, referred to in subsec. (b), was struck out by Pub. L. 87–456, title I, § 101(a), May 24, 1962, 76 Stat. 72.

CODIFICATION

Section was not enacted as a part of the Tariff Act of 1930 which comprises this chapter.

AMENDMENTS

1975—Subsec. (a). Pub. L. 93–618 substituted ''United States International Trade Commission'' for ''United States Tariff Commission''.

§ 1333. Testimony and production of papers

(a) Authority to obtain information

For the purposes of carrying out its functions and duties in connection with any investigation authorized by law, the commission or its duly authorized agent or agents (1) shall have access to and the right to copy any document, paper, or record, pertinent to the subject matter under investigation, in the possession of any person, firm, copartnership, corporation, or association engaged in the production, importation, or distribution of any article under investigation, (2) may summon witnesses, take testimony, and administer oaths, (3) may require any person, firm, copartnership, corporation, or association to produce books or papers relating to any matter pertaining to such investigation, and (4) may require any person, firm, copartnership, corporation, or association, to furnish in writing, in such detail and in such form as the commission may prescribe, information in their possession pertaining to such investigation. Any member of the commission may sign subpenas, and members and agents of the commission, when authorized by the commission, may administer oaths and affirmations, examine witnesses, take testimony, and receive evidence.

(b) Witnesses and evidence

Such attendance of witnesses and the production of such documentary evidence may be required from any place in the United States at any designated place of hearing. And in case of

[1] See References in Text note below.

disobedience to a subpena the commission may invoke the aid of any district or territorial court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence, and such court within the jurisdiction of which such inquiry is carried on may, in case of contumacy or refusal to obey a subpena issued to any corporation or other person, issue an order requiring such corporation or other person to appear before the commission, or to produce documentary evidence if so ordered or to give evidence touching the matter in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof.

(c) Mandamus

At the request of the commission, any such court shall have jurisdiction to issue writs of mandamus commanding compliance with the provisions of this part or any order of the commission made in pursuance thereof.

(d) Depositions

The commission may order testimony to be taken by deposition in any proceeding or investigation pending before the commission at any stage of such proceeding or investigation. Such depositions may be taken before any person designated by the commission and having power to administer oaths. Such testimony shall be reduced to writing by the person taking the deposition, or under his direction, and shall then be subscribed by the deponent. Any person, firm, copartnership, corporation, or association, may be compelled to appear and depose and to produce documentary evidence in the same manner as witnesses may be compelled to appear and testify and produce documentary evidence before the commission, as hereinbefore provided.

(e) Fees and mileage of witnesses

Witnesses summoned before the commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States, and witnesses whose depositions are taken and the persons taking the same, except employees of the commission, shall severally be entitled to the same fees and mileage as are paid for like services in the courts of the United States.

(f) Statements under oath

The commission is authorized, in order to ascertain any facts required by subdivision (d) of section 1332 of this title to require any importer and any American grower, producer, manufacturer, or seller to file with the commission a statement, under oath, giving his selling prices in the United States of any article imported, grown, produced, fabricated, manipulated, or manufactured by him.

(g) Representation in court proceedings

The Commission shall be represented in all judicial proceedings by attorneys who are employees of the Commission or, at the request of the Commission, by the Attorney General of the United States.

(h) Administrative protective orders

Any correspondence, private letters of reprimand, and other documents and files relating to violations or possible violations of administrative protective orders issued by the Commission in connection with investigations or other proceedings under this subtitle shall be treated as information described in section 552(b)(3) of title 5.

(June 17, 1930, ch. 497, title III, § 333, 46 Stat. 699; June 25, 1936, ch. 804, 49 Stat. 1921; June 25, 1948, ch. 646, § 32(b), 62 Stat. 991; May 24, 1949, ch. 139, § 127, 63 Stat. 107; Aug. 20, 1958, Pub. L. 85–686, § 9(a), (b), 72 Stat. 679; Oct. 15, 1970, Pub. L. 91–452, title II, § 229, 84 Stat. 930; Jan. 3, 1975, Pub. L. 93–618, title I, § 174, 88 Stat. 2011; Aug. 20, 1990, Pub. L. 101–382, title I, § 135(a), 104 Stat. 651.)

CODIFICATION

As originally enacted subsec. (b) contained a reference to the Supreme Court of the District of Columbia. Act June 25, 1936, substituted ''the district court of the United States for the District of Columbia'' for ''the Supreme Court of the District of Columbia'', and act June 25, 1948, as amended by act May 24, 1949, substituted ''United States District Court for the District of Columbia'' for ''district court of the United States for the District of Columbia''. However, the words ''United States District Court for the District of Columbia'' have been deleted entirely as superfluous in view of section 132(a) of Title 28, Judiciary and Judicial Procedure, which states that ''There shall be in each judicial district a district court which shall be a court of record known as the United States District Court for the district'', and section 88 of Title 28 which states that ''the District of Columbia constitutes one judicial district''.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 8, 1916, ch. 463, § 706, 39 Stat. 797, as amended by act Sept. 21, 1922, ch. 356, title III, § 318(f), 42 Stat. 947. These acts were superseded by section 333 of act June 17, 1930, comprising this section, and section 318(f) of the 1922 act was repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1990—Subsec. (h). Pub. L. 101–382 added subsec. (h).

1975—Subsec. (c). Pub. L. 93–618, § 174(1), substituted ''At the request of'' for ''Upon application of the Attorney General of the United States, at the request of''.

Subsec. (g). Pub. L. 93–618, § 174(2), added subsec. (g).

1970—Subsec. (e). Pub. L. 91–452 struck out provisions relating to the immunity from prosecution of any natural person compelled to testify or produce evidence in obedience to the subpoena of the commission.

1958—Subsec. (a). Pub. L. 85–686, § 9(a), substituted ''For the purposes of carrying out its functions and duties in connection with any investigation authorized by law'' for ''For the purposes of carrying Part II of this subtitle into effect'', inserted provisions empowering the commission to require any person, firm, copartnership, corporation, or association to furnish in writing, in such detail and in such form as the commission may prescribe, information in their possession pertaining to an investigation.

Subsec. (d). Pub. L. 85–686, § 9(b), substituted ''pending before the commission'' for ''pending under Part II of this subtitle''.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91–452 effective on sixtieth day following Oct. 15, 1970, and not to affect any immunity to which any individual is entitled under this section by reason of any testimony given before sixtieth day following Oct. 15, 1970, see section 260 of Pub. L. 91–452, set out as an Effective Date; Savings Provision

note under section 6001 of Title 18, Crimes and Criminal Procedure.

FEDERAL RULES OF CIVIL PROCEDURE

Subpoena, see rule 45, Title 28, Appendix, Judiciary and Judicial Procedure.

Writ of mandamus abolished in United States district courts, but relief available by appropriate action or motion, see rule 81.

CROSS REFERENCES

Immunity of witnesses, see section 6001 et seq. of Title 18, Crimes and Criminal Procedure.

§ 1334. Cooperation with other agencies

The commission shall in appropriate matters act in conjunction and cooperation with the Treasury Department, the Department of Commerce, the Federal Trade Commission, or any other departments, or independent establishments of the Government, and such departments and independent establishments of the Government shall cooperate fully with the commission for the purposes of aiding and assisting in its work, and, when directed by the President, shall furnish to the commission, on its request, all records, papers, and information in their possession relating to any of the subjects of investigation by the commission and shall detail, from time to time, such officials and employees to said commission as he may direct.

(June 17, 1930, ch. 497, title III, § 334, 46 Stat. 700.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 8, 1916, ch. 463, § 707, 39 Stat. 797. That section was superseded by section 334 of act June 17, 1930, comprising this section.

TRANSFER OF FUNCTIONS

Executive and administrative functions of Federal Trade Commission transferred, with certain reservations, to Chairman of such Commission by Reorg. Plan No. 8 of 1950, § 1, eff. May 24, 1950, 15 F.R. 3175, 64 Stat. 1264, set out in the Appendix to Title 5, Government Organization and Employees.

§ 1335. Rules and regulations

The commission is authorized to adopt such reasonable procedures and rules and regulations as it deems necessary to carry out its functions and duties.

(June 17, 1930, ch. 497, title III, § 335, as added Aug. 20, 1958, Pub. L. 85–686, § 9(c)(2), 72 Stat. 680.)

PRIOR PROVISIONS

A prior section 335 of act June 17, 1930, related to disclosure of trade secrets and prescribed penalty therefor, prior to repeal by act June 25, 1948, ch. 645, § 21, 62 Stat. 862, eff. Sept. 1, 1948. See section 1905 of Title 18, Crimes and Criminal Procedure.

§ 1336. Equalization of costs of production

(a) Change of classification or duties

In order to put into force and effect the policy of Congress by this chapter intended, the commission (1) upon request of the President, or (2) upon resolution of either or both Houses of Congress, or (3) upon its own motion, or (4) when in the judgment of the commission there is good and sufficient reason therefor, upon application of any interested party, shall investigate the differences in the costs of production of any domestic article and of any like or similar foreign article. In the course of the investigation the commission shall hold hearings and give reasonable public notice thereof, and shall afford reasonable opportunity for parties interested to be present, to produce evidence, and to be heard at such hearings. The commission shall report to the President the results of the investigation and its findings with respect to such differences in costs of production. If the commission finds it shown by the investigation that the duties expressly fixed by statute do not equalize the differences in the costs of production of the domestic article and the like or similar foreign article when produced in the principal competing country, the commission shall specify in its report such increases or decreases in rates of duty expressly fixed by statute (including any necessary change in classification) as it finds shown by the investigation to be necessary to equalize such differences. In no case shall the total increase or decrease of such rates of duty exceed 50 per centum of the rates expressly fixed by statute.

(b) Repealed. Pub. L. 96–39, title II, § 202(a)(2)(A), July 26, 1979, 93 Stat. 202

(c) Proclamation by the President

The President shall by proclamation approve the rates of duty and changes in classification specified in any report of the commission under this section, if in his judgment such rates of duty and changes are shown by such investigation of the commission to be necessary to equalize such differences in costs of production.

(d) Effective date of rates and changes

Commencing thirty days after the date of any presidential proclamation of approval the increased or decreased rates of duty and changes in classification specified in the report of the commission shall take effect.

(e) Ascertainment of differences in costs of production

In ascertaining under this section the differences in costs of production, the commission shall take into consideration, in so far as it finds it practicable:

(1) In the case of a domestic article

(A) The cost of production as hereinafter in this section defined; (B) transportation costs and other costs incident to delivery to the principal market or markets of the United States for the article; and (C) other relevant factors that constitute an advantage or disadvantage in competition.

(2) In the case of a foreign article

(A) The cost of production as hereinafter in this section defined, or, if the commission finds that such cost is not readily ascertainable, the commission may accept as evidence thereof, or as supplemental thereto, the weighted average of the invoice prices or values for a representative period and/or the average wholesale selling price for a representative period (which price shall be that at which the

article is freely offered for sale to all purchasers in the principal market or markets of the principal competing country or countries in the ordinary course of trade and in the usual wholesale quantities in such market or markets); (B) transportation costs and other costs incident to delivery to the principal market or markets of the United States for the article; (C) other relevant factors that constitute an advantage or disadvantage in competition, including advantages granted to the foreign producers by a government, person, partnership, corporation, or association in a foreign country.

(f) Modification of changes in duty

Any increased or decreased rate of duty or change in classification which has taken effect as above provided may be modified or terminated in the same manner and subject to the same conditions and limitations (including time of taking effect) as is provided in this section in the case of original increases, decreases, or changes.

(g) Prohibition against transfers from the free list to the dutiable list or from the dutiable list to the free list

Nothing in this section shall be construed to authorize a transfer of an article from the dutiable list to the free list or from the free list to the dutiable list, nor a change in form of duty. Whenever it is provided in any paragraph of Subtitle I of this chapter, or in any amendatory act, that the duty or duties shall not exceed a specified ad valorem rate upon the articles provided for in such paragraph, no rate determined under the provisions of this section upon such articles shall exceed the maximum ad valorem rate so specified.

(h) Definitions

For the purpose of this section—

(1) The term ''domestic article'' means an article wholly or in part the growth or product of the United States; and the term ''foreign article'' means an article wholly or in part the growth or product of a foreign country.

(2) The term ''United States'' includes the several States and Territories and the District of Columbia.

(3) The term ''foreign country'' means any empire, country, dominion, colony, or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions).

(4) The term ''cost of production'', when applied with respect to either a domestic article or a foreign article, includes, for a period which is representative of conditions in production of the article: (A) The price or cost of materials, labor costs, and other direct charges incurred in the production of the article and in the processes or methods employed in its production; (B) the usual general expenses, including charges for depreciation or depletion which are representative of the equipment and property employed in the production of the article and charges for rent or interest which are representative of the cost of obtaining capital or instruments of production; and (C) the cost of containers and coverings of whatever nature, and other costs, charges, and expenses incident to placing the article in condition packed ready for delivery.

(i) Rules and regulations of President

The President is authorized to make all needful rules and regulations for carrying out his functions under the provisions of this section.

(j) Repealed. Pub. L. 96–39, title II, § 202(a)(2)(D), July 26, 1979, 93 Stat. 202

(k) Investigations prior to June 17, 1930

All uncompleted investigations instituted prior to June 17, 1930, under the provisions of sections 154 to 159[1] of this title, including investigations in which the President has not proclaimed changes in classification or increases or decreases in rates of duty, shall be dismissed without prejudice; but the information and evidence secured by the commission in any such investigation may be given due consideration in any investigation instituted under the provisions of this section.

(June 17, 1930, ch. 497, title III, § 336, 46 Stat. 701; Aug. 2, 1956, ch. 887, § 2(d), 70 Stat. 946; Aug. 20, 1958, Pub. L. 85–686, § 9(c)(1), 72 Stat. 679; July 26, 1979, Pub. L. 96–39, title II, § 202(a)(2), 93 Stat. 202.)

REFERENCES IN TEXT

Sections 154 to 159 of this title, referred to in subsec. (k), were repealed by section 651(a)(1) of act June 17, 1930.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title III, § 315, 42 Stat. 941. That section was superseded by section 336 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1979—Subsec. (b). Pub. L. 96–39, § 202(a)(2)(A), struck out subsec. (b) which related to the setting of ad valorem rates based upon the American selling price of domestic articles as would be necessary to equalize differences in the costs of production.

Subsec. (c). Pub. L. 96–39, § 202(a)(2)(B), substituted ''changes in classification specified in any report'' for ''changes in classification and in basis of value specified in any report''.

Subsec. (d). Pub. L. 96–39, § 202(a)(2)(C), substituted ''changes in classification specified in the report'' for ''changes in classification or in basis of value specified in the report''.

Subsec. (f). Pub. L. 96–39, § 202(a)(2)(C), substituted ''change in classification which has taken effect'' for ''change in classification or in basis of value which has taken effect''.

Subsec. (j). Pub. L. 96–39, § 202(a)(2)(D), struck out subsec. (j) which authorized the Secretary of the Treasury to make necessary rules and regulations for the entry and declaration of foreign articles with respect to which a change in the basis of value had been made.

Subsec. (k). Pub. L. 96–39, § 202(a)(2)(C), substituted ''changes in classification or increases or decreases'' for ''changes in classification or in basis of value or increases or decreases''.

1958—Subsec. (a). Pub. L. 85–686 struck out provisions which authorized the commission to adopt such reasonable procedure and rules and regulations as it deemed necessary to execute its functions under this section. See section 1335 of this title.

[1] See References in Text note below.

1956—Subsec. (b). Act Aug. 2, 1956, struck out ''(as defined in section 1402(g))'' after ''selling price''.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 1, 1980, see section 204(a) of Pub. L. 96–39, set out as a note under section 1401a of this title.

EFFECTIVE DATE OF 1956 AMENDMENT

Amendment by act Aug. 2, 1956, effective only as to articles entered, or withdrawn from warehouse, for consumption on or after thirtieth day following publication of the final list provided for in section 6(a) of said act, set out in note under section 1402 of this title, see section 8 of act Aug. 2, 1956, set out as an Effective Date note under section 1401a of this title.

CROSS REFERENCES

Section not to apply to any article with respect to which a foreign trade agreement has been concluded pursuant to section 1351 et seq. of this title, see section 1352 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1352, 1484 of this title.

§ 1337. Unfair practices in import trade

(a) Unlawful activities; covered industries; definitions

(1) Subject to paragraph (2), the following are unlawful, and when found by the Commission to exist shall be dealt with, in addition to any other provision of law, as provided in this section:

(A) Unfair methods of competition and unfair acts in the importation of articles (other than articles provided for in subparagraphs (B), (C), and (D)) into the United States, or in the sale of such articles by the owner, importer, or consignee, the threat or effect of which is—

(i) to destroy or substantially injure an industry in the United States;

(ii) to prevent the establishment of such an industry; or

(iii) to restrain or monopolize trade and commerce in the United States.

(B) The importation into the United States, the sale for importation, or the sale within the United States after importation by the owner, importer, or consignee, of articles that—

(i) infringe a valid and enforceable United States patent or a valid and enforceable United States copyright registered under title 17; or

(ii) are made, produced, processed, or mined under, or by means of, a process covered by the claims of a valid and enforceable United States patent.

(C) The importation into the United States, the sale for importation, or the sale within the United States after importation by the owner, importer, or consignee, of articles that infringe a valid and enforceable United States trademark registered under the Trademark Act of 1946 [15 U.S.C. 1051 et seq.].

(D) The importation into the United States, the sale for importation, or the sale within the United States after importation by the owner, importer, or consignee, of a semiconductor chip product in a manner that constitutes infringement of a mask work registered under chapter 9 of title 17.

(2) Subparagraphs (B), (C), and (D) of paragraph (1) apply only if an industry in the United States, relating to the articles protected by the patent, copyright, trademark, or mask work concerned, exists or is in the process of being established.

(3) For purposes of paragraph (2), an industry in the United States shall be considered to exist if there is in the United States, with respect to the articles protected by the patent, copyright, trademark, or mask work concerned—

(A) significant investment in plant and equipment;

(B) significant employment of labor or capital; or

(C) substantial investment in its exploitation, including engineering, research and development, or licensing.

(4) For the purposes of this section, the phrase ''owner, importer, or consignee'' includes any agent of the owner, importer, or consignee.

(b) Investigation of violations by Commission

(1) The Commission shall investigate any alleged violation of this section on complaint under oath or upon its initiative. Upon commencing any such investigation, the Commission shall publish notice thereof in the Federal Register. The Commission shall conclude any such investigation and make its determination under this section at the earliest practicable time after the date of publication of notice of such investigation. To promote expeditious adjudication, the Commission shall, within 45 days after an investigation is initiated, establish a target date for its final determination.

(2) During the course of each investigation under this section, the Commission shall consult with, and seek advice and information from, the Department of Health and Human Services, the Department of Justice, the Federal Trade Commission, and such other departments and agencies as it considers appropriate.

(3) Whenever, in the course of an investigation under this section, the Commission has reason to believe, based on information before it, that a matter, in whole or in part, may come within the purview of part II of subtitle IV of this chapter, it shall promptly notify the Secretary of Commerce so that such action may be taken as is otherwise authorized by such section[1] and such part II. If the Commission has reason to believe that the matter before it (A) is based solely on alleged acts and effects which are within the purview of section 1671 or 1673 of this title, or (B) relates to an alleged copyright infringement with respect to which action is prohibited by section 1008 of title 17, the Commission shall terminate, or not institute, any investigation into the matter. If the Commission has reason to believe the matter before it is based in part on alleged acts and effects which are within the purview of section 1671 or 1673 of this title, and in part on alleged acts and effects which may, independently from or in conjunction with those

[1] See References in Text note below.

within the purview of such section, establish a basis for relief under this section, then it may institute or continue an investigation into the matter. If the Commission notifies the Secretary or the administering authority (as defined in section 1677(1) of this title) with respect to a matter under this paragraph, the Commission may suspend its investigation during the time the matter is before the Secretary or administering authority for final decision. Any final decision by the administering authority under section 1671 or 1673 of this title with respect to the matter within such section 1671 or 1673 of this title of which the Commission has notified the Secretary or administering authority shall be conclusive upon the Commission with respect to the issue of less-than-fair-value sales or subsidization and the matters necessary for such decision.

(c) Determinations; review

The Commission shall determine, with respect to each investigation conducted by it under this section, whether or not there is a violation of this section, except that the Commission may, by issuing a consent order or on the basis of an agreement between the private parties to the investigation, including an agreement to present the matter for arbitration, terminate any such investigation, in whole or in part, without making such a determination. Each determination under subsection (d) or (e) of this section shall be made on the record after notice and opportunity for a hearing in conformity with the provisions of subchapter II of chapter 5 of title 5. All legal and equitable defenses may be presented in all cases. A respondent may raise any counterclaim in a manner prescribed by the Commission. Immediately after a counterclaim is received by the Commission, the respondent raising such counterclaim shall file a notice of removal with a United States district court in which venue for any of the counterclaims raised by the party would exist under section 1391 of title 28. Any counterclaim raised pursuant to this section shall relate back to the date of the original complaint in the proceeding before the Commission. Action on such counterclaim shall not delay or affect the proceeding under this section, including the legal and equitable defenses that may be raised under this subsection. Any person adversely affected by a final determination of the Commission under subsection (d), (e), (f), or (g) of this section may appeal such determination, within 60 days after the determination becomes final, to the United States Court of Appeals for the Federal Circuit for review in accordance with chapter 7 of title 5. Notwithstanding the foregoing provisions of this subsection, Commission determinations under subsections (d), (e), (f), and (g) of this section with respect to its findings on the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, the amount and nature of bond, or the appropriate remedy shall be reviewable in accordance with section 706 of title 5. Determinations by the Commission under subsections (e), (f), and (j) of this section with respect to forfeiture of bonds and under subsection (h) of this section with respect to the imposition of sanctions for abuse of discovery or abuse of process shall also be reviewable in accordance with section 706 of title 5.

(d) Exclusion of articles from entry

(1) If the Commission determines, as a result of an investigation under this section, that there is a violation of this section, it shall direct that the articles concerned, imported by any person violating the provision of this section, be excluded from entry into the United States, unless, after considering the effect of such exclusion upon the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, it finds that such articles should not be excluded from entry. The Commission shall notify the Secretary of the Treasury of its action under this subsection directing such exclusion from entry, and upon receipt of such notice, the Secretary shall, through the proper officers refuse such entry.

(2) The authority of the Commission to order an exclusion from entry of articles shall be limited to persons determined by the Commission to be violating this section unless the Commission determines that—

(A) a general exclusion from entry of articles is necessary to prevent circumvention of an exclusion order limited to products of named persons; or

(B) there is a pattern of violation of this section and it is difficult to identify the source of infringing products.

(e) Exclusion of articles from entry during investigation except under bond; procedures applicable; preliminary relief

(1) If, during the course of an investigation under this section, the Commission determines that there is reason to believe that there is a violation of this section, it may direct that the articles concerned, imported by any person with respect to whom there is reason to believe that such person is violating this section, be excluded from entry into the United States, unless, after considering the effect of such exclusion upon the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, it finds that such articles should not be excluded from entry. The Commission shall notify the Secretary of the Treasury of its action under this subsection directing such exclusion from entry, and upon receipt of such notice, the Secretary shall, through the proper officers, refuse such entry, except that such articles shall be entitled to entry under bond prescribed by the Secretary in an amount determined by the Commission to be sufficient to protect the complainant from any injury. If the Commission later determines that the respondent has violated the provisions of this section, the bond may be forfeited to the complainant.

(2) A complainant may petition the Commission for the issuance of an order under this subsection. The Commission shall make a determination with regard to such petition by no

later than the 90th day after the date on which the Commission's notice of investigation is published in the Federal Register. The Commission may extend the 90-day period for an additional 60 days in a case it designates as a more complicated case. The Commission shall publish in the Federal Register its reasons why it designated the case as being more complicated. The Commission may require the complainant to post a bond as a prerequisite to the issuance of an order under this subsection. If the Commission later determines that the respondent has not violated the provisions of this section, the bond may be forfeited to the respondent.

(3) The Commission may grant preliminary relief under this subsection or subsection (f) of this section to the same extent as preliminary injunctions and temporary restraining orders may be granted under the Federal Rules of Civil Procedure.

(4) The Commission shall prescribe the terms and conditions under which bonds may be forfeited under paragraphs (1) and (2).

(f) Cease and desist orders; civil penalty for violation of orders

(1) In addition to, or in lieu of, taking action under subsection (d) or (e) of this section, the Commission may issue and cause to be served on any person violating this section, or believed to be violating this section, as the case may be, an order directing such person to cease and desist from engaging in the unfair methods or acts involved, unless after considering the effect of such order upon the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, it finds that such order should not be issued. The Commission may at any time, upon such notice and in such manner as it deems proper, modify or revoke any such order, and, in the case of a revocation, may take action under subsection (d) or (e) of this section, as the case may be. If a temporary cease and desist order is issued in addition to, or in lieu of, an exclusion order under subsection (e) of this section, the Commission may require the complainant to post a bond, in an amount determined by the Commission to be sufficient to protect the respondent from any injury, as a prerequisite to the issuance of an order under this subsection. If the Commission later determines that the respondent has not violated the provisions of this section, the bond may be forfeited to the respondent. The Commission shall prescribe the terms and conditions under which the bonds may be forfeited under this paragraph.

(2) Any person who violates an order issued by the Commission under paragraph (1) after it has become final shall forfeit and pay to the United States a civil penalty for each day on which an importation of articles, or their sale, occurs in violation of the order of not more than the greater of $100,000 or twice the domestic value of the articles entered or sold on such day in violation of the order. Such penalty shall accrue to the United States and may be recovered for the United States in a civil action brought by the Commission in the Federal District Court for the District of Columbia or for the district in which the violation occurs. In such actions, the United States district courts may issue mandatory injunctions incorporating the relief sought by the Commission as they deem appropriate in the enforcement of such final orders of the Commission.

(g) Exclusion from entry or cease and desist order; conditions and procedures applicable

(1) If—

(A) a complaint is filed against a person under this section;

(B) the complaint and a notice of investigation are served on the person;

(C) the person fails to respond to the complaint and notice or otherwise fails to appear to answer the complaint and notice;

(D) the person fails to show good cause why the person should not be found in default; and

(E) the complainant seeks relief limited solely to that person;

the Commission shall presume the facts alleged in the complaint to be true and shall, upon request, issue an exclusion from entry or a cease and desist order, or both, limited to that person unless, after considering the effect of such exclusion or order upon the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, the Commission finds that such exclusion or order should not be issued.

(2) In addition to the authority of the Commission to issue a general exclusion from entry of articles when a respondent appears to contest an investigation concerning a violation of the provisions of this section, a general exclusion from entry of articles, regardless of the source or importer of the articles, may be issued if—

(A) no person appears to contest an investigation concerning a violation of the provisions of this section,

(B) such a violation is established by substantial, reliable, and probative evidence, and

(C) the requirements of subsection (d)(2) of this section are met.

(h) Sanctions for abuse of discovery and abuse of process

The Commission may by rule prescribe sanctions for abuse of discovery and abuse of process to the extent authorized by Rule 11 and Rule 37 of the Federal Rules of Civil Procedure.

(i) Forfeiture

(1) In addition to taking action under subsection (d) of this section, the Commission may issue an order providing that any article imported in violation of the provisions of this section be seized and forfeited to the United States if—

(A) the owner, importer, or consignee of the article previously attempted to import the article into the United States;

(B) the article was previously denied entry into the United States by reason of an order issued under subsection (d) of this section; and

(C) upon such previous denial of entry, the Secretary of the Treasury provided the owner, importer, or consignee of the article written notice of—

(i) such order, and

(ii) the seizure and forfeiture that would result from any further attempt to import the article into the United States.

(2) The Commission shall notify the Secretary of the Treasury of any order issued under this subsection and, upon receipt of such notice, the Secretary of the Treasury shall enforce such order in accordance with the provisions of this section.

(3) Upon the attempted entry of articles subject to an order issued under this subsection, the Secretary of the Treasury shall immediately notify all ports of entry of the attempted importation and shall identify the persons notified under paragraph (1)(C).

(4) The Secretary of the Treasury shall provide—

(A) the written notice described in paragraph (1)(C) to the owner, importer, or consignee of any article that is denied entry into the United States by reason of an order issued under subsection (d) of this section; and

(B) a copy of such written notice to the Commission.

(j) Referral to President

(1) If the Commission determines that there is a violation of this section, or that, for purposes of subsection (e) of this section, there is reason to believe that there is such a violation, it shall—

(A) publish such determination in the Federal Register, and

(B) transmit to the President a copy of such determination and the action taken under subsection (d), (e), (f), (g), or (i) of this section, with respect thereto, together with the record upon which such determination is based.

(2) If, before the close of the 60-day period beginning on the day after the day on which he receives a copy of such determination, the President, for policy reasons, disapproves such determination and notifies the Commission of his disapproval, then, effective on the date of such notice, such determination and the action taken under subsection (d), (e), (f), (g), or (i) of this section with respect thereto shall have no force or effect.

(3) Subject to the provisions of paragraph (2), such determination shall, except for purposes of subsection (c) of this section, be effective upon publication thereof in the Federal Register, and the action taken under subsection (d), (e), (f), (g), or (i) of this section, with respect thereto shall be effective as provided in such subsections, except that articles directed to be excluded from entry under subsection (d) of this section or subject to a cease and desist order under subsection (f) of this section shall, until such determination becomes final, be entitled to entry under bond prescribed by the Secretary in an amount determined by the Commission to be sufficient to protect the complainant from any injury. If the determination becomes final, the bond may be forfeited to the complainant. The Commission shall prescribe the terms and conditions under which bonds may be forfeited under this paragraph.

(4) If the President does not disapprove such determination within such 60-day period, or if he notifies the Commission before the close of such period that he approves such determination, then, for purposes of paragraph (3) and subsection (c) of this section such determination shall become final on the day after the close of such period or the day on which the President notifies the Commission of his approval, as the case may be.

(k) Period of effectiveness; termination of violation or modification or rescission of exclusion or order

(1) Except as provided in subsections (f) and (j) of this section, any exclusion from entry or order under this section shall continue in effect until the Commission finds, and in the case of exclusion from entry notifies the Secretary of the Treasury, that the conditions which led to such exclusion from entry or order no longer exist.

(2) If any person who has previously been found by the Commission to be in violation of this section petitions the Commission for a determination that the petitioner is no longer in violation of this section or for a modification or rescission of an exclusion from entry or order under subsection (d), (e), (f), (g), or (i) of this section—

(A) the burden of proof in any proceeding before the Commission regarding such petition shall be on the petitioner; and

(B) relief may be granted by the Commission with respect to such petition—

(i) on the basis of new evidence or evidence that could not have been presented at the prior proceeding, or

(ii) on grounds which would permit relief from a judgment or order under the Federal Rules of Civil Procedure.

(*l*) Importation by or for United States

Any exclusion from entry or order under subsection (d), (e), (f), (g), or (i) of this section, in cases based on a proceeding involving a patent, copyright, or mask work under subsection (a)(1) of this section, shall not apply to any articles imported by and for the use of the United States, or imported for, and to be used for, the United States with the authorization or consent of the Government. Whenever any article would have been excluded from entry or would not have been entered pursuant to the provisions of such subsections but for the operation of this subsection, an owner of the patent, copyright, or mask work adversely affected shall be entitled to reasonable and entire compensation in an action before the United States Court of Federal Claims pursuant to the procedures of section 1498 of title 28.

(m) "United States" defined

For purposes of this section and sections 1338 and 1340[2] of this title, the term ''United States'' means the customs territory of the United States as defined in general note 2 of the Harmonized Tariff Schedule of the United States.

(n) Disclosure of confidential information

(1) Information submitted to the Commission or exchanged among the parties in connection

[2] See References in Text note below.

with proceedings under this section which is properly designated as confidential pursuant to Commission rules may not be disclosed (except under a protective order issued under regulations of the Commission which authorizes limited disclosure of such information) to any person (other than a person described in paragraph (2)) without the consent of the person submitting it.

(2) Notwithstanding the prohibition contained in paragraph (1), information referred to in that paragraph may be disclosed to—

(A) an officer or employee of the Commission who is directly concerned with—

(i) carrying out the investigation or related proceeding in connection with which the information is submitted,

(ii) the administration of a bond posted pursuant to subsection (e), (f), or (j) of this section,

(iii) the administration or enforcement of an exclusion order issued pursuant to subsection (d), (e), or (g) of this section, a cease and desist order issued pursuant to subsection (f) of this section, or a consent order issued pursuant to subsection (c) of this section,

(iv) proceedings for the modification or rescission of a temporary or permanent order issued under subsection (d), (e), (f), (g), or (i) of this section, or a consent order issued under this section, or

(v) maintaining the administrative record of the investigation or related proceeding,

(B) an officer or employee of the United States Government who is directly involved in the review under subsection (j) of this section, or

(C) an officer or employee of the United States Customs Service who is directly involved in administering an exclusion from entry under subsection (d), (e), or (g) of this section resulting from the investigation or related proceeding in connection with which the information is submitted.

(June 17, 1930, ch. 497, title III, § 337, 46 Stat. 703; Proc. No. 2695, July 4, 1946, 11 F.R. 7517, 60 Stat. 1352; Aug. 20, 1958, Pub. L. 85–686, § 9(c)(1), 72 Stat. 679; Jan. 3, 1975, Pub. L. 93–618, title III, § 341(a), 88 Stat. 2053; July 26, 1979, Pub. L. 96–39, title I, § 106(b)(1), title XI, § 1105, 93 Stat. 193, 310; Oct. 10, 1980, Pub. L. 96–417, title VI, § 604, 94 Stat. 1744; Apr. 2, 1982, Pub. L. 97–164, title I, §§ 160(a)(5), 163(a)(4), 96 Stat. 48, 49; Nov. 8, 1984, Pub. L. 98–620, title IV, § 413, 98 Stat. 3362; Aug. 23, 1988, Pub. L. 100–418, title I, §§ 1214(h)(3), 1342(a), (b), 102 Stat. 1157, 1212, 1215; Nov. 10, 1988, Pub. L. 100–647, title IX, § 9001(a)(7), (12), 102 Stat. 3807; Oct. 28, 1992, Pub. L. 102–563, § 3(d), 106 Stat. 4248; Dec. 8, 1994, Pub. L. 103–465, title II, § 261(d)(1)(B)(ii), title III, § 321(a), 108 Stat. 4909, 4943.)

References in Text

The Trademark Act of 1946, referred to in subsec. (a)(1)(C), is act July 5, 1946, ch. 540, 60 Stat. 427, as amended, also popularly known as the Lanham Act, which is classified generally to chapter 22 (§ 1051 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 1051 of Title 15 and Tables.

Such section, referred to in the first sentence of subsec. (b)(3), means section 1303 of this title, the reference to which was struck out by Pub. L. 103–465 (see 1994 Amendment note below). Section 1303 of this title was repealed, effective Jan. 1, 1995, by Pub. L. 103–465, title II, § 261(a), Dec. 8, 1994, 108 Stat. 4908, and is defined in section 1677(26) of this title to mean section 1330 as in effect on the day before Jan. 1, 1995.

The Federal Rules of Civil Procedure, referred to in subsecs. (e)(3), (h), and (k)(2)(B)(ii), are set out in the Appendix to Title 28, Judiciary and Judicial Procedure.

Section 1340 of this title, referred to in subsec. (m), was omitted from the Code.

The Harmonized Tariff Schedule of the United States, referred to in subsec. (m), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

Codification

The reference to the Philippine Islands, formerly contained in subsec. (k), was omitted because of independence of the Philippines proclaimed by the President of the United States in Proc. No. 2695, issued pursuant to section 1394 of Title 22, Foreign Relations and Intercourse, and set out as a note thereunder.

Prior Provisions

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title III, § 316, 42 Stat. 943. That section was superseded by section 337 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Amendments

1994—Subsec. (b). Pub. L. 103–465, § 321(a)(1)(A), struck out "; time limits" after "Commission" in heading.

Subsec. (b)(1). Pub. L. 103–465, § 321(a)(1)(B), substituted third and fourth sentences for "The Commission shall conclude any such investigation, and make its determination under this section, at the earliest practicable time, but not later than one year (18 months in more complicated cases) after the date of publication of notice of such investigation. The Commission shall publish in the Federal Register its reasons for designating any investigation as a more complicated investigation. For purposes of the one-year and 18-month periods prescribed by this subsection, there shall be excluded any period of time during which such investigation is suspended because of proceedings in a court or agency of the United States involving similar questions concerning the subject matter of such investigation."

Subsec. (b)(3). Pub. L. 103–465, § 321(a)(1)(C)(ii), struck out after fourth sentence "For purposes of computing the 1-year or 18-month periods prescribed by this subsection, there shall be excluded such period of suspension."

Pub. L. 103–465, § 321(a)(1)(C)(i), in first sentence, made technical amendment to reference to "such part II" to reflect change in reference to corresponding provision of original act and directed technical amendment to reference to "this chapter" by substituting in original "this Act" for "the Tariff Act of 1930", which could not be executed because the phrase "the Tariff Act of 1930" did not appear in original text subsequent to amendment by Pub. L. 103–465, § 261(d)(1)(B)(ii)(I). See below.

Pub. L. 103–465, § 261(d)(1)(B)(ii)(II)–(V), in second sentence, struck out "1303," after "purview of section" and comma after "1671" and made technical amendment to references to sections 1671 and 1673 of this title to correct references to corresponding sections of original act, in third sentence, substituted "1671" for "1303, 1671,", and in last sentence, struck out "of the Secretary under section 1303 of this title or" after "Any final decision" and substituted "1671 or" for "1303, 1671, or".

Pub. L. 103–465, § 261(d)(1)(B)(ii)(I), in first sentence, struck out reference to section 1303 of this title after "within the purview" and directed technical amend-

ment to reference to part II of subtitle IV of this chapter by substituting in the original ''of subtitle B of title VII of this Act'' for ''of section 303 or subtitle B of title VII of the Tariff Act of 1930'', which was executed by making the substitution in original provisions which contained ''of'' before ''subtitle B'', to reflect the probable intent of Congress.

Subsec. (c). Pub. L. 103–465, § 321(a)(2), in first sentence, substituted ''an agreement between the private parties to the investigation, including an agreement to present the matter for arbitration'' for ''a settlement agreement'', inserted after third sentence ''A respondent may raise any counterclaim in a manner prescribed by the Commission. Immediately after a counterclaim is received by the Commission, the respondent raising such counterclaim shall file a notice of removal with a United States district court in which venue for any of the counterclaims raised by the party would exist under section 1391 of title 28. Any counterclaim raised pursuant to this section shall relate back to the date of the original complaint in the proceeding before the Commission. Action on such counterclaim shall not delay or affect the proceeding under this section, including the legal and equitable defenses that may be raised under this subsection.'', and inserted at end ''Determinations by the Commission under subsections (e), (f), and (j) of this section with respect to forfeiture of bonds and under subsection (h) of this section with respect to the imposition of sanctions for abuse of discovery or abuse of process shall also be reviewable in accordance with section 706 of title 5.''

Subsec. (d). Pub. L. 103–465, § 321(a)(5)(A), designated existing provisions as par. (1), substituted ''there is a violation'' for ''there is violation'' in first sentence, and added par. (2).

Subsec. (e)(1). Pub. L. 103–465, § 321(a)(3)(A), in last sentence, substituted ''prescribed by the Secretary in an amount determined by the Commission to be sufficient to protect the complainant from any injury. If the Commission later determines that the respondent has violated the provisions of this section, the bond may be forfeited to the complainant.'' for ''determined by the Commission and prescribed by the Secretary.''

Subsec. (e)(2). Pub. L. 103–465, § 321(a)(3)(B), inserted at end ''If the Commission later determines that the respondent has not violated the provisions of this section, the bond may be forfeited to the respondent.''

Subsec. (e)(4). Pub. L. 103–465, § 321(a)(3)(C), added par. (4).

Subsec. (f)(1). Pub. L. 103–465, § 321(a)(4), inserted at end ''If a temporary cease and desist order is issued in addition to, or in lieu of, an exclusion order under subsection (e) of this section, the Commission may require the complainant to post a bond, in an amount determined by the Commission to be sufficient to protect the respondent from any injury, as a prerequisite to the issuance of an order under this subsection. If the Commission later determines that the respondent has not violated the provisions of this section, the bond may be forfeited to the respondent. The Commission shall prescribe the terms and conditions under which the bonds may be forfeited under this paragraph.''

Subsec. (g)(2)(C). Pub. L. 103–465, § 321(a)(5)(B), added subpar. (C).

Subsec. (j)(3). Pub. L. 103–465, § 321(a)(6), substituted ''shall, until such determination becomes final, be entitled to entry under bond prescribed by the Secretary in an amount determined by the Commission to be sufficient to protect the complainant from any injury. If the determination becomes final, the bond may be forfeited to the complainant. The Commission shall prescribe the terms and conditions under which bonds may be forfeited under this paragraph.'' for ''shall be entitled to entry under bond determined by the Commission and prescribed by the Secretary until such determination becomes final.''

Subsec. (*l*). Pub. L. 103–465, § 321(a)(8), substituted ''Court of Federal Claims'' for ''Claims Court''.

Subsec. (n)(2)(A). Pub. L. 103–465, § 321(a)(7)(A), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: ''an officer or employee of the Commission who is directly concerned with carrying out the investigation in connection with which the information is submitted,''.

Subsec. (n)(2)(C). Pub. L. 103–465, § 321(a)(7)(B), amended subpar. (C) generally. Prior to amendment, subpar. (C) read as follows: ''an officer or employee of the United States Customs Service who is directly involved in administering an exclusion from entry under this section resulting from the investigation in connection with which the information is submitted.''

1992—Subsec. (b)(3). Pub. L. 102–563 amended second sentence generally. Prior to amendment, second sentence read as follows: ''If the Commission has reason to believe the matter before it is based solely on alleged acts and effects which are within the purview of section 1303, 1671, or 1673 of this title, it shall terminate, or not institute, any investigation into the matter.''

1988—Subsec. (a). Pub. L. 100–418, § 1342(a)(1), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: ''Unfair methods of competition and unfair acts in the importation of articles into the United States, or in their sale by the owner, importer, consignee, or agent of either, the effect or tendency of which is to destroy or substantially injure an industry, efficiently and economically operated, in the United States, or to prevent the establishment of such an industry, or to restrain or monopolize trade and commerce in the United States, are declared unlawful, and when found by the Commission to exist shall be dealt with, in addition to any other provisions of law, as provided in this section.''

Subsec. (b)(2). Pub. L. 100–418, § 1342(b)(1)(A), substituted ''Department of Health and Human Services'' for ''Department of Health, Education, and Welfare''.

Subsec. (b)(3). Pub. L. 100–418, § 1342(b)(1)(B), substituted ''Secretary of Commerce'' for ''Secretary of the Treasury''.

Subsec. (c). Pub. L. 100–418, § 1342(a)(2), inserted before period at end of first sentence '', except that the Commission may, by issuing a consent order or on the basis of a settlement agreement, terminate any such investigation, in whole or in part, without making such a determination''.

Pub. L. 100–418, § 1342(b)(2), inserted reference to subsec. (g) in two places.

Subsec. (e). Pub. L. 100–418, § 1342(a)(3), designated existing provisions as par. (1) and added pars. (2) and (3).

Subsec. (f)(1). Pub. L. 100–418, § 1342(a)(4)(A), substituted ''In addition to, or in lieu of,'' for ''In lieu of''.

Subsec. (f)(2). Pub. L. 100–418, § 1342(a)(4)(B), substituted ''$100,000 or twice'' for ''$10,000 or''.

Subsecs. (g) to (i). Pub. L. 100–418, § 1342(a)(5), added subsecs. (g) to (i). Former subsecs. (g) to (i) redesignated (j) to (*l*), respectively.

Subsec. (j). Pub. L. 100–418, § 1342(a)(5)(A), redesignated former subsec. (g) as (j). Former subsec. (j) redesignated (m).

Subsec. (j)(1)(B), (2), (3). Pub. L. 100–418, § 1342(b)(3), inserted reference to subsecs. (g) and (i).

Subsec. (k). Pub. L. 100–418, § 1342(b)(4), which directed the substitution ''(j)'' for ''(g)'' was executed by making that substitution in par. (1) and not in par. (2), as added by Pub. L. 100–418, § 1342(a)(6), to reflect the probable intent of Congress.

Pub. L. 100–418, § 1342(a)(6), as amended by Pub. L. 100–647, § 9001(a)(7), designated existing provisions as par. (1) and added par. (2).

Pub. L. 100–418, § 1342(a)(5)(A), redesignated former subsec. (h) as (k).

Subsec. (*l*). Pub. L. 100–418, § 1342(b)(5), inserted reference to subsecs. (g) and (i).

Pub. L. 100–418, § 1342(a)(7), substituted ''a proceeding involving a patent, copyright, or mask work under subsection (a)(1)'' for ''claims of United States letters patent'' and ''an owner of the patent, copyright, or mask work'' for ''a patent owner''.

Pub. L. 100–418, § 1342(a)(5)(A), redesignated former subsec. (i) as (*l*).

Subsec. (m). Pub. L. 100–418, § 1342(a)(5)(A), redesignated former subsec. (j) as (m).

Pub. L. 100–418, §1214(h)(3), substituted ''general note 2 of the Harmonized Tariff Schedule of the United States'' for ''general headnote 2 of the Tariff Schedules of the United States''.

Subsec. (n). Pub. L. 100–418, §1342(a)(8), added subsec. (n).

Subsec. (n)(2)(B). Pub. L. 100–647, §9001(a)(12), substituted ''subsection (j)'' for ''subsection (h)''.

1984—Subsec. (c). Pub. L. 98–620 inserted '', within 60 days after the determination becomes final,'' after ''appeal such determination''.

1982—Subsec. (c). Pub. L. 97–164, §163(a)(4), substituted ''Court of Appeals for the Federal Circuit'' for ''Court of Customs and Patent Appeals''.

Subsec. (i). Pub. L. 97–164, §160(a)(5), substituted ''United States Claims Court'' for ''Court of Claims''.

1980—Subsec. (c). Pub. L. 96–417 provided that the appeal of determinations to the United States Court of Customs and Patent Appeals be reviewed in accordance with chapter 7 of title 5 and substituted provision that review of findings concerning the public health and welfare, competitive conditions in the United States economy, the production of like or directly competitive articles in the United States, and United States consumers, the amount and nature of bond, or the appropriate remedy, be in accordance with section 706 of title 5 for provision giving such court jurisdiction to review determinations in same manner and subject to same limitations and conditions as in case of appeals from decisions of the United States Customs Court.

1979—Subsec. (b)(3). Pub. L. 96–39, §1105(a), substituted ''a matter, in whole or in part,'' for ''the matter'' and inserted provisions relating to matters based solely or in part on alleged acts and effects within the purview of section 1303, 1671, or 1673 of this title.

Pub. L. 96–39, §106(b)(1), substituted ''part II of subtitle IV of this chapter'' for ''the Antidumping Act, 1921''.

Subsec. (c). Pub. L. 96–39, §1105(c), substituted ''Any person adversely affected by a final determination of the Commission under subsection (d), (e), or (f) of this section'' for ''Any person adversely affected by a final determination of the Commission under subsection (d) or (e) of this section''.

Subsec. (f). Pub. L. 96–39, §1105(b), designated existing provisions as par. (1) and added par. (2).

1975—Subsec. (a) Pub. L. 93–618 substituted ''Commission'' for ''President'' and ''as provided in this section'' for ''as hereinafter provided''.

Subsec. (b). Pub. L. 93–618 designated existing provisions as first sentence of par. (1), substituted ''The Commission shall investigate any alleged violation of this section'' for ''To assist the President in making any decisions under this section the commission is authorized to investigate any alleged violation hereof'' in first sentence of par. (1) as so designated, and added remainder of par. (1) and pars. (2) and (3).

Subsec. (c). Pub. L. 93–618 substituted provisions covering determinations by the Commission and appeals to the United States Court of Customs and Patent Appeals for provisions covering all aspects of hearings and review as part of investigations of unfair practices in import trade.

Subsec. (d). Pub. L. 93–618 substituted provisions covering the exclusion of articles from entry, formerly covered in subsec. (e), for provisions directing that final findings of the Commission be transmitted with the record to the President, covered by subsec. (g).

Subsec. (e). Pub. L. 93–618 substituted provisions covering the entry of articles under bond during investigation, formerly covered in subsec. (f), for provisions covering the exclusion of articles from entry, covered by subsec. (d).

Subsec. (f). Pub. L. 93–618 added subsec. (f). Provisions of former subsec. (f) covering entry of articles under bond are covered by subsec. (e).

Subsec. (g). Pub. L. 93–618 substituted provisions covering referral to the President, formerly covered by subsec. (d), for provisions covering the continuance of exclusion, covered by subsec. (h).

Subsec. (h). Pub. L. 93–618 substituted provisions covering the period of effectiveness, formerly covered by subsec. (g), for provisions defining ''United States'', covered by subsec. (j).

Subsec. (i). Pub. L. 93–618 added subsec. (i).

Subsec. (j). Pub. L. 93–618 added subsec. (j) defining ''United States'', formerly covered by subsec. (h).

1958—Subsec. (c). Pub. L. 85–686 struck out ''under and in accordance with such rules as it may promulgate'' after ''commission shall make such investigation''. See section 1335 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by section 261(d)(1)(B)(ii) of Pub. L. 103–465 effective on effective date of title II of Pub. L. 103–465, Jan. 1, 1995, see section 261(d)(2) of Pub. L. 103–465, set out as a note under section 1315 of this title.

Section 322 of title III of Pub. L. 103–465 provided that: ''The amendments made by this subtitle [subtitle C (§§321, 322) of title III of Pub. L. 103–465, enacting sections 1368 and 1659 of Title 28, Judiciary and Judicial Procedure, and amending this section and section 1446 of Title 28] apply—

''(1) with respect to complaints filed under section 337 of the Tariff Act of 1930 [19 U.S.C. 1337] on or after the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], or

''(2) in cases under such section 337 in which no complaint is filed, with respect to investigations initiated under such section on or after such date.''

EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by Pub. L. 100–647 applicable as if such amendment took effect on Aug. 23, 1988, see section 9001(b) of Pub. L. 100–647, set out as an Effective and Termination Dates of 1988 Amendments note under section 58c of this title.

Amendment by section 1214(h)(3) of Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.

Section 1342(d) of Pub. L. 100–418 provided that:

''(1)(A) Subject to subparagraph (B), the amendments made by this section [amending this section and repealing section 1337a of this title] shall take effect on the date of the enactment of this Act [Aug. 23, 1988].

''(B) The United States International Trade Commission is not required to apply the provision in section 337(e)(2) of the Tariff Act of 1930 [19 U.S.C. 1337(e)(2)] (as amended by subsection (a)(3) of this section) relating to the posting of bonds until the earlier of—

''(i) the 90th day after such date of enactment; or

''(ii) the day on which the Commission issues interim regulations setting forth the procedures relating to such posting.

''(2) Notwithstanding any provision of section 337 of the Tariff Act of 1930, the United States International Trade Commission may extend, by not more than 90 days, the period within which the Commission is required to make a determination in an investigation conducted under such section 337 if—

''(A) the Commission would, but for this paragraph, be required to make such determination before the 180th day after the date of enactment of this Act; and

''(B) the Commission finds that the investigation is complicated.''

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97–164 effective Oct. 1, 1982, see section 402 of Pub. L. 97–164, set out as a note under section 171 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–417 applicable with respect to civil actions commenced on or after Nov. 1, 1980, see section 701(b)(2) of Pub. L. 96–417, set out as a note

under section 251 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by section 106(b)(1) of Pub. L. 96–39 effective Jan. 1, 1980, see section 107 of Pub. L. 96–39, set out as an Effective Date note under section 1671 of this title.

Amendment by section 1105 of Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

EFFECTIVE DATE OF 1975 AMENDMENT

Section 341(c) of Pub. L. 93–618 provided that: ''The amendments made by this section [amending this section and section 1337 of this title] shall take effect on the 90th day after the date of the enactment of this Act [Jan. 3, 1975], except that, for purposes of issuing regulations under section 337 of the Tariff Act of 1930 [this section], such amendments shall take effect on the date of the enactment of this Act [Jan. 3, 1975]. For purposes of applying section 337(b) of the Tariff Act of 1930 [subsec. (b) of this section] (as amended by subsection (a) [as amended by section 341(a) of Pub. L. 93–618]) with respect to investigations being conducted by the International Trade Commission under section 337 of the Tariff Act [this section] on the day prior to the 90th day after the date of the enactment of this Act [Jan. 3, 1975], such investigations shall be considered as having been commenced on such 90th day.''

CONGRESSIONAL FINDINGS AND PURPOSES RESPECTING PART 3 OF PUB. L. 100–418

Section 1341 of Pub. L. 100–418 provided that:

''(a) FINDINGS.—The Congress finds that—

''(1) United States persons that rely on protection of intellectual property rights are among the most advanced and competitive in the world; and

''(2) the existing protection under section 337 of the Tariff Act of 1930 [this section] against unfair trade practices is cumbersome and costly and has not provided United States owners of intellectual property rights with adequate protection against foreign companies violating such rights.

''(b) PURPOSE.—The purpose of this part [part 3 (§§ 1341, 1342) of subtitle C of title I of Pub. L. 100–418, amending this section, repealing section 1337a of this title, and enacting provisions set out as a note above] is to amend section 337 of the Tariff Act of 1930 to make it a more effective remedy for the protection of United States intellectual property rights.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1332, 1339, 1514, 2171, 2252 of this title; title 17 section 910; title 28 sections 1295, 1368, 1446, 1659.

§ 1337a. Repealed. Pub. L. 100–418, title I, § 1342(c), Aug. 23, 1988, 102 Stat. 1215

Section, act July 2, 1940, ch. 515, 54 Stat. 724, related to importation of products produced under process covered by claims of unexpired patent.

EFFECTIVE DATE OF REPEAL

Repeal effective Aug. 23, 1988, see section 1342(d) of Pub. L. 100–418, set out as an Effective Date of 1988 Amendment note under section 1337 of this title.

§ 1338. Discrimination by foreign countries

(a) Additional duties

The President when he finds that the public interest will be served shall by proclamation specify and declare new or additional duties as hereinafter provided upon articles wholly or in part the growth or product of, or imported in a vessel of, any foreign country whenever he shall find as a fact that such country—

(1) Imposes, directly or indirectly, upon the disposition in or transportation in transit through or reexportation from such country of any article wholly or in part the growth or product of the United States any unreasonable charge, exaction, regulation, or limitation which is not equally enforced upon the like articles of every foreign country; or

(2) Discriminates in fact against the commerce of the United States, directly or indirectly, by law or administrative regulation or practice, by or in respect to any customs, tonnage, or port duty, fee, charge, exaction, classification, regulation, condition, restriction, or prohibition, in such manner as to place the commerce of the United States at a disadvantage compared with the commerce of any foreign country.

(b) Exclusion from importation

If at any time the President shall find it to be a fact that any foreign country has not only discriminated against the commerce of the United States, as aforesaid, but has, after the issuance of a proclamation as authorized in subdivision (a) of this section, maintained or increased its said discriminations against the commerce of the United States, the President is authorized, if he deems it consistent with the interests of the United States, to issue a further proclamation directing that such products of said country or such articles imported in its vessels as he shall deem consistent with the public interests shall be excluded from importation into the United States.

(c) Application of proclamation

Any proclamation issued by the President under the authority of this section shall, if he deems it consistent with the interests of the United States, extend to the whole of any foreign country or may be confined to any subdivision or subdivisions thereof; and the President shall, whenever he deems the public interests require, suspend, revoke, supplement, or amend any such proclamation.

(d) Duties to offset commercial disadvantages

Whenever the President shall find as a fact that any foreign country places any burden or disadvantage upon the commerce of the United States by any of the unequal impositions or discriminations aforesaid, he shall, when he finds that the public interest will be served thereby, by proclamation specify and declare such new or additional rate or rates of duty as he shall determine will offset such burden or disadvantage, not to exceed 50 per centum ad valorem or its equivalent, on any products of, or on articles imported in a vessel of, such foreign country; and thirty days after the date of such proclamation there shall be levied, collected, and paid upon the articles enumerated in such proclamation when imported into the United States from such foreign country such new or additional rate or rates of duty; or, in case of articles declared subject to exclusion from importation into the United States under the provisions of subdivision (b) of this section, such articles shall be excluded from importation.

(e) Duties to offset benefits to third country

Whenever the President shall find as a fact that any foreign country imposes any unequal imposition or discrimination as aforesaid upon the commerce of the United States, or that any benefits accrue or are likely to accrue to any industry in any foreign country by reason of any such imposition or discrimination imposed by any foreign country other than the foreign country in which such industry is located, and whenever the President shall determine that any new or additional rate or rates of duty or any prohibition hereinbefore provided for do not effectively remove such imposition or discrimination and that any benefits from any such imposition or discrimination accrue or are likely to accrue to any industry in any foreign country, he shall, when he finds that the public interest will be served thereby, by proclamation specify and declare such new or additional rate or rates of duty upon the articles wholly or in part the growth or product of any such industry as he shall determine will offset such benefits, not to exceed 50 per centum ad valorem or its equivalent, upon importation from any foreign country into the United States of such articles; and on and after thirty days after the date of any such proclamation such new or additional rate or rates of duty so specified and declared in such proclamation shall be levied, collected, and paid upon such articles.

(f) Forfeiture of articles

All articles imported contrary to the provisions of this section shall be forfeited to the United States and shall be liable to be seized, prosecuted, and condemned in like manner and under the same regulations, restrictions, and provisions as may from time to time be established for the recovery, collection, distribution, and remission of forfeitures to the United States by the several revenue laws. Whenever the provisions of this chapter shall be applicable to importations into the United States of articles wholly or in part the growth or product of any foreign country, they shall be applicable thereto whether such articles are imported directly or indirectly.

(g) Ascertainment by Commission of discriminations

It shall be the duty of the commission to ascertain and at all times to be informed whether any of the discriminations against the commerce of the United States enumerated in subdivisions (a), (b), and (e) of this section are practiced by any country; and if and when such discriminatory acts are disclosed, it shall be the duty of the commission to bring the matter to the attention of the President, together with recommendations.

(h) Rules and regulations of Secretary of the Treasury

The Secretary of the Treasury with the approval of the President shall make such rules and regulations as are necessary for the execution of such proclamations as the President may issue in accordance with the provisions of this section.

(i) "Foreign country" defined

When used in this section the term ''foreign country'' means any empire, country, dominion, colony or protectorate, or any subdivision or subdivisions thereof (other than the United States and its possessions), within which separate tariff rates or separate regulations of commerce are enforced.

(June 17, 1930, ch. 497, title III, § 338, 46 Stat. 704.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title III, § 317, 42 Stat. 944. That section was superseded by section 338 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 Act.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1337 of this title.

§ 1339. Trade Remedy Assistance Office

(a) Establishment; public information

There is established in the Commission a separate office to be known as the Trade Remedy Assistance Office which shall provide full information to the public upon request and shall, to the extent feasible, provide assistance and advice to interested parties concerning—

(1) remedies and benefits available under the trade laws, and

(2) the petition and application procedures, and the appropriate filing dates, with respect to such remedies and benefits.

(b) Procedural assistance by Office and other agencies

The Trade Remedy Assistance Office, in coordination with each agency responsible for administering a trade law, shall provide technical and legal assistance and advice to eligible small businesses to enable them—

(1) to prepare and file petitions and applications (other than those which, in the opinion of the Office, are frivolous); and

(2) to seek to obtain the remedies and benefits available under the trade laws, including any administrative review or administrative appeal thereunder.

(c) Definitions

For purposes of this section—

(1) The term ''eligible small business'' means any business concern which, in the agency's judgment, due to its small size, has neither adequate internal resources nor financial ability to obtain qualified outside assistance in preparing and filing petitions and applications for remedies and benefits under trade laws. In determining whether a business concern is an ''eligible small business'', the agency may consult with the Small Business Administration, and shall consult with any other agency that has provided assistance under subsection (b) of this section to that business concern. An agency decision regarding whether a business concern is an eligible small business for purposes of this section is not reviewable by any other agency or by any court.

(2) The term ''trade laws'' means—

(A) chapter 1 of title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq., relating to injury caused by import competition);

(B) chapters 2 and 3 of such title II [19 U.S.C. 2271 et seq., 2341 et seq.] (relating to

adjustment assistance for workers and firms);

(C) chapter 1 of title III of the Trade Act of 1974 (19 U.S.C. 2411 et seq., relating to relief from foreign import restrictions and export subsidies);

(D) subtitle IV of this chapter (relating to the imposition of countervailing duties and antidumping duties);

(E) section 1862 of this title (relating to the safeguarding of national security); and

(F) section 1337 of this title (relating to unfair practices in import trade).

(June 17, 1930, ch. 497, title III, § 339, as added Oct. 30, 1984, Pub. L. 98–573, title II, § 221[(a)], 98 Stat. 2989; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1888(3), 100 Stat. 2924; Aug. 23, 1988, Pub. L. 100–418, title I, § 1614, 102 Stat. 1263.)

REFERENCES IN TEXT

The Trade Act of 1974, referred to in subsec. (c)(2)(A) to (C), is Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended. Chapters 1, 2, and 3 of title II of the Trade Act of 1974 are classified generally to parts 1 (§ 2251 et seq.), 2 (§ 2271 et seq.), and 3 (§ 2341 et seq.) of subchapter II of chapter 12 of this title, respectively. Chapter 1 of title III of the Trade Act of 1974 is classified generally to subchapter III (§ 2411 et seq.) of chapter 12 of this title. For complete classification of this Act to the Code, see section 2101 of this title and Tables.

PRIOR PROVISIONS

A prior section 339 of act June 17, 1930, related to effect of repeal and reenactment of laws relating to Tariff Commission upon status of appropriations, employees, and privileges, prior to repeal by Pub. L. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 648.

AMENDMENTS

1988—Subsec. (a). Pub. L. 100–418, § 1614(1), substituted ''a separate office to be known as the Trade'' for ''a Trade'', and ''upon request and shall, to the extent feasible, provide assistance and advice to interested parties'' for '', upon request,'' in introductory provisions.

Subsec. (b). Pub. L. 100–418, § 1614(2), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: ''Each agency responsible for administering a trade law shall provide technical assistance to eligible small businesses to enable them to prepare and file petitions and applications (other than those which, in the opinion of the agency, are frivolous) to obtain the remedies and benefits that may be available under that law.''

1986—Subsec. (c)(2)(A). Pub. L. 99–514 substituted ''injury'' for ''relief''.

EFFECTIVE DATE

Section 221(b) of Pub. L. 98–573 provided that: ''Section 339 of the Tariff Act of 1930 [this section] (as added by subsection (a)) shall take effect on the 90th day after the date of the enactment of this Act [Oct. 30, 1984].''

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

§ 1340. Omitted

CODIFICATION

Section, act June 17, 1930, ch. 497, title III, § 340, 46 Stat. 706, related to preparation of a certain report by commission to Congress. See Tariff Commission Reports, No. 46, Parts 1 to 8.

§ 1341. Interference with functions of Commission

(a) Interfering with or influencing the Commission or its employees

It shall be unlawful for any person (1) to prevent or attempt to prevent, by force, intimidation, threat, or in any other manner, any member or employee of the commission from exercising the functions imposed upon the commission by this subtitle, or (2) to induce, or attempt to induce, by like means any such member or employee to make any decision or order, or to take any action, with respect to any matter within the authority of the commission.

(b) Penalty

Any person who violates any of the provisions of this section shall, upon conviction thereof, be fined not more than $1,000 or imprisonment for not more than one year, or both.

(c) "Person" defined

As used in this section the term ''person'' includes an individual, corporation, association, partnership, or any other organization or group of individuals.

(June 17, 1930, ch. 497, title III, § 341, 46 Stat. 707.)

PART III—PROMOTION OF FOREIGN TRADE

§ 1351. Foreign trade agreements

(a) Authority of President; modification and decrease of duties; altering import restrictions

(1) For the purpose of expanding foreign markets for the products of the United States (as a means of assisting in establishing and maintaining a better relationship among various branches of American agriculture, industry, mining, and commerce) by regulating the admission of foreign goods into the United States in accordance with the characteristics and needs of various branches of American production so that foreign markets will be made available to those branches of American production which require and are capable of developing such outlets by affording corresponding market opportunities for foreign products in the United States, the President, whenever he finds as a fact that any existing duties or other import restrictions of the United States or any foreign country are unduly burdening and restricting the foreign trade of the United States and that the purpose above declared will be promoted by the means hereinafter specified, is authorized from time to time—

(A) To enter into foreign trade agreements with foreign governments or instrumentalities thereof: *Provided*, That the enactment of the Trade Agreements Extension Act of 1955 shall not be construed to determine or indicate the approval or disapproval by the Congress of the executive agreement known as the General Agreement on Tariffs and Trade.

(B) To proclaim such modifications of existing duties and other import restrictions, or such additional import restrictions, or such

continuance, and for such minimum periods, of existing customs or excise treatment of any article covered by foreign trade agreements, as are required or appropriate to carry out any foreign trade agreement that the President has entered into hereunder.

(2) No proclamation pursuant to paragraph (1)(B) of this subsection shall be made—

(A) Increasing by more than 50 per centum any rate of duty existing on July 1, 1934; except that a specific rate of duty existing on July 1, 1934, may be converted to its ad valorem equivalent based on the value of imports of the article concerned during the calendar year 1934 (determined in the same manner as provided in subparagraph (D)(ii)) and the proclamation may provide an ad valorem rate of duty not in excess of 50 per centum above such ad valorem equivalent.

(B) Transferring any article between the dutiable and free lists.

(C) In order to carry out a foreign trade agreement entered into by the President before June 12, 1955, or with respect to which notice of intention to negotiate was published in the Federal Register on November 16, 1954, decreasing by more than 50 per centum any rate of duty existing on January 1, 1945.

(D) In order to carry out a foreign trade agreement entered into by the President on or after June 12, 1955, and before July 1, 1958, decreasing (except as provided in subparagraph (C) of this paragraph) any rate of duty below the lowest of the following rates:

(i) The rate 15 per centum below the rate existing on January 1, 1955.

(ii) In the case of any article subject to an ad valorem rate of duty above 50 per centum (or a combination of ad valorem rates aggregating more than 50 per centum), the rate 50 per centum ad valorem (or a combination of ad valorem rates aggregating 50 per centum). In the case of any article subject to a specific rate of duty (or a combination of rates including a specific rate) the ad valorem equivalent of which has been determined by the President to have been above 50 per centum during a period determined by the President to be a representative period, the rate 50 per centum ad valorem or the rate (or a combination of rates), however stated, the ad valorem equivalent of which the President determines would have been 50 per centum during such period. The standards of valuation contained in section 1401a of this title (as in effect, with respect to the article concerned, during the representative period) shall be utilized by the President, to the maximum extent he finds such utilization practicable, in making the determinations under the preceding sentence.

(E) In order to carry out a foreign trade agreement entered into by the President on or after July 1, 1958, decreasing any rate of duty below the lowest of the rates provided for in paragraph (4)(A) of this subsection.

(3)(A) Subject to the provisions of subparagraphs (B) and (C) of this paragraph and of subparagraph (B) of paragraph (4) of this subsection, the provisions of any proclamation made under paragraph (1)(B) of this subsection, and the provisions of any proclamation of suspension under paragraph (5) of this subsection, shall be in effect from and after such time as is specified in the proclamation.

(B) In the case of any decrease in duty to which paragraph (2)(D) of this subsection applies—

(i) if the total amount of the decrease under the foreign trade agreement does not exceed 15 per centum of the rate existing on January 1, 1955, the amount of decrease becoming initially effective at one time shall not exceed 5 per centum of the rate existing on January 1, 1955;

(ii) except as provided in clause (i), not more than one-third of the total amount of the decrease under the foreign trade agreement shall become initially effective at one time; and

(iii) no part of the decrease after the first part shall become initially effective until the immediately previous part shall have been in effect for a period or periods aggregating not less than one year.

(C) No part of any decrease in duty to which the alternative specified in paragraph (2)(D)(i) of this subsection applies shall become initially effective after the expiration of the three-year period which begins on July 1, 1955. If any part of such decrease has become effective, then for purposes of this subparagraph any time thereafter during which such part of the decrease is not in effect by reason of legislation of the United States or action thereunder shall be excluded in determining when the three-year period expires.

(D) If (in order to carry out a foreign trade agreement entered into by the President on or after June 12, 1955) the President determines that such action will simplify the computation of the amount of duty imposed with respect to an article, he may exceed any limitation specified in paragraph (2)(C) or (D) or paragraph (4)(A) or (B) of this subsection or subparagraph (B) of this paragraph by not more than whichever of the following is lesser:

(i) The difference between the limitation and the next lower whole number, or

(ii) One-half of 1 per centum ad valorem.

In the case of a specific rate (or of a combination of rates which includes a specific rate), the one-half of 1 per centum specified in clause (ii) of the preceding sentence shall be determined in the same manner as the ad valorem equivalent of rates not stated wholly in ad valorem terms is determined for the purposes of paragraph (2)(D)(ii) of this subsection.

(4)(A) No proclamation pursuant to paragraph (1)(B) of this subsection shall be made, in order to carry out a foreign trade agreement entered into by the President on or after July 1, 1958, decreasing any rate of duty below the lowest of the following rates:

(i) The rate which would result from decreasing the rate existing on July 1, 1958, by 20 per centum of such rate.

(ii) Subject to paragraph (2)(B) of this subsection, the rate 2 per centum ad valorem below the rate existing on July 1, 1958.

(iii) The rate 50 per centum ad valorem or, in the case of any article subject to a specific

rate of duty or to a combination of rates including a specific rate, any rate (or combination of rates), however stated, the ad valorem equivalent of which has been determined as 50 per centum ad valorem.

The provisions of clauses (ii) and (iii) of this subparagraph and of subparagraph (B)(ii) of this paragraph shall, in the case of any article, subject to a combination of ad valorem rates of duty, apply to the aggregate of such rates; and, in the case of any article, subject to a specific rate of duty or to a combination of rates including a specific rate, such provisions shall apply on the basis of the ad valorem equivalent of such rate or rates, during a representative period (whether or not such period includes July 1, 1958), determined in the same manner as the ad valorem equivalent of rates not stated wholly in ad valorem terms is determined for the purpose of paragraph (2)(D)(ii) of this subsection.

(B)(i) In the case of any decrease in duty to which clause (i) of subparagraph (A) of this paragraph applies, such decrease shall become initially effective in not more than four annual stages, and no amount of decrease becoming initially effective at one time shall exceed 10 per centum of the rate of duty existing on July 1, 1958, or, in any case in which the rate has been increased since that date, exceed such 10 per centum or one-third of the total amount of the decrease under the foreign trade agreement, whichever is the greater.

(ii) In the case of any decrease in duty to which clause (ii) of subparagraph (A) of this paragraph applies, such decrease shall become initially effective in not more than four annual stages, and no amount of decrease becoming initially effective at one time shall exceed 1 per centum ad valorem or, in any case in which the rate has been increased since July 1, 1958, exceed such 1 per centum or one-third of the total amount of the decrease under the foreign trade agreement, whichever is the greater.

(iii) In the case of any decrease in duty to which clause (iii) of subparagraph (A) of this paragraph applies, such decrease shall become initially effective in not more than four annual stages, and no amount of decrease becoming initially effective at one time shall exceed one-third of the total amount of the decrease under the foreign trade agreement.

(C) In the case of any decrease in duty to which subparagraph (A) of this paragraph applies (i) no part of a decrease after the first part shall become initially effective until the immediately previous part shall have been in effect for a period or periods aggregating not less than one year, nor after the first part shall have been in effect for a period or periods aggregating more than three years, and (ii) no part of a decrease shall become initially effective after the expiration of the four-year period which begins on July 1, 1962. If any part of a decrease has become effective, then for the purposes of clauses (i) and (ii) of the preceding sentence any time thereafter during which such part of the decrease is not in effect by reason of legislation of the United States or action thereunder shall be excluded in determining when the three-year period or the four-year period, as the case may be, expires.

(5) Repealed. Pub. L. 87–794, title II, § 257(b), Oct. 11, 1962, 76 Stat. 882.

(6) The President may at any time terminate, in whole or in part, any proclamation made pursuant to this section.

(b) Cuba; preferential customs treatment; decrease of rates

Nothing in this section or the Trade Expansion Act of 1962 [19 U.S.C. 1801 et seq.] shall be construed to prevent the application, with respect to rates of duty established under this section or the Trade Expansion Act of 1962 pursuant to agreements with countries other than Cuba, of the provisions of the treaty of commercial reciprocity concluded between the United States and the Republic of Cuba on December 11, 1902, or to preclude giving effect to an agreement with Cuba concluded under this section or the Trade Expansion Act of 1962, modifying the existing preferential customs treatment of any article the growth, produce, or manufacture of Cuba. Nothing in this chapter or the Trade Expansion Act of 1962 shall be construed to preclude the application to any product of Cuba (including products preferentially free of duty) of a rate of duty not higher than the rate applicable to the like products of other foreign countries (except the Philippines), whether or not the application of such rate involves any preferential customs treatment. No rate of duty on products of Cuba shall be decreased—

(1) In order to carry out a foreign trade agreement entered into by the President before June 12, 1955, by more than 50 per centum of the rate of duty existing on January 1, 1945, with respect to products of Cuba.

(2) In order to carry out a foreign trade agreement entered into by the President on or after June 12, 1955, and before July 1, 1962, below the applicable alternative specified in subsection (a)(2)(C) or (D) or (4)(A) of this section (subject to the applicable provisions of subsection (a)(3)(B), (C), and (D) and (4)(B) and (C) of this section), each such alternative to be read for the purposes of this paragraph as relating to the rate of duty applicable to products of Cuba. With respect to products of Cuba, the limitation of subsection (a)(2)(D)(ii) or (4)(A)(iii) of this section may be exceeded to such extent as may be required to maintain an absolute margin of preference to which such products are entitled.

(3) In order to carry out a foreign trade agreement entered into after June 30, 1962, and before July 1, 1967, below the lowest rate permissible by applying title II of the Trade Expansion Act of 1962 [19 U.S.C. 1821 et seq.] to the rate of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) existing on July 1, 1962, with respect to such product.

(c) Definitions

(1) As used in this section, the term ''duties and other import restrictions'' includes (A) rate and form of import duties and classification of articles, and (B) limitations, prohibitions, charges, and exactions other than duties, imposed on importation or imposed for the regulation of imports.

(2) For purposes of this section—

(A) Except as provided in subsection (d) of this section, the terms ''existing on July 1, 1934'', ''existing on January 1, 1945'', ''existing on January 1, 1955'', and ''existing on July 1, 1958'' refer to rates of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) existing on the date specified, except rates in effect by reason of action taken pursuant to section 1362 of this title.

(B) The term ''existing'' without the specification of any date, when used with respect to any matter relating to the conclusion of, or proclamation to carry out, a foreign trade agreement, means existing on the day on which that trade agreement is entered into.

(d) Rate basis for additional increases or decreases; restoration of terminated treaties forbidden

(1) When any rate of duty has been increased or decreased for the duration of war or an emergency, by agreement or otherwise, any further increase or decrease shall be computed upon the basis of the post-war or post-emergency rate carried in such agreement or otherwise.

(2) Where under a foreign trade agreement the United States has reserved the unqualified right to withdraw or modify, after the termination of war or an emergency, a rate on a specific commodity, the rate on such commodity to be considered as ''existing on January 1, 1945'' for the purpose of this section shall be the rate which would have existed if the agreement had not been entered into.

(3) No proclamation shall be made pursuant to this section for the purpose of carrying out any foreign trade agreement the proclamation with respect to which has been terminated in whole by the President prior to July 5, 1945.

(e) Repealed. Pub. L. 87–794, title II, § 257(b), Oct. 11, 1962, 76 Stat. 882

(f) Information and advice from industry, agriculture, and labor

It is declared to be the sense of the Congress that the President, during the course of negotiating any foreign trade agreement under this section, should seek information and advice with respect to such agreement from representatives of industry, agriculture, and labor.

(June 17, 1930, ch. 497, title III, § 350, as added June 12, 1934, ch. 474, § 1, 48 Stat. 943; amended June 7, 1943, ch. 118, § 2, 57 Stat. 125; July 5, 1945, ch. 269, §§ 2, 3, 59 Stat. 410; Sept. 26, 1949, ch. 585, §§ 4, 6, 63 Stat. 698; June 21, 1955, ch. 169, § 3, 69 Stat. 162; Aug. 20, 1958, Pub. L. 85–686, § 3, 72 Stat. 673; Oct. 11, 1962, Pub. L. 87–794, title II, § 257(a), (b), 76 Stat. 881, 882; July 26, 1979, Pub. L. 96–39, title II, § 202(a)(3), 93 Stat. 202.)

REFERENCES IN TEXT

The Trade Agreements Extension Act of 1955, referred to in subsec. (a)(1)(A), is act June 21, 1955, ch. 169, 69 Stat. 162, which is classified to sections 1351(a), (b), (c), (e), 1352(c), 1352a, 1363(b), and 1364(a), (b), (e) of this title. For complete classification of this Act to the Code, see Short Title of 1955 Amendment note set out under section 1654 of this title and Tables.

Paragraph (5) of this subsection, referred to in subsec. (a)(3)(A), was repealed by Pub. L. 87–794, title III, § 257(b), Oct. 11, 1962, 76 Stat. 882.

The Trade Expansion Act of 1962, referred to in subsec. (b), is Pub. L. 87–794, Oct. 11, 1962, 76 Stat. 872, as amended, which is classified generally to chapter 7 (§ 1801 et seq.) of this title. Title II of the Trade Expansion Act of 1962, also referred to in subsec. (b), is classified generally to subchapter II (§ 1821 et seq.) of chapter 7 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1801 of this title and Tables.

Section 1362 of this title, referred to in subsec. (c)(2)(A), related to suspension or withdrawal of concessions from Communistic areas and was repealed by Pub. L. 87–794, title II, § 257(e)(1), Oct. 11, 1962, 76 Stat. 882.

AMENDMENTS

1979—Subsec. (a)(2)(D)(ii). Pub. L. 96–39 struck out reference to standards of valuation contained in section 1402 of this title.

1962—Subsec. (a)(5). Pub. L. 87–794, § 257(b), repealed par. (5) which provided that, subject to the provisions of section 1362 of this title, duties and other import restrictions proclaimed pursuant to this section shall apply to all articles the growth, produce, or manufacture of all foreign countries, whether imported directly or indirectly, and required the President to suspend the application to articles the growth, produce, or manufacture of any country because of its discriminatory treatment of American commerce or because of other acts (including the operations of international cartels) or policies which in his opinion tend to defeat the purposes of this section.

Subsec. (b). Pub. L. 87–794, § 257(a), inserted references to the Trade Expansion Act of 1962 in first and second sentences, substituted ''1955, and before July 1, 1962'' for ''1955'' in par. (2), and added par. (3).

Subsec. (e). Pub. L. 87–794, § 257(b), repealed subsec. (e) which related to reports to Congress by the President and the Tariff Commission.

1958—Subsec. (a)(2)(A). Pub. L. 85–686, § 3(a)(1), substituted ''any rate of duty existing on July 1, 1934'' for ''any rate of duty existing on July 1, 1945'', and inserted provisions permitting conversion of a specific rate of duty existing on July 1, 1934, to its ad valorem equivalent, and allowing an ad valorem rate of duty not in excess of 50 per centum above such ad valorem equivalent.

Subsec. (a)(2)(D). Pub. L. 85–686, § 3(a)(2), (3), inserted ''and before July 1, 1958,'' after ''June 12, 1955'', in opening par., and substituted ''section 1401a or 1402 of this title (as in effect, with respect to the article concerned,'' for ''section 1402 of this title (as in effect''.

Subsec. (a)(2)(E). Pub. L. 85–686, § 3(a)(4), added subpar. (E).

Subsec. (a)(3)(A). Pub. L. 85–686, § 3(a)(5), inserted ''and of subparagraph (B) of paragraph 4 of this subsection'' after ''subparagraphs (B) and (C) of this paragraph'', and substituted ''suspension under paragraph (5)'' for ''suspension under paragraph (4)''.

Subsec. (a)(3)(D). Pub. L. 85–686, § 3(a)(6), inserted ''or paragraph (4)(A) or (B)'' after ''paragraph (2)(C) or (D)''.

Subsec. (a)(4) to (6). Pub. L. 85–686, § 3(a)(7), (8), added par. (4) and redesignated former pars. (4) and (5) as (5) and (6), respectively.

Subsec. (b). Pub. L. 85–686, § 3(b)(1), substituted ''an agreement with Cuba'' for ''an exclusive agreement with Cuba'' in opening par.

Subsec. (b)(2). Pub. L. 85–686, § 3(b)(2), inserted ''or (4)(A)'' after ''subsection (a)(2)(C) or (D)'', ''and (4)(B) and (C)'' after ''subsection (a)(3)(B), (C), and (D)'', and ''or (4)(A)(iii)'' after ''subsection (a)(2)(D)(ii)''.

Subsec. (c)(2)(A). Pub. L. 85–686, § 3(c), defined ''existing on July 1, 1934'' and ''existing on July 1, 1958''.

Subsec. (e)(1). Pub. L. 85–686, § 3(d), provided for the inclusion in the report of the results of action taken to obtain removal of foreign trade restrictions (including discriminatory restrictions) against United States exports, remaining restrictions, and the measures available to seek their removal in accordance with the objectives of this section.

Subsec. (f). Pub. L. 85–686, § 3(e), added subsec. (f).

1955—Subsec. (a). Act June 21, 1955, § 3(a), among other changes, authorized the President to reduce tariff rates existing on January 1, 1955 by a total of 15 percent in stages of not more than 5 percent of such rates, or to reduce those rates which are higher than 50 percent of the value of an import to a rate not less than 50 percent, in stages of not more than one-third of the reduction in any one year.

Subsec. (b). Act June 21, 1955, § 3(b), made applicable to Cuban products the new limits of authority to reduce tariffs.

Subsec. (c). Act June 21, 1955, § 3(c), designated existing provisions as par. (1) and added par. (2).

Subsec. (e). Act June 21, 1955, § 3(d), added subsec. (e).

1949—Subsec. (a). Act Sept. 26, 1949, struck out obsolete language referring to the depression which existed at the time of the original enactment of section.

Subsec. (b). Act Sept. 26, 1949, substituted period for colon following Cuba, struck out proviso which followed, and inserted in lieu thereof the last two sentences.

1945—Subsec. (a)(2). Act July 5, 1945, struck out ''existing'' after ''per centum any'', and inserted '', however established, existing on January 1, 1945 (even though temporarily suspended by Act of Congress),'' after ''rate of duty''.

Subsec. (b). Act July 5, 1945, struck out ''payable'' after ''That the duties'', and substituted ''however established, existing on January 1, 1945 (even though temporarily suspended by Act of Congress).'' for ''now payable thereon'' in proviso.

Subsec. (d). Act July 5, 1945, added subsec. (d).

1943—Subsec. (a)(2). Act June 7, 1943, inserted matter within parentheses in proviso.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 1, 1980, see section 204(a) of Pub. L. 96–39, set out as a note under section 1401a of this title.

TREATY BETWEEN UNITED STATES AND CUBA

The treaty concluded between the United States and the Republic of Cuba, on Dec. 11, 1902, referred to in subsec. (b) of the text, was terminated Aug. 21, 1963, pursuant to notice given by the United States on Aug. 21, 1962. See Bevans, Treaties and Other International Agreements of the United States of America, 1776–1949, vol. VI, page 1106.

TARIFF TREATMENT OF CUBAN PRODUCTS

Section 401 of Pub. L. 87–456, title IV, May 24, 1962, 76 Stat. 78, provided that:

''(a) Cuba is hereby declared to be a nation described in section 5 of the Trade Agreements Extension Act of 1951, as amended (19 U.S.C. 1362, relating to imports from nations and areas dominated or controlled by the foreign government or foreign organization controlling the world Communist movement). Articles which are—

''(1) the growth, produce, or manufacture of Cuba, and

''(2) imported on or after the date of enactment of this Act [May 24, 1962],

shall be denied the benefits of concessions contained in any trade agreement entered into under the authority of section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351).

''(b) Nothing in subsection (a) shall affect the rates of duty or the customs or excise treatment of articles the growth, produce, or manufacture of any country other than Cuba.

''(c) Subsection (a) shall not apply on or after the date on which the President proclaims that he has determined that Cuba is no longer dominated or controlled by the foreign government or foreign organization controlling the world Communist movement.

''(d) The Act of December 17, 1903 (19 U.S.C. 124, 125), and section 316 of the Tariff Act of 1930, as amended (19 U.S.C. 1316), both relating to the implementation of the treaty with Cuba concluded on December 11, 1902, shall not apply during the period during which subsection (a) applies.''

ADMINISTRATION OF TRADE AGREEMENTS PROGRAM

For provisions relating to the administration of the trade agreements program, see Ex. Ord. No. 11846, Mar. 27, 1975, 40 F.R. 14291, set out as a note under section 2111 of this title.

CONGRESSIONAL APPROVAL OR DISAPPROVAL OF GENERAL AGREEMENT ON TARIFFS AND TRADE

Section 10 of Pub. L. 85–686 provided that: ''The enactment of this Act [enacting section 1335 of this title, amending sections 1333, 1336, 1337, 1351, 1352a, 1360 and 1364 of this title, and enacting notes set out under sections 1351 and 1352 of this title] shall not be construed to determine or indicate the approval or disapproval by the Congress of the executive agreement known as the General Agreement on Tariffs and Trade.''

REDUCTION OF PROTECTION RESULTING FROM 1956 AMENDMENTS

Section 2(e) of act Aug. 2, 1956, ch. 887, 70 Stat. 946, provided that: ''In any action relating to tariff adjustments by executive action, including action taken pursuant to section 350 of the Tariff Act of 1930, as amended [this section] the United States Tariff Commission [now United States International Trade Commission] and each officer of the executive branch of the Government concerned shall give full consideration to any reduction in the level of tariff protection which has resulted or is likely to result from the amendment of section 402 of the Tariff Act of 1930 made by this Act [sections 1401a and 1402 of this title].''

Section 2(e) of act Aug. 2, 1956, effective only as to articles entered, or withdrawn from warehouse, for consumption on or after thirtieth day following publication of the final list provided for in section 6(a) of said act Aug. 2, 1956, set out in note under section 1402 of this title, see note set out under section 1401a of this title.

COMMISSION ON FOREIGN ECONOMIC POLICY

Act Aug. 7, 1953, ch. 348, title III, §§ 301–310, 67 Stat. 473–475, as amended by Pub. L. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 657, provided for the establishment of a Commission on Foreign Economic Policy to examine and report on the subjects of international trade and its enlargement consistent with a sound domestic economy, our foreign economic policy, and the trade aspects of our national security and total foreign policy, and to recommend appropriate policies and measures. The Commission was to submit a report on its findings within 60 days after the second session of the 83rd Congress was convened, and was to expire 90 days after the submission of its report to Congress.

EXTENSION OF PRESIDENTIAL AUTHORITY

Authority of President to enter into trade agreements under this section extended until close of Dec. 31, 1962, see note under section 1352 of this title.

EXECUTIVE ORDER NO. 9832

Ex. Ord. No. 9832, Feb. 25, 1947, 12 F.R. 1363, revoked by Ex. Ord. No. 10004, Oct. 6, 1948, 13 F.R. 5851.

EXECUTIVE ORDER NO. 10004

Ex. Ord. No. 10004, Oct. 6, 1948, 13 F.R. 5851, superseded by Ex. Ord. No. 10082, Oct. 5, 1949, 14 F.R. 6105.

EXECUTIVE ORDER NO. 10082

Ex. Ord. No. 10082, Oct. 5, 1949, 14 F.R. 6105, as amended by Ex. Ord. No. 10170, Oct. 13, 1950, 15 F.R. 6901, which related to administrative procedures for reciprocal trade-agreements program, was revoked by Ex. Ord. No. 11075, Jan. 15, 1963, 28 F.R. 473, set out as a note under section 1801 of this title.

EXECUTIVE ORDER NO. 10741

Ex. Ord. No. 10741, Nov. 26, 1957, 22 F.R. 9451, which established the Trade Policy Committee, was revoked by Ex. Ord. No. 11075, Jan. 15, 1963, 28 F.R. 473, set out as a note under section 1801 of this title.

CROSS REFERENCES

Congressional approval or disapproval of GATT, see section 1366 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1304, 1352, 1360, 1361, 1862, 1881, 1981, 2135, 3105 of this title; title 16 section 742g; title 22 section 1357.

§ 1352. Equalization of costs of production

(a) Application to importation of articles under foreign-trade agreement

The provisions of section 1336 of this title shall not apply to any article with respect to the importation of which into the United States a foreign-trade agreement has been concluded pursuant to this part or the Trade Expansion Act of 1962 [19 U.S.C. 1801 et seq.] or the Trade Act of 1974 [19 U.S.C. 2101 et seq.] or to any provision of any such agreement. The third paragraph of section 1311 of this title shall apply to any agreement concluded pursuant to this part or the Trade Expansion Act of 1962 or the Trade Act of 1974 to the extent only that such agreement assures to the United States a rate of duty on wheat flour produced in the United States which is preferential in respect to the lowest rate of duty imposed by the country with which such agreement has been concluded on like flour produced in any other country; and upon the withdrawal of wheat flour from bonded manufacturing warehouses for exportation to the country with which such agreement has been concluded, there shall be levied, collected, and paid on the imported wheat used, a duty equal to the amount of such assured preference.

(b) Termination of foreign trade agreement

Every foreign trade agreement concluded pursuant to this part shall be subject to termination, upon due notice to the foreign government concerned, at the end of not more than three years from the date on which the agreement comes into force, and, if not then terminated, shall be subject to termination thereafter upon not more than six months' notice.

(c) Termination of authority of President

The authority of the President to enter into foreign trade agreements under section 1351 of this title shall terminate on June 30, 1958.

(June 12, 1934, ch. 474, § 2, 48 Stat. 944; Mar. 1, 1937, ch. 22, 50 Stat. 24; Apr. 12, 1940, ch. 96, 54 Stat. 107; June 7, 1943, ch. 118, § 1, 57 Stat. 125; July 5, 1945, ch. 269, § 1, 59 Stat. 410; Sept. 26, 1949, ch. 585, § 3, 63 Stat. 698; June 16, 1951, ch. 141, §§ 2, 9(a), 65 Stat. 72, 75; Aug. 7, 1953, ch. 348, title I, § 101, 67 Stat. 472; July 1, 1954, ch. 445, § 1, 68 Stat. 360; June 21, 1955, ch. 169, § 2, 69 Stat. 162; Oct. 11, 1962, Pub. L. 87–794, title II, § 257(d), 76 Stat. 882; Jan. 3, 1975, Pub. L. 93–618, title VI, § 602(a), 88 Stat. 2072; July 26, 1979, Pub. L. 96–39, title XI, § 1106(h)(2), 93 Stat. 313.)

REFERENCES IN TEXT

The Trade Expansion Act of 1962, referred to in subsec. (a), is Pub. L. 87–794, Oct. 11, 1962, 76 Stat. 872, as amended, which is classified generally to chapter 7 (§ 1801 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1801 of this title and Tables.

The Trade Act of 1974, referred to in subsec. (a), is Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to chapter 12 (§ 2101 et seq.) of this title. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

AMENDMENTS

1979—Subsec. (a). Pub. L. 96–39 amended directory language of Pub. L. 93–618, § 602(a), to correct a typographical error, and did not involve any change in text. See 1975 Amendment note below.

1975—Subsec. (a). Pub. L. 93–618, as amended by Pub. L. 96–39, inserted reference to the Trade Act of 1974.

1962—Subsec. (a). Pub. L. 87–794 inserted references to agreements concluded pursuant to the Trade Expansion Act of 1962.

1955—Subsec. (c). Act June 21, 1955, substituted ''June 30, 1958'' for ''June 12, 1955''.

1954—Subsec. (c). Act July 1, 1954, substituted ''1955'' for ''1954''.

1953—Subsec. (c). Act Aug. 7, 1953, substituted ''1954'' for ''1953''.

1951—Subsec. (a). Act June 16, 1951, substituted ''section 1336 of this title'' for ''sections 1336 and 1516(b) of this title''.

Subsec. (c). Act June 16, 1951, substituted ''1953'' for ''1951''.

1949—Subsec. (c). Act Sept. 26, 1949, § 3, substituted ''1953'' for ''1948''.

1945—Subsec. (c). Act. July 5, 1945, substituted ''1948'' for ''1945''.

1943—Subsec. (c). Joint Res. June 7, 1943, substituted ''1945'' for ''1943''.

1940—Subsec. (c). Joint Res. Apr. 12, 1940, substituted ''1943'' for ''1940''.

1937—Subsec. (c). Act Mar. 1, 1937, substituted ''1937'' for ''1934''.

REPEALS

Act Sept. 26, 1949, § 2, repealed act June 26, 1948, ch. 678, § 2, 62 Stat. 1053, which had extended the President's authority from June 12, 1948, until the close of June 30, 1949.

EXTENSION OF PRESIDENTIAL AUTHORITY

Section 257(c) of Pub. L. 87–794 extended authority of President to enter into foreign trade agreements under section 350 of the Tariff Act of 1930 (section 1351 of this title) from close of June 30, 1962, until close of Dec. 31, 1962.

Section 2 of Pub. L. 85–686, Aug. 20, 1958, 72 Stat. 673, extended authority of President to enter into foreign trade agreements under section 350 of the Tariff Act of 1930 (section 1351 of this title) from close of June 30, 1958, until close of June 30, 1962.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1304, 1360, 1366 of this title.

§ 1352a. Repealed. Pub. L. 87–794, title II, § 257(f), Oct. 11, 1962, 76 Stat. 882

Section, acts July 1, 1954, ch. 445, § 2, 68 Stat. 360; June 21, 1955, ch. 169, § 7, 69 Stat. 166; Aug. 20, 1958, Pub. L. 85–686, § 8(a), 72 Stat. 678, related to restriction on decrease of duties, impairment of national security, investigations and reports, and reports to Congress. See section 1801 et seq. of this title.

ACTIONS COMMENCED PRIOR TO OCTOBER 11, 1962

Section 257(f) of Pub. L. 87–794 provided in part that: ''Any action (including any investigation begun) under section 2 [section 1352a of this title] before the date of

the enactment of this Act [Oct. 11, 1962] shall be considered as having been taken or begun under section 232 [section 1862 of this title].''

§ 1353. Indebtedness of foreign countries, effect on

Nothing in this part shall be construed to give any authority to cancel or reduce, in any manner, any of the indebtedness of any foreign country to the United States.

(June 12, 1934, ch. 474, § 3, 48 Stat. 944.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1304 of this title.

§ 1354. Notice of intention to negotiate agreement; opportunity to be heard; President to seek information and advice

Before any foreign trade agreement is concluded with any foreign government or instrumentality thereof under the provisions of this part, reasonable public notice of the intention to negotiate an agreement with such government or instrumentality shall be given in order that any interested person may have an opportunity to present his views to the President, or to such agency as the President may designate, under such rules and regulations as the President may prescribe; and before concluding such agreement the President shall request the International Trade Commission to make the investigation and report provided for by section 1360 of this title, and shall seek information and advice with respect to such agreement from the Departments of State, Agriculture, Commerce, and Defense, and from such other sources as he may deem appropriate.

(June 12, 1934, ch. 474, § 4, 48 Stat. 945; July 5, 1945, ch. 269, § 4, 59 Stat. 411; Aug. 10, 1949, ch. 412, § 12(a), 63 Stat. 591; Sept. 26, 1949, ch. 585, § 5, 63 Stat. 698; June 16, 1951, ch. 141, § 3(c), 65 Stat. 73; Jan. 3, 1975, Pub. L. 93–618, title I, § 171(b), 88 Stat. 2009.)

AMENDMENTS

1975—Pub. L. 93–618 substituted ''United States International Trade Commission'' for ''United States Tariff Commission''.

1951—Act June 16, 1951, provided that the President request the Tariff Commission to make the investigation and report.

1949—Act Sept. 26, 1949, changed the Tariff Commission's functions under these sections from investigatory to advisory functions.

1945—Act July 5, 1945, inserted ''War, Navy,'' after ''Departments of State''.

CHANGE OF NAME

National Military Establishment changed to Department of Defense by act Aug. 10, 1949.

REPEALS

Act Sept. 26, 1949, § 2, repealed act June 26, 1948, ch. 678, § 3(c), 62 Stat. 1054, formerly cited as a credit to this section.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1304, 1360, 1366 of this title.

§§ 1355, 1356. Repealed. Pub. L. 89–23, § 7, May 22, 1965, 79 Stat. 113

Sections, act Apr. 11, 1941, ch. 59, §§ 1, 2, 55 Stat. 133, 134, related to the importation of coffee under Inter-American Coffee Agreement. See sections 1356a to 1356e of this title.

EFFECTIVE DATE OF REPEAL

Repeal effective May 22, 1965, the date the President made the determination required by section 8 of Pub. L. 89–23, set out as a note under section 1356a of this title.

§§ 1356a to 1356j. Omitted

CODIFICATION

Sections were omitted. See sections 1356k to 1356n of this title.

Section 1356a, Pub. L. 89–23, § 2, May 22, 1965, 79 Stat. 112, authorized the President, for a period not to exceed October 1, 1968, to carry out the provisions of the International Coffee Agreement, 1962.

Section 1356b, Pub. L. 89–23, § 3, May 22, 1965, 79 Stat. 112, defined ''coffee'' for section 1356a of this title.

Section 1356c, Pub. L. 89–23, § 4, May 22, 1965, 79 Stat. 112, authorized delegation of Presidential powers and duties and required protection of consumer interests under sections 1356a to 1356e of this title.

Section 1356d, Pub. L. 89–23, § 5, May 22, 1965, 79 Stat. 113, required the President to submit an annual report to Congress on the International Coffee Agreement, 1962.

Section 1356e, Pub. L. 89–23, § 6, May 22, 1965, 79 Stat. 113, authorized appropriations for sections 1356a to 1356e of this title and limited contributions for administration of the International Coffee Agreement, 1962.

Section 1356f, Pub. L. 90–634, title III, § 302, Oct. 24, 1968, 82 Stat. 1348; Pub. L. 91–694, § 1, Jan. 12, 1971, 84 Stat. 2077; Pub. L. 92–262, Mar. 24, 1972, 86 Stat. 113, authorized the President, for a period not to exceed October 1, 1973, to carry out the provisions of the International Coffee Agreement, 1968.

Section 1356g, Pub. L. 90–634, title III, § 303, Oct. 24, 1968, 82 Stat. 1348, defined ''coffee'' for section 1356f of this title.

Section 1356h, Pub. L. 90–634, title III, § 304, Oct. 24, 1968, 82 Stat. 1348, authorized delegation of Presidential powers and duties and required protection of consumer interests under sections 1356f to 1356j of this title and provided for remedial action under the International Coffee Agreement, 1968.

Section 1356i, Pub. L. 90–634, title III, § 305, Oct. 24, 1968, 82 Stat. 1349, required the President to submit an annual report to Congress on the International Coffee Agreement, 1968.

Section 1356j, Pub. L. 90–634, title III, § 306, Oct. 24, 1968, 82 Stat. 1349, provided procedures to prevent discrimination against vessels registered under laws of the United States in shipping coffee to the United States.

§ 1356k. Importation of coffee under International Coffee Agreement, 1983; Presidential powers and duties

On and after the entry into force of the International Coffee Agreement, 1983, and before October 1, 1989, the President is authorized, in order to carry out and enforce the provisions of that agreement—

(1) to regulate the entry of coffee for consumption, or withdrawal of coffee from warehouse for consumption, or any other form of entry or withdrawal of coffee such as for transportation or exportation, including whenever quotas are in effect pursuant to the agreement, (A) the limitation of entry, or withdrawal from warehouse, of coffee imported from countries which are not members of the International Coffee Organization, and (B) the prohibition of entry of any shipment from any member of the International Coffee

Organization of coffee which is not accompanied either by a valid certificate of origin, a valid certificate of reexport, a valid certificate of reshipment, or a valid certificate of transit, issued by a qualified agency in such form as required under the agreement;

(2) to require that every export or reexport of coffee from the United States shall be accompanied by a valid certificate of origin or a valid certificate of reexport, issued by a qualified agency of the United States designated by him, in such form as required under the agreement;

(3) to require the keeping of such records, statistics, and other information, and the rendering of such reports, relating to the importation, distribution, prices, and consumption of coffee as he may from time to time prescribe; and

(4) to take such other action, and issue and enforce such rules and regulations, as he may consider necessary or appropriate in order to implement the obligations of the United States under the agreement.

(Pub. L. 96–599, § 2, Dec. 24, 1980, 94 Stat. 3491; Pub. L. 97–276, § 161, Oct. 2, 1982, 96 Stat. 1204; Pub. L. 97–446, § 154, Jan. 12, 1983, 96 Stat. 2345; Pub. L. 98–120, § 1, Oct. 12, 1983, 97 Stat. 809; Pub. L. 100–418, title I, § 1123(a), Aug. 23, 1988, 102 Stat. 1146.)

REFERENCES IN TEXT

The International Coffee Agreement, 1983, referred to in text, was entered into force for the United States provisionally Oct. 1, 1983, and definitively Sept. 11, 1985.

CODIFICATION

Section was enacted as part of the International Coffee Agreement Act of 1980, and not as part of the Tariff Act of 1930 which comprises this chapter.

AMENDMENTS

1988—Pub. L. 100–418 substituted ''October 1, 1989'' for ''October 1, 1986''.

1983—Pub. L. 98–120 in provisions preceding par. (1) substituted '', 1983'' for ''1976'' and ''before October 1, 1986'' for ''for such period prior to October 1, 1983 as the agreement remains in effect''.

Pub. L. 97–446 substituted ''October 1, 1983'' for ''the expiration of this joint resolution''.

1982—Pub. L. 97–276 substituted ''the expiration of this joint resolution'' for ''October 1, 1982''.

EFFECTIVE DATE OF 1988 AMENDMENT

Section 1123(b) of Pub. L. 100–418 provided that: ''The amendment made by subsection (a) [amending this section] shall take effect January 1, 1987.''

SHORT TITLE

Section 1 of Pub. L. 96–599 provided that: ''This Act [enacting this section and sections 1356*l* to 1356n of this title] may be cited as the 'International Coffee Agreement Act of 1980'.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1356*l*, 1356m of this title.

§ 1356*l*. "Coffee" defined

As used in sections 1356k to 1356n of this title, the term ''coffee'' means coffee as defined in article 3 of the International Coffee Agreement, 1983.

(Pub. L. 96–599, § 3, Dec. 24, 1980, 94 Stat. 3491; Pub. L. 98–120, § 1(1), Oct. 12, 1983, 97 Stat. 809.)

CODIFICATION

Section was enacted as part of the International Coffee Agreement Act of 1980, and not as part of the Tariff Act of 1930 which comprises this chapter.

AMENDMENTS

1983—Pub. L. 98–120 substituted '', 1983'' for ''1976''.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1356m of this title.

§ 1356m. Delegation of Presidential powers and duties; protection of interests of United States consumers; remedial action

The President may exercise any powers and duties conferred on him by sections 1356k to 1356n of this title through such agency or officer as he shall direct. The powers and duties conferred by sections 1356k to 1356n of this title shall be exercised in the manner the President considers appropriate to protect the interest of United States consumers. In the event the President determines that there has been an unwarranted increase in the price of coffee due in whole or in part to the International Coffee Agreement, or to market manipulation by two or more members of the International Coffee Organization, the President shall request the International Coffee Council or the Executive Board to increase supplies of coffee available to world markets by suspending coffee export quotas and to take any other appropriate action. At the same time he shall report his determination to the Congress. In the event the International Coffee Council has failed to take corrective action to remedy the situation within a reasonable time after such request, the President shall submit to the Congress such recommendations as he may consider appropriate to correct the situation. In the event that members of the International Coffee Organization involved in market manipulation which has resulted in price increases have failed to remedy the situation within a reasonable time after a request for remedy, the exercise of the authority set forth in section 1356k of this title shall be suspended until the President determines that effective market manipulation activities have ceased.

(Pub. L. 96–599, § 4, Dec. 24, 1980, 94 Stat. 3492.)

CODIFICATION

Section was enacted as part of the International Coffee Agreement Act of 1980, and not as part of the Tariff Act of 1930 which comprises this chapter.

EXECUTIVE ORDER NO. 11449

Ex. Ord. No. 11449, Jan. 17, 1969, 34 F.R. 917, which related to United States participation in the International Coffee Organization, was revoked by Ex. Ord. No. 12553, Feb. 25, 1986, 51 F.R. 7237.

EXECUTIVE ORDER NO. 12297

Ex. Ord. No. 12297, Mar. 12, 1981, 46 F.R. 16877, which delegated to the United States Trade Representative the President's authority to enforce the International Coffee Agreement of 1976, was revoked by Ex. Ord. No. 12553, Feb. 25, 1986, 51 F.R. 7237.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1356*l* of this title.

§ 1356n. Report to the Congress

The President shall submit to the Congress an annual report on the International Coffee Agreement, 1983. Such report shall contain full information on the operation of such agreement, including full information with respect to the general level of prices of coffee and matters pertaining to the transportation of coffee from exporting countries to the United States. The report shall also include a summary of the actions the United States and the International Coffee Organization have taken to protect the interest of United States consumers.

(Pub. L. 96–599, § 5, Dec. 24, 1980, 94 Stat. 3492; Pub. L. 98–120, § 1(1), Oct. 12, 1983, 97 Stat. 809.)

CODIFICATION

Section was enacted as part of the International Coffee Agreement Act of 1980, and not as part of the Tariff Act of 1930 which comprises this chapter.

AMENDMENTS

1983—Pub. L. 98–120 substituted ‘‘, 1983’’ for ‘‘1976’’.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1356*l*, 1356m of this title.

§§ 1357 to 1359. Repealed. Sept. 26, 1949, ch. 585, § 2, 63 Stat. 698

Sections, act June 26, 1948, ch. 678, §§ 3(a), (b), 4, 5, 62 Stat. 1053, 1054, related to the investigatory functions of the Tariff Commission and the report by the President to Congress.

§ 1360. Investigation before trade negotiations

(a) Report by International Trade Commission

Before entering into negotiations concerning any proposed foreign trade agreement under section 1351 of this title, the President shall furnish the United States International Trade Commission (hereinafter in sections 1352(a), (c), 1354, and 1360 to 1367 of this title, and section 624(b) of title 7, referred to as the ‘‘Commission’’) with a list of all articles imported into the United States to be considered for possible modification of duties and other import restrictions, imposition of additional import restrictions, or continuance of existing customs or excise treatment. Upon receipt of such list the Commission shall make an investigation and report to the President the findings of the Commission with respect to each such article as to (1) the limit to which such modification, imposition, or continuance may be extended in order to carry out the purpose of said section without causing or threatening serious injury to the domestic industry producing like or directly competitive articles; and (2) if increases in duties or additional import restrictions are required to avoid serious injury to the domestic industry producing like or directly competitive articles the minimum increases in duties or additional import restrictions required. Such report shall be made by the Commission to the President not later than six months after the receipt of such list by the Commission. No such foreign trade agreement shall be entered into until the Commission has made its report to the President or until the expiration of the six-month period.

(b) Procedures and determinations

(1) In the course of any investigation pursuant to this section the Commission shall hold hearings and give reasonable public notice thereof, and shall afford reasonable opportunity for parties interested to be present, to produce evidence, and to be heard at such hearings. If in the course of any such investigation the Commission shall find with respect to any article on the list upon which a tariff concession has been granted that an increase in duty or additional import restriction is required to avoid serious injury to the domestic industry producing like or directly competitive articles, the Commission shall promptly institute an investigation with respect to that article pursuant to section 1364 of this title.

(2) In each such investigation the Commission shall, to the extent practicable and without excluding other factors, ascertain for the last calendar year preceding the investigation the average invoice price on a country-of-origin basis (converted into currency of the United States in accordance with the provisions of section 5151 of title 31) at which the foreign article was sold for export to the United States, and the average prices at which the like or directly competitive domestic articles were sold at wholesale in the principal markets of the United States. The Commission shall also, to the extent practicable, estimate for each article on the list the maximum increase in annual imports which may occur without causing serious injury to the domestic industry producing like or directly competitive articles. The Commission shall request the executive departments and agencies for information in their possession concerning prices and other economic data from the principal supplier foreign country of each such article.

(June 16, 1951, ch. 141, § 3(a), (b), 65 Stat. 72; Aug. 20, 1958, Pub. L. 85–686, § 4, 72 Stat. 675; Jan. 3, 1975, Pub. L. 93–618, title I, § 171(b), 88 Stat. 2009.)

REFERENCES IN TEXT

Sections 1362 to 1365 of this title, included in the reference in subsec. (a) to sections 1360 to 1367 of this title, were repealed by Pub. L. 87–749, title II, § 257(e)(1), Oct. 11, 1962, 76 Stat. 882; section 1367 of this title was repealed by Pub. L. 87–456, title III, § 303(c), May 24, 1962, 76 Stat. 78.

CODIFICATION

Section was not enacted as part of the Tariff Act of 1930 which comprises this chapter.

Section is comprised of subsecs. (a) and (b) of section 3 of act June 16, 1951. Subsec. (c) of the 1951 act amended section 1354 of this title.

In subsec. (b)(2), ‘‘section 5151 of title 31’’ was substituted for ‘‘section 522 of the Tariff Act of 1930 [31 U.S.C. 372]’’ on authority of Pub. L. 97–258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

AMENDMENTS

1975—Subsec. (a). Pub. L. 93–618 substituted ‘‘United States International Trade Commission’’ for ‘‘United States Trade Commission’’.

1958—Subsec. (a). Pub. L. 85–686, § 4(a), substituted ''six months'' for ''120 days'', and ''six-month'' for ''120-day''.

Subsec. (b). Pub. L. 85–686, § 4(b), (c), redesignated existing provisions as par. (1), inserted provision to require the Commission to promptly institute an investigation pursuant to section 1364 of this title when the Commission finds with respect to any article on the list upon which a tariff concession has been granted that an increase in duty or additional import restriction is required to avoid serious injury to the domestic industry producing like or directly competitive articles, and added par. (2).

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1354, 1361, 1366 of this title.

§ 1361. Action by President; reports to Congress

(a) Transmittal by President of trade agreement and message to Congress

Within thirty days after any trade agreement under section 1351 of this title has been entered into which, when effective, will (1) require or make appropriate any modification of duties or other import restrictions, the imposition of additional import restrictions, or the continuance of existing customs or excise treatment, which modification, imposition, or continuance will exceed the limit to which such modification, imposition, or continuance may be extended without causing or threatening serious injury to the domestic industry producing like or directly competitive articles as found and reported by the United States International Trade Commission under section 1360 of this title, or (2) fail to require or make appropriate the minimum increase in duty or additional import restrictions required to avoid such injury, the President shall transmit to Congress a copy of such agreement together with a message accurately identifying the article with respect to which such limits or minimum requirements are not complied with, and stating his reasons for the action taken with respect to such article. If either the Senate or the House of Representatives, or both, are not in session at the time of such transmission, such agreement and message shall be filed with the Secretary of the Senate or the Clerk of the House of Representatives, or both, as the case may be.

(b) Transmittal by Commission of copy of report to the President to Congressional committees

Promptly after the President has transmitted such foreign trade agreement to Congress the Commission shall deposit with the Committee on Ways and Means of the House of Representatives, and the Committee on Finance of the Senate, a copy of the portions of its report to the President dealing with the articles with respect to which such limits or minimum requirements are not complied with.

(June 16, 1951, ch. 141, § 4, 65 Stat. 73; Jan. 3, 1975, Pub. L. 93–618, title I, § 171(b), 88 Stat. 2009.)

CODIFICATION

Section was not enacted as part of the Tariff Act of 1930 which comprises this chapter.

AMENDMENTS

1975—Subsec. (a). Pub. L. 93–618 substituted ''United States International Trade Commission'' for ''Tariff Commission''.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1360, 1366 of this title.

§§ 1362 to 1365. Repealed. Pub. L. 87–794, title II, § 257(e)(1), Oct. 11, 1962, 76 Stat. 882

Section 1362, act June 16, 1951, ch. 141, § 5, 65 Stat. 73, related to suspension or withdrawal of concessions from Communistic areas. See section 1801 et seq. of this title.

Section 1363, acts June 16, 1951, ch. 141, § 6, 65 Stat. 73; June 21, 1955, ch. 169, § 4, 69 Stat. 165, provided for an escape clause for future agreements, and insertion in past agreements.

Section 1364, acts June 16, 1951, ch. 141, § 7, 65 Stat. 74; Aug. 7, 1953, ch. 348, title I, § 102, 67 Stat. 472; June 21, 1955, ch. 169, §§ 5, 6, 69 Stat. 166; Aug. 20, 1958, Pub. L. 85–686, §§ 5(a), (b)(1), (c), 6, 72 Stat. 676, related to the operation of the escape clause.

Section 1365, act June 16, 1951, ch. 141, § 8(a), 65 Stat. 75, provided for emergency action for perishable agricultural products.

PRESIDENTIAL ACTION IN EFFECT ON OCTOBER 11, 1962

Section 257(e)(2) of Pub. L. 87–794 provided that: ''Action taken by the President under section 5 of such Act [former section 1362 of this title] and in effect on the date of the enactment of this Act [Oct. 11, 1962] shall be considered as having been taken by the President under section 231 [section 1861 of this title].''

CONTINUATION OF INVESTIGATIONS

Section 257(e)(3) of Pub. L. 87–794 provided that: ''Any investigation by the Tariff Commission [now the United States International Trade Commission] under section 7 of such Act [former section 1364 of this title] which is in progress on the date of the enactment of this Act [Oct. 11, 1962] shall be continued under section 301 [section 1901 of this title] as if the application by the interested party were a petition under such section for tariff adjustment under section 351 [section 1981 of this title]. For purposes of section 301(f) [section 1901(f) of this title], such petition shall be treated as having been filed on the date of the enactment of this Act [Oct. 11, 1962].''

§ 1366. General Agreement on Tariff and Trade unaffected

The enactment of sections 1352(a), (c), 1354, and 1360 to 1367 of this title, and section 624(f) of title 7, shall not be construed to determine or indicate the approval or disapproval by the Congress of the Executive Agreement known as the General Agreement on Tariffs and Trade.

(June 16, 1951, ch. 141, § 10, 65 Stat. 75.)

REFERENCES IN TEXT

Sections 1362 to 1365 of this title, included in the reference to sections 1360 to 1367 of this title, were repealed by Pub. L. 87–749, title II, § 257(e)(1), Oct. 11, 1962, 76 Stat. 882; section 1367 of this title was repealed by Pub. L. 87–456, title III, § 303(c), May 24, 1962, 76 Stat. 78.

CODIFICATION

Section was not enacted as part of the Tariff Act of 1930 which comprises this chapter.

PRIOR PROVISIONS

Similar provisions were contained in act July 1, 1954, ch. 445, § 3, 68 Stat. 360, other sections of which amended section 1352(c) of this title and enacted section 1352a of this title; and in act Aug. 7, 1953, ch. 348, title I, § 103, 67 Stat. 472, which act amended section 624(b) of title 7, and sections 1330(d), 1352(c) and former section 1364(a) of this title, and enacted provisions set out as notes under sections 1351 and 1364 of this title.

CONGRESSIONAL APPROVAL OR DISAPPROVAL OF GENERAL AGREEMENT ON TARIFFS AND TRADE

Section 10 of Pub. L. 85–686 provided that: ''The enactment of this Act [enacting section 1335 of this title, amending sections 1333, 1336, 1337, 1351, 1352a, 1360, and former section 1364 of this title, and enacting notes set out under sections 1352 and 1366 of this title] shall not be construed to determine or indicate the approval or disapproval by the Congress of the executive agreement known as the General Agreement on Tariffs and Trade.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1360 of this title.

§ 1367. Repealed. Pub. L. 87–456, title III, § 303(c), May 24, 1962, 76 Stat. 78

Section, act June 16, 1951, ch. 141, § 11, 65 Stat. 75, required the President to take such measures as may be necessary to prevent the importation of ermine, fox, kolinsky, marten, mink, muskrat, and weasel furs and skins which are the product of the Union of Soviet Socialist Republics or of Communist China.

EFFECTIVE DATE OF REPEAL

Repeal effective with respect to articles entered, or withdrawn from warehouse, for consumption on or after Aug. 31, 1963, see section 501(a) of Pub. L. 87–456, set out as a note preceding section 1202 of this title.

SUBTITLE III—ADMINISTRATIVE PROVISIONS

SUBTITLE REFERRED TO IN OTHER SECTIONS

This subtitle is referred to in title 15 section 69d.

PART I—DEFINITIONS AND NATIONAL CUSTOMS AUTOMATION PROGRAM

SUBPART A—DEFINITIONS

§ 1401. Miscellaneous

When used in this subtitle or in part I of subtitle II of this chapter—

(a) Vessel

The word ''vessel'' includes every description of water craft or other contrivance used, or capable of being used, as a means of transportation in water, but does not include aircraft.

(b) Vehicle

The word ''vehicle'' includes every description of carriage or other contrivance used, or capable of being used, as a means of transportation on land, but does not include aircraft.

(c) Merchandise

The word ''merchandise'' means goods, wares, and chattels of every description, and includes merchandise the importation of which is prohibited, and monetary instruments as defined in section 5312 of title 31.

(d) Person

The word ''person'' includes partnerships, associations, and corporations.

(e) Master

The word ''master'' means the person having the command of the vessel.

(f) Day

The word ''day'' means the time from eight o'clock antemeridian to five o'clock postmeridian.

(g) Night

The word ''night'' means the time from five o'clock postmeridian to eight o'clock antemeridian.

(h) United States

The term ''United States'' includes all Territories and possessions of the United States except the Virgin Islands, American Samoa, Wake Island, Midway Islands, Kingman Reef, Johnston Island, and the island of Guam.

(i) Officer of the customs; customs officer

The terms ''officer of the customs'' and ''customs officer'' mean any officer of the United States Customs Service of the Treasury Department (also hereinafter referred to as the ''Customs Service'') or any commissioned, warrant, or petty officer of the Coast Guard, or any agent or other person authorized by law or designated by the Secretary of the Treasury to perform any duties of an officer of the Customs Service.

(j) Customs waters

The term ''customs waters'' means, in the case of a foreign vessel subject to a treaty or other arrangement between a foreign government and the United States enabling or permitting the authorities of the United States to board, examine, search, seize, or otherwise to enforce upon such vessel upon the high seas the laws of the United States, the waters within such distance of the coast of the United States as the said authorities are or may be so enabled or permitted by such treaty or arrangement and, in the case of every other vessel, the waters within four leagues of the coast of the United States.

(k) Hovering vessel

The term ''hovering vessel'' means—

(1) any vessel which is found or kept off the coast of the United States within or without the customs waters, if, from the history, conduct, character, or location of the vessel, it is reasonable to believe that such vessel is being used or may be used to introduce or promote or facilitate the introduction or attempted introduction of merchandise into the United States in violation of the laws of the United States; and

(2) any vessel which has visited a vessel described in paragraph (1).

(*l*) Secretary

The term ''Secretary'' means the Secretary of the Treasury or his delegate.

(m) Controlled substance

The term ''controlled substance'' has the meaning given that term in section 802(6) of title 21. For purposes of this chapter, a controlled substance shall be treated as merchandise the importation of which into the United States is prohibited, unless the importation is authorized under—

(1) an appropriate license or permit; or

(2) the Controlled Substances Import and Export Act [21 U.S.C. 951 et seq.].

(n) Electronic transmission

The term ''electronic transmission'' means the transfer of data or information through an authorized electronic data interchange system

consisting of, but not limited to, computer modems and computer networks.

(*o*) Electronic entry

The term ''electronic entry'' means the electronic transmission to the Customs Service of—

(1) entry information required for the entry of merchandise, and

(2) entry summary information required for the classification and appraisement of the merchandise, the verification of statistical information, and the determination of compliance with applicable law.

(p) Electronic data interchange system

The term ''electronic data interchange system'' means any established mechanism approved by the Commissioner of Customs through which information can be transferred electronically.

(q) National Customs Automation Program

The term ''National Customs Automation Program'' means the program established under section 1411 of this title.

(r) Import activity summary statement

The term ''import activity summary statement'' refers to data or information transmitted electronically to the Customs Service, in accordance with such regulations as the Secretary prescribes, at the end of a specified period of time which enables the Customs Service to assess properly the duties, taxes and fees on merchandise imported during that period, collect accurate statistics and determine whether any other applicable requirement of law (other than a requirement relating to release from customs custody) is met.

(s) Reconciliation

The term ''reconciliation'' means an electronic process, initiated at the request of an importer, under which the elements of an entry, other than those elements related to the admissibility of the merchandise, that are undetermined at the time of entry summary are provided to the Customs Service at a later time. A reconciliation is treated as an entry for purposes of liquidation, reliquidation, and protest.

(June 17, 1930, ch. 497, title IV, § 401, 46 Stat. 708; Aug. 5, 1935, ch. 438, title II, § 201, 49 Stat. 521; June 25, 1938, ch. 679, § 2, 52 Stat. 1077; Proc. No. 2695, July 4, 1946, 11 F.R. 7517, 60 Stat. 1352; June 30, 1955, ch. 258, § 2(a)(3), 69 Stat. 242; June 2, 1970, Pub. L. 91–271, title III, § 301(c), 84 Stat. 288; Oct. 27, 1986, Pub. L. 99–570, title III, § 3111, 100 Stat. 3207–80; Dec. 8, 1993, Pub. L. 103–182, title VI, § 634, 107 Stat. 2198.)

REFERENCES IN TEXT

The Controlled Substances Import and Export Act, referred to in subsec. (m)(2), is title III of Pub. L. 91–513, Oct. 27, 1970, 84 Stat. 1285, as amended, which is classified principally to subchapter II (§ 951 et seq.) of chapter 13 of Title 21, Food and Drugs. For complete classification of this Act to the Code, see Short Title note set out under section 951 of Title 21 and Tables.

CODIFICATION

Section is based on the designated subsections of section 401 of act June 17, 1930, as amended. The last undesignated paragraph of section 401, as added by section 201 of act Aug. 5, 1935, is classified to section 1432a of this title.

Words ''the Philippine Islands'' formerly set out in subsec. (h) were omitted on authority of Proc. No. 2695, which is set out as a note under section 1394 of Title 22, Foreign Relations and Intercourse, and in which the President proclaimed the independence of the Philippines.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 401, 42 Stat. 948, which superseded R.S. §§ 2766 and Section 401 of the 1922 act was superseded by section 401 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 Act.

Section III of the Underwood Tariff Act of Oct. 3, 1913, ch. 16, 38 Stat. 181, amending the Customs Administrative Act of June 10, 1890, ch. 407, 26 Stat. 131, was repealed by section 643 of the act of Sept. 21, 1922, ch. 356, title IV, 42 Stat. 989.

Section III, by subdivision A thereof, amended the Customs Administrative Act of June 10, 1890, ch. 407, 26 Stat. 131, as previously amended, to read as set forth in section III, subdivisions B–CC. By that amendment and reenactment, the Customs Administrative Act of June 10, 1890, and the amendments thereof by act July 24, 1897, ch. 11, § 32, 30 Stat. 211, act May 17, 1898, ch. 341, 30 Stat. 417, Act Dec. 15, 1902, ch. 1, 32 Stat. 753, act May 27, 1908, ch. 205, 35 Stat. 403, and the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 91, were superseded, except the provisions thereof mentioned in a proviso of section IV, S, of that act.

The Customs Administrative Act of June 10, 1890, as originally enacted and as amended previous to the Payne-Aldrich Tariff Act, consisted of thirty sections, of which section 30 prescribed the time when the act should go into effect. Of the preceding twenty-nine sections of the original act, section 15 providing for review by the courts of decisions of the Board of General Appraisers, was omitted from the act as further amended by the Payne-Aldrich Tariff Act, and the remaining twenty-eight sections were amended thereby, constituting sections 1–28 thereof. A new section, designated as section 29, was added by the Payne-Aldrich Tariff Act, which created a Court of Customs Appeals and prescribed its jurisdiction and powers, proceedings, etc. Its provisions were incorporated in and superseded by chapter 8 of the Judicial Code of March 3, 1911. Another new section, designated as section 30, was also added by the Payne-Aldrich Tariff Act, which provided for the appointment of an Assistant Attorney-General, a Deputy Assistant Attorney-General, and attorneys, in charge of matters of reappraisement, etc., of imported goods and litigation incident thereto. Section 30 was incorporated into the Code as section 296 of former Title 5, Executive Departments and Government Officers and Employees, and subsequently repealed by Pub. L. 89–554, Sept. 6, 1966, § 8(a), 80 Stat. 632.

AMENDMENTS

1993—Subsec. (k). Pub. L. 103–182, § 634(1), amended subsec. (k) generally. Prior to amendment, subsec. (k) read as follows:

''(1) The term 'hovering vessel' means any vessel which is found or kept off the coast of the United States within or without the customs waters, if, from the history, conduct, character, or location of the vessel, it is reasonable to believe that such vessel is being used or may be used to introduce or promote or facilitate the introduction or attempted introduction of merchandise into the United States in violation of the laws respecting the revenue.

''(2) For the purposes of sections 1432, 1433, 1434, 1448, 1585, and 1586 of this title, any vessel which—

''(A) has visited any hovering vessel;

''(B) has received merchandise while in the customs waters beyond the territorial sea; or

''(C) has received merchandise while on the high seas;

shall be deemed to arrive or have arrived, as the case may be, from a foreign port or place.''

Subsecs. (n) to (s). Pub. L. 103–182, §634(2), added subsecs. (n) to (s).

1986—Subsec. (c). Pub. L. 99–570, §3111(1), inserted '', and monetary instruments as defined in section 5312 of title 31''.

Subsec. (k). Pub. L. 99–570, §3111(2), (3), designated existing provisions as par. (1) and added par. (2).

Subsec. (m). Pub. L. 99–570, §3111(4), added subsec. (m).

1970—Subsec. (h). Pub. L. 91–271, §301(c)(1), (2), struck out subsec. (h) which defined ''collector'', and redesignated subsec. (k) as (h).

Subsec. (i). Pub. L. 91–271, §301(c)(1), (2), struck out subsec. (i) which defined ''comptroller of customs'', redesignated subsec. (*l*) as (i), and, as so redesignated, defined ''customs officer''.

Subsec. (j). Pub. L. 91–271, §301(c)(1), (2), struck out subsec. (j) which defined ''appraiser'', and redesignated subsec. (m) as (j).

Subsec. (k). Pub. L. 91–271, §301(c)(1), (2), redesignated subsec. (n) as (k). Former subsec. (k) redesignated (h).

Subsec. (*l*). Pub. L. 91–271, §301(c)(2), (3), added subsec. (*l*). Former subsec. (*l*) redesignated (i).

Subsecs. (m), (n). Pub. L. 91–271, §301(c)(2), redesignated subsecs. (m) and (n) as (j) and (k), respectively.

1955—Subsec. (k). Act June 30, 1955, inserted ''Johnston Island''.

1938—Subsec. (k). Act June 25, 1938, inserted ''Wake Island, Midway Islands, Kingman Reef'' before ''and the island of Guam''.

1935—Subsecs. (*l*) to (n). Act Aug. 5, 1935, added subsecs. (*l*) to (n).

CHANGE OF NAME

United States Customs Service substituted for Bureau of Customs in subsec. (i) pursuant to Treasury Department Order 165–23, Apr. 4, 1973, eff. Aug. 1, 1973, 38 F.R. 13037. See, also, section 308 of Title 31, Money and Finance.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1955 AMENDMENT

Section 2(d) of act June 30, 1955, provided that: ''The amendments made by this section [amending this section, sections 1557, 1562, and 1709 of this title, and sections 542, 544, and 545 of Title 18, Crimes and Criminal Procedure] shall take effect on the day following the day on which this Act is enacted [July 1, 1955].''

EFFECTIVE DATE OF 1938 AMENDMENT

Section 37 of act June 25, 1938, provided that: ''Sections 31 and 34 of this Act [amending section 1001 of this title] shall take effect on the date of enactment of this Act [June 25, 1938]. Except as otherwise specially provided in this Act, the remainder of this Act [amending this section and sections 1001, 1201, 1304, 1308, 1309, 1315, 1317, 1402, 1451, 1459, 1460, 1484, 1485, 1491, 1499, 1501, 1516, 1520, 1524, 1553, 1557, 1558, 1559, 1562, 1563, 1603, 1607, 1609, 1613, 1623, and 1709 of this title, enacting sections 1321, 1467, and 1528 of this title, and amending section 331 of former Title 46, Shipping] shall take effect on the thirtieth day following the date of its enactment.''

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of those officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

TERRITORIAL SEA OF UNITED STATES

For extension of territorial sea of United States, see Proc. No. 5928, set out as a note under section 1331 of Title 43, Public Lands.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1677 of this title; title 10 section 374; title 18 section 553; title 22 section 6005; title 46 App. section 1155.

§1401a. Value

(a) Generally

(1) Except as otherwise specifically provided for in this chapter, imported merchandise shall be appraised, for the purposes of this chapter, on the basis of the following:

(A) The transaction value provided for under subsection (b) of this section.

(B) The transaction value of identical merchandise provided for under subsection (c) of this section, if the value referred to in subparagraph (A) cannot be determined, or can be determined but cannot be used by reason of subsection (b)(2) of this section.

(C) The transaction value of similar merchandise provided for under subsection (c) of this section, if the value referred to in subparagraph (B) cannot be determined.

(D) The deductive value provided for under subsection (d) of this section, if the value referred to in subparagraph (C) cannot be determined and if the importer does not request alternative valuation under paragraph (2).

(E) The computed value provided for under subsection (e) of this section, if the value referred to in subparagraph (D) cannot be determined.

(F) The value provided for under subsection (f) of this section, if the value referred to in subparagraph (E) cannot be determined.

(2) If the value referred to in paragraph (1)(C) cannot be determined with respect to imported merchandise, the merchandise shall be appraised on the basis of the computed value provided for under paragraph (1)(E), rather than the deductive value provided for under paragraph (1)(D), if the importer makes a request to that effect to the customs officer concerned within such time as the Secretary shall prescribe. If the computed value of the merchandise cannot subsequently be determined, the merchandise may not be appraised on the basis of the value referred to in paragraph (1)(F) unless the deductive value of the merchandise cannot be determined under paragraph (1)(D).

(3) Upon written request therefor by the importer of merchandise, and subject to provisions of law regarding the disclosure of information, the customs officer concerned shall provide the importer with a written explanation of how the value of that merchandise was determined under this section.

(b) Transaction value of imported merchandise

(1) The transaction value of imported merchandise is the price actually paid or payable for the merchandise when sold for exportation to the United States, plus amounts equal to—

(A) the packing costs incurred by the buyer with respect to the imported merchandise;

(B) any selling commission incurred by the buyer with respect to the imported merchandise;

(C) the value, apportioned as appropriate, of any assist;

(D) any royalty or license fee related to the imported merchandise that the buyer is required to pay, directly or indirectly, as a condition of the sale of the imported merchandise for exportation to the United States; and

(E) the proceeds of any subsequent resale, disposal, or use of the imported merchandise that accrue, directly or indirectly, to the seller.

The price actually paid or payable for imported merchandise shall be increased by the amounts attributable to the items (and no others) described in subparagraphs (A) through (E) only to the extent that each such amount (i) is not otherwise included within the price actually paid or payable; and (ii) is based on sufficient information. If sufficient information is not available, for any reason, with respect to any amount referred to in the preceding sentence, the transaction value of the imported merchandise concerned shall be treated, for purposes of this section, as one that cannot be determined.

(2)(A) The transaction value of imported merchandise determined under paragraph (1) shall be the appraised value of that merchandise for the purposes of this chapter only if—

(i) there are no restrictions on the disposition or use of the imported merchandise by the buyer other than restrictions that—

(I) are imposed or required by law,

(II) limit the geographical area in which the merchandise may be resold, or

(III) do not substantially affect the value of the merchandise;

(ii) the sale of, or the price actually paid or payable for, the imported merchandise is not subject to any condition or consideration for which a value cannot be determined with respect to the imported merchandise;

(iii) no part of the proceeds of any subsequent resale, disposal, or use of the imported merchandise by the buyer will accrue directly or indirectly to the seller, unless an appropriate adjustment therefor can be made under paragraph (1)(E); and

(iv) the buyer and seller are not related, or the buyer and seller are related but the transaction value is acceptable, for purposes of this subsection, under subparagraph (B).

(B) The transaction value between a related buyer and seller is acceptable for the purposes of this subsection if an examination of the circumstances of the sale of the imported merchandise indicates that the relationship between such buyer and seller did not influence the price actually paid or payable; or if the transaction value of the imported merchandise closely approximates—

(i) the transaction value of identical merchandise, or of similar merchandise, in sales to unrelated buyers in the United States; or

(ii) the deductive value or computed value for identical merchandise or similar merchandise;

but only if each value referred to in clause (i) or (ii) that is used for comparison relates to merchandise that was exported to the United States at or about the same time as the imported merchandise.

(C) In applying the values used for comparison purposes under subparagraph (B), there shall be taken into account differences with respect to the sales involved (if such differences are based on sufficient information whether supplied by the buyer or otherwise available to the customs officer concerned) in—

(i) commercial levels;

(ii) quantity levels;

(iii) the costs, commissions, values, fees, and proceeds described in paragraph (1); and

(iv) the costs incurred by the seller in sales in which he and the buyer are not related that are not incurred by the seller in sales in which he and the buyer are related.

(3) The transaction value of imported merchandise does not include any of the following, if identified separately from the price actually paid or payable and from any cost or other item referred to in paragraph (1):

(A) Any reasonable cost or charge that is incurred for—

(i) the construction, erection, assembly, or maintenance of, or the technical assistance provided with respect to, the merchandise after its importation into the United States; or

(ii) the transportation of the merchandise after such importation.

(B) The customs duties and other Federal taxes currently payable on the imported merchandise by reason of its importation, and any Federal excise tax on, or measured by the value of, such merchandise for which vendors in the United States are ordinarily liable.

(4) For purposes of this subsection—

(A) The term ''price actually paid or payable'' means the total payment (whether direct or indirect, and exclusive of any costs, charges, or expenses incurred for transportation, insurance, and related services incident to the international shipment of the merchandise from the country of exportation to the place of importation in the United States) made, or to be made, for imported merchandise by the buyer to, or for the benefit of, the seller.

(B) Any rebate of, or other decrease in, the price actually paid or payable that is made or otherwise effected between the buyer and seller after the date of the importation of the merchandise into the United States shall be disregarded in determining the transaction value under paragraph (1).

(c) Transaction value of identical merchandise and similar merchandise

(1) The transaction value of identical merchandise, or of similar merchandise, is the transaction value (acceptable as the appraised value for purposes of this chapter under subsection (b) of this section but adjusted under paragraph (2) of this subsection) of imported merchandise that is—

(A) with respect to the merchandise being appraised, either identical merchandise or similar merchandise, as the case may be; and

(B) exported to the United States at or about the time that the merchandise being appraised is exported to the United States.

(2) Transaction values determined under this subsection shall be based on sales of identical merchandise or similar merchandise, as the case may be, at the same commercial level and in substantially the same quantity as the sales of the merchandise being appraised. If no such sale is found, sales of identical merchandise or similar merchandise at either a different commercial level or in different quantities, or both, shall be used, but adjusted to take account of any such difference. Any adjustment made under this paragraph shall be based on sufficient information. If in applying this paragraph with respect to any imported merchandise, two or more transaction values for identical merchandise, or for similar merchandise, are determined, such imported merchandise shall be appraised on the basis of the lower or lowest of such values.

(d) Deductive value

(1) For purposes of this subsection, the term ''merchandise concerned'' means the merchandise being appraised, identical merchandise, or similar merchandise.

(2)(A) The deductive value of the merchandise being appraised is whichever of the following prices (as adjusted under paragraph (3)) is appropriate depending upon when and in what condition the merchandise concerned is sold in the United States:

(i) If the merchandise concerned is sold in the condition as imported at or about the date of importation of the merchandise being appraised, the price is the unit price at which the merchandise concerned is sold in the greatest aggregate quantity at or about such date.

(ii) If the merchandise concerned is sold in the condition as imported but not sold at or about the date of importation of the merchandise being appraised, the price is the unit price at which the merchandise concerned is sold in the greatest aggregate quantity after the date of importation of the merchandise being appraised but before the close of the 90th day after the date of such importation.

(iii) If the merchandise concerned was not sold in the condition as imported and not sold before the close of the 90th day after the date of importation of the merchandise being appraised, the price is the unit price at which the merchandise being appraised, after further processing, is sold in the greatest aggregate quantity before the 180th day after the date of such importation. This clause shall apply to appraisement of merchandise only if the importer so elects and notifies the customs officer concerned of that election within such time as shall be prescribed by the Secretary.

(B) For purposes of subparagraph (A), the unit price at which merchandise is sold in the greatest aggregate quantity is the unit price at which such merchandise is sold to unrelated persons, at the first commercial level after importation (in cases to which subparagraph (A)(i) or (ii) applies) or after further processing (in cases to which subparagraph (A)(iii) applies) at which such sales take place, in a total volume that is (i) greater than the total volume sold at any other unit price, and (ii) sufficient to establish the unit price.

(3)(A) the price determined under paragraph (2) shall be reduced by an amount equal to—

(i) any commission usually paid or agreed to be paid, or the addition usually made for profit and general expenses, in connection with sales in the United States of imported merchandise that is of the same class or kind, regardless of the country of exportation, as the merchandise concerned;

(ii) the actual costs and associated costs of transportation and insurance incurred with respect to international shipments of the merchandise concerned from the country of exportation to the United States;

(iii) the usual costs and associated costs of transportation and insurance incurred with respect to shipments of such merchandise from the place of importation to the place of delivery in the United States, if such costs are not included as a general expense under clause (i);

(iv) the customs duties and other Federal taxes currently payable on the merchandise concerned by reason of its importation, and any Federal excise tax on, or measured by the value of, such merchandise for which vendors in the United States are ordinarily liable; and

(v) (but only in the case of a price determined under paragraph (2)(A)(iii)) the value added by the processing of the merchandise after importation to the extent that the value is based on sufficient information relating to cost of such processing.

(B) For purposes of applying paragraph (A)—

(i) the deduction made for profits and general expenses shall be based upon the importer's profits and general expenses, unless such profits and general expenses are inconsistent with those reflected in sales in the United States of imported merchandise of the same class or kind, in which case the deduction shall be based on the usual profit and general expenses reflected in such sales, as determined from sufficient information; and

(ii) any State or local tax imposed on the importer with respect to the sale of imported merchandise shall be treated as a general expense.

(C) The price determined under paragraph (2) shall be increased (but only to the extent that such costs are not otherwise included) by an amount equal to the packing costs incurred by the importer or the buyer, as the case may be, with respect to the merchandise concerned.

(D) For purposes of determining the deductive value of imported merchandise, any sale to a person who supplies any assist for use in connection with the production or sale for export of the merchandise concerned shall be disregarded.

(e) Computed value

(1) The computed value of imported merchandise is the sum of—

(A) the cost or value of the materials and the fabrication and other processing of any kind employed in the production of the imported merchandise;

(B) an amount for profit and general expenses equal to that usually reflected in sales of merchandise of the same class or kind as the imported merchandise that are made by

the producers in the country of exportation for export to the United States;

(C) any assist, if its value is not included under subparagraph (A) or (B); and

(D) the packing costs.

(2) For purposes of paragraph (1)—

(A) the cost or value of materials under paragraph (1)(A) shall not include the amount of any internal tax imposed by the country of exportation that is directly applicable to the materials or their disposition if the tax is remitted or refunded upon the exportation of the merchandise in the production of which the materials were used; and

(B) the amount for profit and general expenses under paragraph (1)(B) shall be based upon the producer's profits and expenses, unless the producer's profits and expenses are inconsistent with those usually reflected in sales of merchandise of the same class or kind as the imported merchandise that are made by producers in the country of exportation for export to the United States, in which case the amount under paragraph (1)(B) shall be based on the usual profit and general expenses of such producers in such sales, as determined from sufficient information.

(f) Value if other values cannot be determined or used

(1) If the value of imported merchandise cannot be determined, or otherwise used for the purposes of this chapter, under subsections (b) through (e) of this section, the merchandise shall be appraised for the purposes of this chapter on the basis of a value that is derived from the methods set forth in such subsections, with such methods being reasonably adjusted to the extent necessary to arrive at a value.

(2) Imported merchandise may not be appraised, for the purposes of this chapter, on the basis of—

(A) the selling price in the United States of merchandise produced in the United States;

(B) a system that provides for the appraisement of imported merchandise at the higher of two alternative values;

(C) the price of merchandise in the domestic market of the country of exportation;

(D) a cost of production, other than a value determined under subsection (e) of this section for merchandise that is identical merchandise or similar merchandise to the merchandise being appraised;

(E) the price of merchandise for export to a country other than the United States;

(F) minimum values for appraisement; or

(G) arbitrary or fictitious values.

This paragraph shall not apply with respect to the ascertainment, determination, or estimation of foreign market value or United States price under subtitle IV of this chapter.

(g) Special rules

(1) For purposes of this section, the persons specified in any of the following subparagraphs shall be treated as persons who are related:

(A) Members of the same family, including brothers and sisters (whether by whole or half blood), spouse, ancestors, and lineal descendants.

(B) Any officer or director of an organization and such organization.

(C) An officer or director of an organization and an officer or director of another organization, if each such individual is also an officer or director in the other organization.

(D) Partners.

(E) Employer and employee.

(F) Any person directly or indirectly owning, controlling, or holding with power to vote, 5 percent or more of the outstanding voting stock or shares of any organization and such organization.

(G) Two or more persons directly or indirectly controlling, controlled by, or under common control with, any person.

(2) For purposes of this section, merchandise (including, but not limited to, identical merchandise and similar merchandise) shall be treated as being of the same class or kind as other merchandise if it is within a group or range of merchandise produced by a particular industry or industry sector.

(3) For purposes of this section, information that is submitted by an importer, buyer, or producer in regard to the appraisement of merchandise may not be rejected by the customs officer concerned on the basis of the accounting method by which that information was prepared, if the preparation was in accordance with generally accepted accounting principles. The term ''generally accepted accounting principles'' refers to any generally recognized consensus or substantial authoritative support regarding—

(A) which economic resources and obligations should be recorded as assets and liabilities;

(B) which changes in assets and liabilities should be recorded;

(C) how the assets and liabilities and changes in them should be measured;

(D) what information should be disclosed and how it should be disclosed; and

(E) which financial statements should be prepared.

The applicability of a particular set of generally accepted accounting principles will depend upon the basis on which the value of the merchandise is sought to be established.

(h) Definitions

As used in this section—

(1)(A) The term ''assist'' means any of the following if supplied directly or indirectly, and free of charge or at reduced cost, by the buyer of imported merchandise for use in connection with the production or the sale for export to the United States of the merchandise:

(i) Materials, components, parts, and similar items incorporated in the imported merchandise.

(ii) Tools, dies, molds, and similar items used in the production of the imported merchandise.

(iii) Merchandise consumed in the production of the imported merchandise.

(iv) Engineering, development, artwork, design work, and plans and sketches that are undertaken elsewhere than in the United States and are necessary for the production of the imported merchandise.

(B) No service or work to which subparagraph (A)(iv) applies shall be treated as an assist for purposes of this section if such service or work—

(i) is performed by an individual who is domiciled within the United States;

(ii) is performed by that individual while he is acting as an employee or agent of the buyer of the imported merchandise; and

(iii) is incidental to other engineering, development, artwork, design work, or plans or sketches that are undertaken within the United States.

(C) For purposes of this section, the following apply in determining the value of assists described in subparagraph (A)(iv):

(i) The value of an assist that is available in the public domain is the cost of obtaining copies of the assist.

(ii) If the production of an assist occurred in the United States and one or more foreign countries, the value of the assist is the value thereof that is added outside the United States.

(2) The term ''identical merchandise'' means—

(A) merchandise that is identical in all respects to, and was produced in the same country and by the same person as, the merchandise being appraised; or

(B) if merchandise meeting the requirements under subparagraph (A) cannot be found (or for purposes of applying subsection (b)(2)(B)(i) of this section, regardless of whether merchandise meeting such requirements can be found), merchandise that is identical in all respects to, and was produced in the same country as, but not produced by the same person as, the merchandise being appraised.

Such term does not include merchandise that incorporates or reflects any engineering, development, artwork, design work, or plan or sketch that—

(I) was supplied free or at reduced cost by the buyer of the merchandise for use in connection with the production or the sale for export to the United States of the merchandise; and

(II) is not an assist because undertaken within the United States.

(3) The term ''packing costs'' means the cost of all containers and coverings of whatever nature and of packing, whether for labor or materials, used in placing merchandise in condition, packed ready for shipment to the United States.

(4) The term ''similar merchandise'' means—

(A) merchandise that—

(i) was produced in the same country and by the same person as the merchandise being appraised,

(ii) is like the merchandise being appraised in characteristics and component material, and

(iii) is commercially interchangeable with the merchandise being appraised; or

(B) if merchandise meeting the requirements under subparagraph (A) cannot be found (or for purposes of applying subsection (b)(2)(B)(i) of this section, regardless of whether merchandise meeting such requirements can be found), merchandise that—

(i) was produced in the same country as, but not produced by the same person as, the merchandise being appraised, and

(ii) meets the requirement set forth in subparagraph (A)(ii) and (iii).

Such term does not include merchandise that incorporates or reflects any engineering, development, artwork, design work, or plan or sketch that—

(I) was supplied free or at reduced cost by the buyer of the merchandise for use in connection with the production or the sale for export to the United States of the merchandise; and

(II) is not an assist because undertaken within the United States.

(5) The term ''sufficient information'', when required under this section for determining—

(A) any amount—

(i) added under subsection (b)(1) of this section to the price actually paid or payable,

(ii) deducted under subsection (d)(3) of this section as profit or general expense or value from further processing, or

(iii) added under subsection (e)(2) of this section as profit or general expense;

(B) any difference taken into account for purposes of subsection (b)(2)(C) of this section; or

(C) any adjustment made under subsection (c)(2) of this section;

means information that establishes the accuracy of such amount, difference, or adjustment.

(June 17, 1930, ch. 497, title IV, §402, as added Aug. 2, 1956, ch. 887, §2(a), 70 Stat. 943; amended July 26, 1979, Pub. L. 96–39, title II, §201(a), 93 Stat. 194; Dec. 2, 1980, Pub. L. 96–490, §2, 94 Stat. 2556.)

AMENDMENTS

1980—Subsec. (b)(2)(B). Pub. L. 96–490 amended par. (B) generally, omitting cl. (iii) which provided that ''the transaction value determined under this subsection in sales to unrelated buyers of merchandise, for exportation to the United States, that is identical in all respects to the imported merchandise but was not produced in the country in which the imported merchandise was produced'', and omitting the provision relating to cl. (iii) which provided that ''No two sales to unrelated buyers may be used for comparison for purposes of clause (iii) unless the sellers are unrelated.''

1979—Pub. L. 96–39 completely revised statutory standards for appraising the value of imported merchandise to conform to Customs Valuation Agreement, incorporating, as part of that revision, a new format of five methods of determining customs value in subsecs. (b) through (f), a group of special rules in subsec. (g), and definition of terms in subsec. (h).

EFFECTIVE DATE OF 1980 AMENDMENT

Section 2 of Pub. L. 96–490 provided in part that the amendment made by that section is ''effective on the latest of—

''(1) the date on which the amendments made by title II of the Trade Agreements Act of 1979 (except

the amendments made by section 223(b)) take effect [July 1, 1980],

''(2) the date on which the President accepts the Protocol [to the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade] for the United States [Dec. 30, 1980], or

''(3) the date on which the President determines that the European Economic Community has implemented the Protocol under its laws [Jan. 1, 1981],

and effective with respect to merchandise exported to the United States on or after that date''.

[For delegation of authority of the President to make the determinations required by pars. (1) to (3), above, to the United States Trade Representative, see Memorandum of the President, Dec. 17, 1980, 45 F.R. 83467.]

[For determination of the United States Trade Representative that the conditions of pars. (1) to (3), above, were satisfied effective on Jan. 1, 1981, see Determination of United States Trade Representative, 46 F.R. 1073.]

EFFECTIVE DATE OF 1979 AMENDMENT; TRANSITION TO NEW VALUATION STANDARDS

Section 204 of title II of Pub. L. 96–39 provided that: ''(a) EFFECTIVE DATE OF AMENDMENTS.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this title [amending the Tariff Schedules of the United States (see Publication of Tariff Schedules note under section 1202 of this title), sections 1332, 1336, 1351, 1401a, 1500, and 2481 of this title, and section 993 of Title 26, Internal Revenue Code, repealing section 1402 of this title, and enacting provisions set out as notes under sections 1202, 1401a, and 2111 of this title] (except the amendments made by section 223(b) [amending schedule 7, part 1, subpart A of the Tariff Schedules of the United States] shall take effect on—

''(A) January 1, 1981, if the Agreement enters into force with respect to the United States by that date; or

''(B) if subparagraph (A) does not apply, that date after January 1, 1981, on which the Agreement enters into such force;

and shall apply with respect to merchandise that is exported to the United States on or after whichever of such dates applies.

''(2) EARLIER EFFECTIVE DATE UNDER CERTAIN CIRCUMSTANCES.—If the President determines before January 1, 1981, that—

''(A) the European Economic Community has accepted the obligations of the Agreement with respect to the United States; and

''(B) each of the member states of the European Economic Community has implemented the Agreement under its laws;

the President shall by proclamation announce such determination and the amendments made by this title (except the amendments made by section 223(b) [amending schedule 7, part 1, subpart A of the Tariff Schedules of the United States] shall take effect on the date specified in the proclamation [July 1, 1980] (but not before July 1, 1980) and shall apply with respect to merchandise that is exported to the United States on or after such date; except that unless the Agreement enters into force with respect to the United States by January 1, 1981, all provisions of law that were amended by such amendments are revived (as in effect on the day before such amendments took effect) on January 1, 1981, and such provisions—

''(i) shall remain in effect until the date on which the Agreement enters into force with respect to the United States (and on such date the amendments made by this title (except the amendments made by section 223(b) [amending schedule 7, part 1, subpart A of the Tariff Schedules of the United States]) are revived and shall apply with respect to merchandise exported to the United States on or after such date); and

''(ii) shall apply with respect to merchandise exported to the United States on or after January 1, 1981, and before the date on which the Agreement enters into such force.

''(b) APPLICATION OF OLD LAW VALUATION STANDARDS.—For purposes of the administration of the customs laws, all merchandise (other than merchandise to which subsections (a) and (c) apply) shall be appraised on the same basis, and in the same manner, as if the amendments made by this title had not been enacted.

''(c) SPECIAL TREATMENT FOR CERTAIN RUBBER FOOTWEAR.—The amendments made by section 223(b) [amending schedule 7, part 1, subpart A of the Tariff Schedules of the United States] shall take effect July 1, 1981, or, if later, the date on which the Agreement enters into force with respect to the United States, and shall apply, together with the other amendments made by this title, to rubber footwear exported to the United States on or after such date. For purposes of the administration of the customs laws, all rubber footwear (other than rubber footwear to which the preceding sentence applies) shall be appraised on the same basis, and in the same manner, as if the amendments made by this title had not been enacted.

''(d) DEFINITION.—For purposes of this section, the term 'rubber footwear' means articles described in item 700.60 of the Tariff Schedules of the United States (as in effect on the day before the day on which the amendments made by section 223(b) [amending schedule 7, part 1, subpart A of the Tariff Schedules of the United States] take effect).''

[For Presidential proclamation specifying in accordance with subsec. (a)(2), above, that the amendments by title II of Pub. L. 96–39 are effective July 1, 1980, see sections 5(b) and 2(a) of Proc. No. 4768, June 28, 1980, 45 F.R. 45136, 45137, set out as a note under section 2111 of this title.]

EFFECTIVE DATE

Section 8 of act Aug. 2, 1956, provided that: ''This Act [enacting this section and provisions set out in notes under this section and sections 2, 160, 1351, and 1402 of this title, amending sections 1001, 1402, 1500, and 1583 of this title, and sections 372 and 711 of former Title 31, Money and Finance, and repealing sections 12 to 18, 21 to 24, 26 to 28, 30, 40, 53 to 57, 59, 61, 62, 67, 376, 379, 390, 494, 526, 541, 542, 549, and 579 of this title] shall be effective on and after the day following the date of its enactment [Aug. 2, 1956], except that section 2 [enacting this section and provisions set out in note under section 1351 of this title, and amending sections 1001, 1336, and 1402 of this title] shall be effective only as to articles entered, or withdrawn from warehouse, for consumption on or after the thirtieth day following the publication of the final list provided for in section 6(a) of this Act [set out in note under section 1402 of this title], and section 3 [amending section 372 of former Title 31] shall be effective as to entries filed on or after the thirtieth day following the date of enactment of this Act [Aug. 2, 1956].''

PRESIDENTIAL REPORT TO CONGRESS ON OPERATION OF AGREEMENT ON IMPLEMENTATION OF ARTICLE VII OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE OVER 2-YEAR PERIOD

Section 203 of Pub. L. 96–39 provided that: ''As soon as practicable after the close of the 2-year period beginning on the date on which the amendments made by this title (other than section 223(b), relating to certain rubber footwear) take effect [see Effective Date of 1979 Amendment note set out above], the President shall prepare and submit to Congress a report containing an evaluation of the operation of the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade approved under section 2(a) [section 2503(a) of this title] (hereinafter in this subtitle referred to as the 'Agreement'), both domestically and internationally, during that period.''

LIST OF ARTICLES TO BE VALUED; PRELIMINARY LIST; ADDITIONS; FINAL LIST; TRANSMITTAL TO CONGRESSIONAL COMMITTEES

Section 6 of act Aug. 2, 1956, provided that:

''(a) The Secretary of the Treasury shall determine and make public a list of the articles which shall be valued in accordance with section 402a, Tariff Act of 1930, as amended by this Act [former section 1402 of this title], as follows:

''As soon as practicable after the enactment of this Act [Aug. 2, 1956] the Secretary shall make public a preliminary list of the imported articles which he shall have determined, after such investigation as he deems necessary, would have been appraised in accordance with section 402 of the Tariff Act of 1930, as amended by this Act [this section], at average values for each article which are 95 (or less) per centum of the average values at which such article was actually appraised during the fiscal year 1954. If within sixty days after the publication of such preliminary list any manufacturer, producer, or wholesaler in the United States presents to the Secretary his reason for belief that any imported articles not specified in such list and like or similar to articles manufactured, produced, or sold at wholesale by him would have been appraised in accordance with such section 402 [section 1401a of this title] at average values which are 95 (or less) per centum of the average values at which they were or would have been appraised under section 402a, Tariff Act of 1930, as amended by this Act, the Secretary shall cause such investigation of the matter to be made as he deems necessary. If in the opinion of the Secretary the reason for belief is substantiated by the investigation, the articles involved shall be added to the preliminary list and such list, including any additions so made thereto, shall be published as a final list. Every article so specified in the final list which is entered, or withdrawn from warehouse, for consumption on or after the thirtieth day following the date of publication of the final list shall be appraised in accordance with the provisions of section 402a, Tariff Act of 1930, as amended by this Act.

''(b) The final list published in accordance with the provisions of subsection (a), together with explanatory data, shall be transmitted promptly to the chairmen of the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 58c, 1332, 1351, 1500, 2112, 2481 of this title; title 26 sections 904, 927, 993.

§ 1402. Repealed. Pub. L. 96–39, title II, § 201(b), July 26, 1979, 93 Stat. 201

Section, acts June 17, 1930, ch. 497, title IV, § 402a, formerly § 402, 46 Stat. 708; June 25, 1938, ch. 679, § 8, 52 Stat. 1081, renumbered and amended Aug. 2, 1956, ch. 887, § 2(a), (f), 70 Stat. 943, 946; June 2, 1970, Pub. L. 91–271, title III, § 301(d), 84 Stat. 288, provided an alternative basis for valuation of articles designated by the Secretary of Treasury as provided for by act Aug. 2, 1956, ch. 887, § 6(a), 70 Stat. 948, as either the foreign value or the export value, whichever is higher, or if the appropriate customs officer determines that neither the foreign value nor the export value can be satisfactorily ascertained, then the United States value, or if the appropriate customs officer determines that neither the foreign value, the export value, nor the United States value can be satisfactorily ascertained, then the cost of production, or in the case of an article with respect to which there is in effect under section 1336 of this title a rate of duty based upon the American selling price of a domestic article, then the American selling price of such article, defined foreign value, export value, United States value, cost of production, and American selling price, and provided for review of the decision of the appropriate customs officer.

Provisions similar to those of this section were contained in act Oct. 3, 1913, ch. 16, § III, L and R, 38 Stat. 185, 189, and in act May 27, 1921, ch. 14, title III, §§ 301–304, 42 Stat. 15, 16, all of which were superseded by act Sept. 21, 1922, ch. 356, title IV, § 402, 42 Stat. 949, and were repealed by section 643 thereof. Section 402 of the 1922 act was superseded by section 402 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Earlier provisions on the subject were contained in R.S. §§ 2905–2907, and 2952, prior to repeal by act June 10, 1890, ch. 407, § 29, 26 Stat. 141; and in act June 10, 1890, ch. 407, §§ 11 and 19, 26 Stat. 136, 139, as amended by act July 24, 1897, ch. 11, § 32, 30 Stat. 211, and act Aug. 5, 1909, ch. 6, § 28, 36 Stat. 97, 101, prior to repeal by act Oct. 3, 1913, ch. 16, § IV, S, 38 Stat. 201.

R.S. § 2906, requiring the collector to cause the actual market value, or wholesale price at the period of exportation, to be appraised, and providing that such appraised value should be considered the value upon which duty should be assessed, and R.S. § 2913, relative to the appraisement of gloves protected by trademark, were repealed by section 642 of the act of Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

EFFECTIVE DATE OF REPEAL

Repeal effective July 1, 1980, see section 204(a)(2) of Pub. L. 96–39, set out as an Effective Date of 1979 Amendment note under section 1401a of this title.

SUBPART B—NATIONAL CUSTOMS AUTOMATION PROGRAM

§ 1411. National Customs Automation Program

(a) Establishment

The Secretary shall establish the National Customs Automation Program (hereinafter in this subpart referred to as the ''Program'') which shall be an automated and electronic system for processing commercial importations and shall include the following existing and planned components:

(1) Existing components:

(A) The electronic entry of merchandise.

(B) The electronic entry summary of required information.

(C) The electronic transmission of invoice information.

(D) The electronic transmission of manifest information.

(E) Electronic payments of duties, fees, and taxes.

(F) The electronic status of liquidation and reliquidation.

(G) The electronic selection of high risk entries for examination (cargo selectivity and entry summary selectivity).

(2) Planned components:

(A) The electronic filing and status of protests.

(B) The electronic filing (including remote filing under section 1414 of this title) of entry information with the Customs Service at any location.

(C) The electronic filing of import activity summary statements and reconciliation.

(D) The electronic filing of bonds.

(E) The electronic penalty process.

(F) The electronic filing of drawback claims, records, or entries.

(G) Any other component initiated by the Customs Service to carry out the goals of this subpart.

(b) Participation in Program

The Secretary shall by regulation prescribe the eligibility criteria for participation in the Program. Participation in the Program is voluntary.

(June 17, 1930, ch. 497, title IV, § 411, as added Dec. 8, 1993, Pub. L. 103–182, title VI, § 631(2), 107 Stat. 2188.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1401, 1413, 1641 of this title.

§ 1412. Program goals

The goals of the Program are to ensure that all regulations and rulings that are administered or enforced by the Customs Service are administered and enforced in a manner that—

(1) is uniform and consistent;

(2) is as minimally intrusive upon the normal flow of business activity as practicable; and

(3) improves compliance.

(June 17, 1930, ch. 497, title IV, § 412, as added Dec. 8, 1993, Pub. L. 103–182, title VI, § 631(2), 107 Stat. 2189.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1413 of this title.

§ 1413. Implementation and evaluation of Program

(a) Overall Program plan

(1) In general

Before the 180th day after December 8, 1993, the Secretary shall develop and transmit to the Committees an overall plan for the Program. The overall Program plan shall set forth—

(A) a general description of the ultimate configuration of the Program;

(B) a description of each of the existing components of the Program listed in section 1411(a)(1) of this title; and

(C) estimates regarding the stages on which planned components of the Program listed in section 1411(a)(2) of this title will be brought on-line.

(2) Additional information

In addition to the information required under paragraph (1), the overall Program plan shall include a statement regarding—

(A) the extent to which the existing components of the Program currently meet, and the planned components will meet, the Program goals set forth in section 1412 of this title; and

(B) the effects that the existing components are currently having, and the effects that the planned components will likely have, on—

(i) importers, brokers, and other users of the Program, and

(ii) Customs Service occupations, operations, processes, and systems.

(b) Implementation plan, testing, and evaluation

(1) Implementation plan

For each of the planned components of the Program listed in section 1411(a)(2) of this title, the Secretary shall—

(A) develop an implementation plan;

(B) test the component in order to assess its viability;

(C) evaluate the component in order to assess its contribution toward achieving the program goals; and

(D) transmit to the Committees the implementation plan, the testing results, and an evaluation report.

In developing an implementation plan under subparagraph (A) and evaluating components under subparagraph (C), the Secretary shall publish a request for comments in the Customs Bulletin and shall consult with the trade community, including importers, brokers, shippers, and other affected parties.

(2) Implementation

(A) The Secretary may implement on a permanent basis any Program component referred to in paragraph (1) on or after the date which is 30 days after paragraph (1)(D) is complied with.

(B) For purposes of subparagraph (A), the 30 days shall be computed by excluding—

(i) the days either House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die, and

(ii) any Saturday and Sunday, not excluded under clause (i), when either House is not in session.

(3) Evaluation and report

The Secretary shall—

(A) develop a user satisfaction survey of parties participating in the Program;

(B) evaluate the results of the user satisfaction survey on a biennial basis (fiscal years) and transmit a report to the Committees on the evaluation by no later than the 90th day after the close of each 2d fiscal year;

(C) with respect to the existing Program component listed in section 1411(a)(1)(G) of this title transmit to the Committees—

(i) a written evaluation of such component before the 180th day after December 8, 1993, and before the implementation of the planned Program components listed in section 1411(a)(2)(B) and (C) of this title, and

(ii) a report on such component for each of the 3 full fiscal years occurring after December 8, 1993, which report shall be transmitted not later than the 90th day after the close of each such year; and

(D) not later than the 90th day after the close of fiscal year 1994, and annually thereafter through fiscal year 2000, transmit to the Committees a written evaluation with respect to the implementation and effect on users of each of the planned Program components listed in section 1411(a)(2) of this title.

In carrying out the provisions of this paragraph, the Secretary shall publish requests for comments in the Customs Bulletin and shall consult with the trade community, including importers, brokers, shippers, and other affected parties.

(c) Committees

For purposes of this section, the term ''Committees'' means the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate.

(June 17, 1930, ch. 497, title IV, § 413, as added Dec. 8, 1993, Pub. L. 103–182, title VI, § 631(2), 107 Stat. 2189.)

CODIFICATION

December 8, 1993, referred to in subsec. (a)(1), was in the original ''the date of the enactment of this Act'', which was translated as meaning the date of enactment of Pub. L. 103–182, which enacted this section, to reflect the probable intent of Congress.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1641 of this title.

§ 1414. Remote location filing

(a) Core entry information

(1) In general

A Program participant may file electronically an entry of merchandise with the Customs Service from a location other than the district designated in the entry for examination (hereafter in this section referred to as a ''remote location'') if—

(A) the Customs Service is satisfied that the participant has the capabilities referred to in paragraph (2)(A) regarding such method of filing; and

(B) the participant elects to file from the remote location.

(2) Requirements

(A) In general

In order to qualify for filing from a remote location, a Program participant must have the capability to provide, on an entry-by-entry basis, for the following:

(i) The electronic entry of merchandise.

(ii) The electronic entry summary of required information.

(iii) The electronic transmission of invoice information (when required by the Customs Service).

(iv) The electronic payment of duties, fees, and taxes.

(v) Such other electronic capabilities within the existing or planned components of the Program as the Secretary shall by regulation require.

(B) Restriction on exemption from requirements

The Customs Service may not permit any exemption or waiver from the requirements established by this section for participation in remote entry filing.

(3) Conditions on filing under this section

The Secretary may prohibit a Program participant from participating in remote location filing, and may remove a Program participant from participation in remote location filing, if the participant—

(i) fails to meet all the compliance requirements and operational standards of remote location filing; or

(ii) fails to adhere to all applicable laws and regulations.

(4) Alternative filing

Any Program participant that is eligible to file entry information electronically from a remote location but chooses not to do so in the case of any entry must file any paper documentation for the entry at the designated location referred to in subsection (d) of this section.

(b) Additional entry information

(1) In general

A Program participant that is eligible under subsection (a) of this section to file entry information from a remote location may, if the Customs Service is satisfied that the participant meets the requirements under paragraph (2), also electronically file from the remote location additional information that is required by the Customs Service to be presented before the acceptance of entry summary information and at the time of acceptance of entry summary information.

(2) Requirements

The Secretary shall publish, and periodically update, a list of those capabilities within the existing and planned components of the Program that a Program participant must have for purposes of this subsection.

(3) Filing of additional information

(A) If information electronically acceptable

A Program participant that is eligible under paragraph (1) to file additional information from a remote location shall electronically file all such information that the Customs Service can accept electronically.

(B) Alternative filing

If the Customs Service cannot accept additional information electronically, the Program participant shall file the paper documentation with respect to the information at the appropriate filing location.

(C) Appropriate location

For purposes of subparagraph (B), the ''appropriate location'' is—

(i) before January 1, 1999, a designated location; and

(ii) after December 31, 1998—

(I) if the paper documentation is required for release, a designated location; or

(II) if the paper documentation is not required for release, a remote location designated by the Customs Service or a designated location.

(D) Other

A Program participant that is eligible under paragraph (1) to file additional information electronically from a remote location but chooses not to do so must file the paper documentation with respect to the information at a designated location.

(c) Post-entry summary information

A Program participant that is eligible to file electronically entry information under subsection (a) of this section and additional information under subsection (b) of this section from a remote location may file at any remote location designated by the Customs Service any information required by the Customs Service after entry summary.

(d) Definitions

As used in this section:

(1) The term ''designated location'' means a customs office located in the customs district designated by the entry filer for purposes of customs examination of the merchandise.

(2) The term ''Program participant'' means, with respect to an entry of merchandise, any party entitled to make the entry under section 1484(a)(2)(B) of this title.

(June 17, 1930, ch. 497, title IV, § 414, as added Dec. 8, 1993, Pub. L. 103–182, title VI, § 631(2), 107 Stat. 2191.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1411 of this title.

PART II—REPORT, ENTRY, AND UNLADING OF VESSELS AND VEHICLES

§ 1431. Manifests

(a) In general

Every vessel required to make entry under section 1434 of this title or obtain clearance under section 91 of title 46, Appendix, shall have a manifest that complies with the requirements prescribed under subsection (d) of this section.

(b) Production of manifest

Any manifest required by the Customs Service shall be signed, produced, delivered or electronically transmitted by the master or person in charge of the vessel, aircraft, or vehicle, or by any other authorized agent of the owner or operator of the vessel, aircraft, or vehicle in accordance with the requirements prescribed under subsection (d) of this section. A manifest may be supplemented by bill of lading data supplied by the issuer of such bill. If any irregularity of omission or commission occurs in any way in respect to any manifest or bill of lading data, the owner or operator of the vessel, aircraft or vehicle, or any party responsible for such irregularity, shall be liable for any fine or penalty prescribed by law with respect to such irregularity. The Customs Service may take appropriate action against any of the parties.

(c) Public disclosure of certain manifest information

(1) Except as provided in subparagraph (2), the following information, when contained in such manifest, shall be available for public disclosure:

(A) The name and address of each importer or consignee and the name and address of the shipper to such importer or consignee, unless the importer or consignee has made a biennial certification, in accordance with procedures adopted by the Secretary of the Treasury, claiming confidential treatment of such information.

(B) The general character of the cargo.

(C) The number of packages and gross weight.

(D) The name of the vessel or carrier.

(E) The port of loading.

(F) The port of discharge.

(G) The country of origin of the shipment.

(2) The information listed in paragraph (1) shall not be available for public disclosure if—

(A) the Secretary of the Treasury makes an affirmative finding on a shipment-by-shipment basis that disclosure is likely to pose a threat of personal injury or property damage; or

(B) the information is exempt under the provisions of section 552(b)(1) of title 5.

(3) The Secretary of the Treasury, in order to allow for the timely dissemination and publication of the information listed in paragraph (1), shall establish procedures to provide access to manifests. Such procedures shall include provisions for adequate protection against the public disclosure of information not available for public disclosure from such manifests.

(d) Regulations

(1) In general

The Secretary shall by regulation—

(A) specify the form for, and the information and data that must be contained in, the manifest required by subsection (a) of this section;

(B) allow, at the option of the individual producing the manifest and subject to paragraph (2), letters and documents shipments to be accounted for by summary manifesting procedures;

(C) prescribe the manner of production for, and the delivery for electronic transmittal of, the manifest required by subsection (a) of this section; and

(D) prescribe the manner for supplementing manifests with bill of lading data under subsection (b) of this section.

(2) Letters and documents shipments

For purposes of paragraph (1)(B)—

(A) the Customs Service may require with respect to letters and documents shipments—

(i) that they be segregated by country of origin, and

(ii) additional examination procedures that are not necessary for individually manifested shipments;

(B) standard letter envelopes and standard document packs shall be segregated from larger document shipments for purposes of customs inspections; and

(C) the term ''letters and documents'' means—

(i) data described in General Headnote 4(c) of the Harmonized Tariff Schedule of the United States,

(ii) securities and similar evidences of value described in heading 4907 of such Schedule, but not monetary instruments defined pursuant to chapter 53 of title 31, and

(iii) personal correspondence, whether on paper, cards, photographs, tapes, or other media.

(June 17, 1930, ch. 497, title IV, § 431, 46 Stat. 710; Aug. 8, 1953, ch. 397, § 15, 67 Stat. 516; Oct. 30, 1984, Pub. L. 98–573, title II, § 203, 98 Stat. 2974; Nov. 18, 1988, Pub. L. 100–690, title VII, § 7367(c)(1), 102 Stat. 4479; Dec. 8, 1993, Pub. L. 103–182, title VI, § 635, 107 Stat. 2199.)

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States, referred to in subsec. (d)(2)(C)(i), (ii), is not set out in

the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

PRIOR PROVISIONS

R.S. §§ 2806, 2807 (as amended by act June 3, 1902, ch. 86, § 1, 27 Stat. 41), and 2808, requiring manifests, and prescribing their contents, were superseded by act Sept. 21, 1922, ch. 356, title IV, § 431, 42 Stat. 950, and repealed by section 642 thereof. Section 431 of the 1922 act was superseded by section 431 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

R.S. § 2805, relative to the administration of oaths required by that chapter, was superseded to a great extent by the Customs Administrative Act of June 10, 1890, ch. 407, § 22, 26 Stat. 140, amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 102, and by the Underwood Tariff Act of Oct. 3, 1913, ch. 16, § IV, S., 38 Stat. 201, which abolished all oaths administered by officers of the customs, except as provided in those acts and repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Subsecs. (a) and (b). Pub. L. 103–182, § 635(1), amended subsecs. (a) and (b) generally, substituting present provisions for provisions relating to, in subsec. (a), the requirement, form, and contents of manifests and, in subsec. (b), the signing and delivery of manifests.

Subsec. (d). Pub. L. 103–182, § 635(2), added subsec. (d).

1988—Subsec. (c)(1)(G). Pub. L. 100–690 substituted ''country of origin'' for ''country or origin''.

1984—Subsec. (a). Pub. L. 98–573, § 203(1), inserted ''; and the names of the shippers of such merchandise'' in par. Third.

Subsec. (c). Pub. L. 98–573, § 203(2), added subsec. (c).

1953—Act Aug. 8, 1953, designated existing provisions as subsec. (a) and added subsec. (b).

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective on 15th day after Oct. 30, 1984, see section 214(a), (b) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment to this section effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1436 of this title; title 18 section 965.

§§ 1432, 1432a. Repealed. Pub. L. 103–182, title VI, § 690(b)(1), (c)(5), Dec. 8, 1993, 107 Stat. 2223

Section 1432, acts June 17, 1930, ch. 497, title IV, § 432, 46 Stat. 710; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287, required that the manifest of any vessel arriving from foreign port or place separately specify articles to be retained on board as sea stores, ship's stores, bunker coal, or bunker oil and provided for forfeiture and penalties for omitted articles.

Section 1432a, act June 17, 1930, ch. 497, title IV, § 401 (part), as added Aug. 5, 1935, ch. 438, title II, § 201, 49 Stat. 521, provided that any vessel which had visited any hovering vessel would be deemed to have arrived from a foreign port or place, for purposes of certain provisions of law. Section 690(c)(5) of Pub. L. 103–182 which directed the repeal of the ''last undesignated paragraph of section 201 of the Act of August 5, 1935 (19 U.S.C. 1432a)'', was executed by repealing this section, which was based on the last undesignated paragraph of section 401 of act June 17, 1930, as added by section 201 of act Aug. 5, 1935, to reflect the probable intent of Congress.

§ 1433. Report of arrival of vessels, vehicles, and aircraft

(a) Vessel arrival

(1) Immediately upon the arrival at any port or place within the United States or the Virgin Islands of—

(A) any vessel from a foreign port or place;

(B) any foreign vessel from a domestic port;

(C) any vessel of the United States carrying bonded merchandise, or foreign merchandise for which entry has not been made; or

(D) any vessel which has visited a hovering vessel or received merchandise while outside the territorial sea;

the master of the vessel shall report the arrival at the nearest customs facility or such other place as the Secretary may prescribe by regulations.

(2) The Secretary may by regulation—

(A) prescribe the manner in which arrivals are to be reported under paragraph (1); and

(B) extend the time in which reports of arrival must be made, but not later than 24 hours after arrival.

(b) Vehicle arrival

(1) Vehicles may arrive in the United States only at border crossing points designated by the Secretary.

(2) Except as otherwise authorized by the Secretary, immediately upon the arrival of any vehicle in the United States at a border crossing point, the person in charge of the vehicle shall—

(A) report the arrival; and

(B) present the vehicle, and all persons and merchandise (including baggage) on board, for inspection;

to the customs officer at the customs facility designated for that crossing point.

(c) Aircraft arrival

The pilot of any aircraft arriving in the United States or the Virgin Islands from any foreign airport or place shall comply with such advance notification, arrival reporting, and landing requirements as the Secretary may by regulation prescribe.

(d) Presentation of documentation

The master, person in charge of a vehicle, or aircraft pilot shall present, or transmit pursuant to an electronic data interchange system, to the Customs Service such information, data, documents, papers, or manifests as the Secretary may by regulation prescribe.

(e) Prohibition on departures and discharge

Unless otherwise authorized by law, a vessel, aircraft or vehicle after arriving in the United States or Virgin Islands may, but only in accordance with regulations prescribed by the Secretary—

(1) depart from the port, place, or airport of arrival; or

(2) discharge any passenger or merchandise (including baggage).

(June 17, 1930, ch. 497, title IV, § 433, 46 Stat. 711; 1946 Reorg. Plan No. 3, §§ 101–104, eff. July 16, 1946, 11 F.R. 7875, 60 Stat. 1097; Oct. 27, 1986, Pub. L. 99–570, title III, § 3112, 100 Stat. 3207–80; Dec. 8,

1993, Pub. L. 103–182, title VI, § 652, 107 Stat. 2209.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 433, 42 Stat. 951. That section was superseded by section 433 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

R.S. § 2774, requiring a report of arrival, and a further report in the form of a manifest, and imposing a penalty for violations was superseded by act Sept. 21, 1922, ch. 356, title IV, § 433, 42 Stat. 951, and repealed by section 642 of that act.

R.S. § 2772, relative to report and entry by the master of every vessel, bound to a port of delivery; section 2775, requiring a special report by the master of any vessel having on board distilled spirits or wines; and section 2832, relative to report of arrival of vessels proceeding to the ports of Natchez or Vicksburg, were also repealed by section 642 of the act of Sept. 21, 1922, ch. 356.

AMENDMENTS

1993—Subsec. (a)(1)(D). Pub. L. 103–182, § 652(1), added subpar. (D).

Subsec. (d). Pub. L. 103–182, § 652(2), substituted ''present, or transmit pursuant to an electronic data interchange system, to the Customs Service such information, data,'' for ''present to customs officers such''.

Subsec. (e). Pub. L. 103–182, § 652(3), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: ''Unless otherwise authorized by law, a vessel, aircraft, or vehicle may, after arriving in the United States or the Virgin Islands—

''(1) depart from the port, place, or airport of arrival; or

''(2) discharge any passenger or merchandise (including baggage);

only in accordance with regulations prescribed by the Secretary.''

1986—Pub. L. 99–570 amended section generally. Prior to amendment, section read as follows: ''Within twenty-four hours after the arrival of any vessel from a foreign port or place, or of a foreign vessel from a domestic port, or of a vessel of the United States carrying bonded merchandise, or foreign merchandise for which entry has not been made, at any port or place within the United States at which such vessel shall come to, the master shall, unless otherwise provided by law, report the arrival of the vessel at the nearest customhouse, under such regulations as the Commissioner of Customs may prescribe.''

TRANSFER OF FUNCTIONS

''Commissioner of Customs'' substituted in text for ''Secretary of Commerce'' on authority of Reorg. Plan No. 3 of 1946, set out in the Appendix to Title 5, Government Organization and Employees.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1436, 1441, 1448, 1459 of this title; title 46 section 12109.

§ 1434. Entry; vessels

(a) Formal entry

Within 24 hours (or such other period of time as may be provided under subsection (c)(2) of this section) after the arrival at any port or place in the United States of—

(1) any vessel from a foreign port or place;

(2) any foreign vessel from a domestic port;

(3) any vessel of the United States having on board bonded merchandise or foreign merchandise for which entry has not been made; or

(4) any vessel which has visited a hovering vessel or has delivered or received merchandise while outside the territorial sea;

the master of the vessel shall, unless otherwise provided by law, make formal entry at the nearest customs facility or such other place as the Secretary may prescribe by regulation.

(b) Preliminary entry

The Secretary may by regulation permit the master to make preliminary entry of the vessel with the Customs Service in lieu of formal entry or before formal entry is made. In permitting preliminary entry, the Customs Service shall board a sufficient number of vessels to ensure compliance with the laws it enforces.

(c) Regulations

The Secretary may by regulation—

(1) prescribe the manner and format in which entry under subsection (a) of this section or subsection (b) of this section, or both, must be made, and such regulations may provide that any such entry may be made electronically pursuant to an electronic data interchange system;

(2) provide that—

(A) formal entry must be made within a greater or lesser time than 24 hours after arrival, but in no case more than 48 hours after arrival, and

(B) formal entry may be made before arrival; and

(3) authorize the Customs Service to permit entry or preliminary entry of any vessel to be made at a place other than a designated port of entry, under such conditions as may be prescribed.

(June 17, 1930, ch. 497, title IV, § 434, 46 Stat. 711; Aug. 5, 1935, ch. 438, title III. § 301, 49 Stat. 527; 1946 Reorg. Plan No. 3, §§ 101–104, eff. July 16, 1946, 11 F.R. 7875, 60 Stat. 1097; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Dec. 8, 1993, Pub. L. 103–182, title VI, § 653, 107 Stat. 2210.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 434, 42 Stat. 951. That section was superseded by section 434 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions for deposit of the register and other papers previous to entry, and for their return to the master or owner of the vessel on clearance of the vessel, were contained in R.S. § 2790, which was superseded by act Sept. 21, 1922, ch. 356, title IV, § 434, 42 Stat. 951, and repealed by section 642 of that act.

R.S. § 2836, relative to the entry of vessels arriving within the districts of Petersburg or Richmond (abolished by the Plan of Reorganization of the Customs Service set forth in a note to section 1 of this title) was also repealed by section 642 of act Sept. 21, 1922, ch. 356.

Special provisions for Astoria and Portland were contained in R.S. §§ 2588–2590, which were also repealed by section 642 of the act of Sept. 21, 1922, ch. 356.

R.S. § 2835, prescribing the duties of masters of vessels bound up James River, Virginia, in regard to deposit of manifests, etc., was repealed by act Mar. 3, 1897, ch. 389, § 16, 29 Stat. 691.

Special provisions to facilitate the entry of steamships running in an established line in foreign trade, made by act June 5, 1894, ch. 92, § 1, 28 Stat. 85, and extended to steamships trading between Porto Rico and Hawaii and the United States by act May 31, 1900, ch. 600, 31 Stat. 249, were repealed by section 6 of act Feb. 13, 1911, ch. 46, the preceding sections of which act

made more comprehensive provisions for preliminary entry of any vessel from a foreign port, and for the lading or unlading of such vessels at night. Sections 1 to 4 of said act of 1911, were repealed by section 643 of the act of Sept. 21, 1922, ch. 356.

AMENDMENTS

1993—Pub. L. 103–182 amended section generally. Prior to amendment, section read as follows: ''Except as otherwise provided by law, and under such regulations as the Commissioner of Customs may prescribe, the master of a vessel of the United States arriving in the United States from a foreign port or place shall, within forty-eight hours after its arrival within the limits of any customs collection district, make formal entry of the vessel at the customhouse by producing and depositing with the appropriate customs officer the vessel's crew list, its register, or document in lieu thereof, the clearance and bills of health issued to the vessel at the foreign port or ports from which it arrived, together with the original and one copy of the manifest, and shall make oath that the ownership of the vessel is as indicated in the register, or document in lieu thereof, and that the manifest was made out in accordance with section 1431 of this title.''

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

1935—Act Aug. 5, 1935, inserted ''or document in lieu thereof'' after ''indicated in the register''.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

''Commissioner of Customs'' substituted in text for ''Secretary of Commerce'' on authority of Reorg. Plan No. 3 of 1946, set out in the Appendix to Title 5, Government Organization and Employees.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1431, 1436, 1438, 1441, 1448 of this title.

§ 1435. Repealed. Pub. L. 103–182, title VI, § 690(b)(2), Dec. 8, 1993, 107 Stat. 2223

Section, act June 17, 1930, ch. 497, title IV, § 435, 46 Stat. 711, set forth entry requirements for foreign vessels arriving within limits of any customs collection district.

§ 1435a. Transferred

CODIFICATION

Section, act May 4, 1934, ch. 212, 48 Stat. 663, was transferred to section 91a of former Title 46, Shipping, and subsequently repealed by Pub. L. 103–182, title VI, § 690(c)(7), Dec. 8, 1993, 107 Stat. 2223.

§ 1435b. Repealed. Pub. L. 103–182, title VI, § 690(c)(6), Dec. 8, 1993, 107 Stat. 2223

Section, acts June 16, 1937, ch. 362, 50 Stat. 303; 1946 Reorg. Plan No. 3, §§ 101–104, eff. July 16, 1946, 11 F.R. 7875, 60 Stat. 1097; June 2, 1970, Pub. L. 91–271, title III, § 320, 84 Stat. 293, related to clearance of vessels arriving on Sundays, holidays, or at night.

§ 1436. Penalties for violations of arrival, reporting, entry, and clearance requirements

(a) Unlawful acts

It is unlawful—

(1) to fail to comply with section 1431, 1433, or 1434 of this title or section 91 of title 46, Appendix;

(2) to present or transmit, electronically or otherwise, any forged, altered, or false document, paper, information, data or manifest to the Customs Service under section 1431(e),[1] 1433(d), or 1434 of this title or section 91 of title 46, Appendix, without revealing the facts; or[2]

(3) to fail to make entry or to obtain clearance as required by section 1434 or 1644 of this title, section 91 of title 46, Appendix, or section 1644a(b)(1) or (c)(1) of this title; or

(4) to fail to comply with, or violate, any regulation prescribed under any section referred to in any of paragraphs (1) through (3).

(b) Civil penalty

Any master, person in charge of a vehicle, or aircraft pilot who commits any violation listed in subsection (a) of this section is liable for a civil penalty of $5,000 for the first violation, and $10,000 for each subsequent violation, and any conveyance used in connection with any such violation is subject to seizure and forfeiture.

(c) Criminal penalty

In addition to being liable for a civil penalty under subsection (b) of this section, any master, person in charge of a vehicle, or aircraft pilot who intentionally commits any violation listed in subsection (a) of this section is, upon conviction, liable for a fine of not more than $2,000 or imprisonment for 1 year, or both; except that if the conveyance has, or is discovered to have had, on board any merchandise (other than sea stores or the equivalent for conveyances other than vessels) the importation of which into the United States is prohibited, such individual is liable for an additional fine of not more than $10,000 or imprisonment for not more than 5 years, or both.

(d) Additional civil penalty

If any merchandise (other than sea stores or the equivalent for conveyances other than a vessel) is imported or brought into the United States in or aboard a conveyance which was not properly reported or entered, the master, person in charge of a vehicle, or aircraft pilot shall be liable for a civil penalty equal to the value of the merchandise and the merchandise may be seized and forfeited unless properly entered by the importer or consignee. If the merchandise consists of any controlled substance listed in section 1584 of this title, the master, individual in charge of a vehicle, or pilot shall be liable to the penalties prescribed in that section.

(June 17, 1930, ch. 497, title IV, § 436, 46 Stat. 711; Aug. 5, 1935, ch. 438, title II, § 202, 49 Stat. 521; Oct. 27, 1986, Pub. L. 99–570, title III, § 3113(a), 100 Stat. 3207–81; Dec. 8, 1993, Pub. L. 103–182, title VI, § 611, 107 Stat. 2170.)

CODIFICATION

In subsec. (a)(3), ''section 1644a(b)(1) or (c)(1) of this title'' substituted for ''section 1109 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1509)'' on authority of Pub. L. 103–272, § 6(b), July 5, 1994, 108 Stat. 1378, the first section of which enacted subtitles II, III, and V to X of Title 49, Transportation.

[1] So in original. Section 1431 of this title does not contain a subsec. (e).

[2] So in original. The word ''or'' probably should not appear.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in R.S. § 2834, as amended by act Mar. 3, 1897, ch. 389, § 15, 29 Stat. 691, which was superseded by act Sept. 21, 1922, ch. 356, title IV, § 436, 42 Stat. 951, and was repealed by section 642 thereof. Section 436 of the 1922 act was superseded by section 436 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1993—Pub. L. 103–182, § 611(2), substituted ''entry, and clearance'' for ''and entry'' in section catchline.

Subsec. (a)(1). Pub. L. 103–182, § 611(1)(A), substituted ''section 1431, 1433, or 1434 of this title or section 91 of title 46, Appendix'' for ''section 1433 of this title''.

Subsec. (a)(2), (3). Pub. L. 103–182, § 611(1)(B), (C), amended pars. (2) and (3) generally. Prior to amendment, pars. (2) and (3) read as follows:

''(2) to present any forged, altered, or false document, paper, or manifest to a customs officer under section 1433(d) of this title without revealing the facts;

''(3) to fail to make entry as required by section 1434, 1435, or 1644 of this title or section 1509 of title 49, Appendix; or''.

1986—Pub. L. 99–570 amended section generally. Prior to amendment, section read as follows: ''Every master who fails to make the report or entry provided for in sections 1433, 1434, or 1435 of this title shall, for each offense, be liable to a fine of not more than $1,000 and, if the vessel have, or be discovered to have had, on board any merchandise (sea stores excepted), the importation of which into the United States is prohibited, or any spirits, wines, or other alcoholic liquors, such master shall be subject to an additional fine of not more than $2,000 or to imprisonment for not more than one year, or to both such fine and imprisonment.

''Every master who presents a forged, altered, or false document or paper on making entry of a vessel as required by section 1434 or 1435 of this title, knowing the same to be forged, altered, or false and without revealing the fact, shall, in addition to any forfeiture to which in consequence the vessel may be subject, be liable to a fine of not more than $5,000 nor less than $50 or to imprisonment for not more than two years, or to both such fine and imprisonment.''

1935—Act Aug. 5, 1935, inserted provisions relating to additional penalty for vessel carrying nonimportable merchandise or liquor and added second par.

§ 1437. Repealed. Pub. L. 103–182, title VI, § 690(b)(3), Dec. 8, 1993, 107 Stat. 2223

Section, act June 17, 1930, ch. 497, title IV, § 437, 46 Stat. 711, provided for return of register or document to master or owner of vessel upon clearance.

§ 1438. Unlawful return of foreign vessel's papers

It shall not be lawful for any foreign consul to deliver to the master of any foreign vessel the register, or document in lieu thereof, deposited with him in accordance with the provisions of section 1434 of this title, or regulations issued thereunder, until such master shall produce to him a clearance in due form from the Customs Service in the port in which such vessel has entered. Any consul offending against the provisions of this section shall be liable to a fine of not more than $5,000.

(June 17, 1930, ch. 497, title IV, § 438, 46 Stat. 712; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Dec. 8, 1993, Pub. L. 103–182, title VI, § 654, 107 Stat. 2210.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 438, 42 Stat. 952. That section was superseded by section 438 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1993—Pub. L. 103–182 substituted ''section 1434'' for ''section 1435'', inserted '', or regulations issued thereunder,'' before ''until such master'', and substituted ''the Customs Service in the port in which such vessel has entered'' for ''the appropriate customs officer of the port where such vessel has been entered''.

1970—Pub. L. 91–271 substituted reference to appropriate customs officers for reference to collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§§ 1439, 1440. Repealed. Pub. L. 103–182, title VI, § 690(b)(4), (5), Dec. 8, 1993, 107 Stat. 2223

Section 1439, acts June 17, 1930, ch. 497, title IV, § 439, 46 Stat. 712; Aug. 8, 1953, ch. 397, § 2(b), 67 Stat. 507, required master of a vessel from a foreign port or place, immediately upon arrival, to mail or deliver to designated employee a copy of manifest and any corrections thereto.

Section 1440, acts June 17, 1930, ch. 497, title IV, § 440, 46 Stat. 712; Aug. 8, 1953, ch. 397, § 2(c), 67 Stat. 508, required master of a vessel to make post entry of any baggage or merchandise not included on manifest and to mail or deliver such entry to designated employee.

§ 1441. Exceptions to vessel entry and clearance requirements

The following vessels shall not be required to make entry under section 1434 of this title or to obtain clearance under section 91 of title 46, Appendix:

(1) Vessels of war and public vessels employed for the conveyance of letters and dispatches and not permitted by the laws of the nations to which they belong to be employed in the transportation of passengers or merchandise in trade;

(2) Passenger vessels making three trips or oftener a week between a port of the United States and a foreign port, or vessels used exclusively as ferryboats, carrying passengers, baggage, or merchandise: *Provided*, That the master of any such vessel shall be required to report such baggage and merchandise to the appropriate customs officer within twenty-four hours after arrival;

(3) Any vessel carrying passengers on excursion from the United States Virgin Islands to the British Virgin Islands and returning, if—

(A) the vessel does not in any way violate the customs or navigation laws of the United States;

(B) the vessel has not visited any hovering vessel; and

(C) the master of the vessel, if there is on board any article required by law to be entered, reports the article to the Customs Service immediately upon arrival.[1]

(4) Any United States documented vessel with recreational endorsement or any undocumented United States pleasure vessel not engaged in trade, if—

[1] So in original. The period probably should be a semicolon.

(A) the vessel complies with the reporting requirements of section 1433 of this title, and with the customs and navigation laws of the United States;

(B) the vessel has not visited any hovering vessel; and

(C) the master of, and any other person on board, the vessel, if the master or such person has on board any article required by law to be entered or declared, reports such article to the Customs Service immediately upon arrival;

(5) Vessels arriving in distress or for the purpose of taking on bunker coal, bunker oil, sea stores, or ship's stores and which shall depart within twenty-four hours after arrival without having landed or taken on board any passengers, or any merchandise other than bunker coal, bunker oil, sea stores, or ship's stores: *Provided*, That the master, owner, or agent of such vessel shall report under oath to the appropriate customs officer the hour and date of arrival and departure and the quantity of bunker coal, bunker oil, sea stores, or ship's stores taken on board; and

(6) Tugs documented under chapter 121 of title 46 with a Great Lakes endorsement when towing vessels which are required by law to enter and clear.

(June 17, 1930, ch. 497, title IV, § 441, 46 Stat. 712; Aug. 5, 1935, ch. 438, title III, § 302, 49 Stat. 527; Aug. 14, 1937, ch. 620, § 1, 50 Stat. 638; Sept. 1, 1954, ch. 1213, title V, § 501(b), 68 Stat. 1140; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Oct. 30, 1984, Pub. L. 98–573, title II, § 204, 98 Stat. 2974; Dec. 8, 1993, Pub. L. 103–182, title VI, § 655, 107 Stat. 2210.)

REFERENCES IN TEXT

The customs laws of the United States, referred to in pars. (3)(A) and (4)(A), are classified generally to this title.

The navigation laws of the United States, referred to in pars. (3)(A) and (4)(A), are classified generally to Title 33, Navigation and Navigable Waters.

PRIOR PROVISIONS

Provisions somewhat similar to those in par. (1) of this section were contained in R.S. § 2791. R.S. § 3123 provided that steam-tugs duly enrolled and licensed to engage in the foreign and coasting trade on the northern, northeastern, and northwestern frontiers of the United States, when exclusively employed in towing vessels, should not be required to report and clear at the custom-house but that when employed in towing rafts or other vessels without sale or steam motive-power, not required to be enrolled or licensed they should report and clear in the same manner as other vessels. Both sections were superseded and more closely assimilated to this section by act Sept. 21, 1922, ch. 356, title IV, § 441, 42 Stat. 952, and repealed by section 642 thereof. Section 441 of the 1922 act was superseded by section 441 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1993—Pub. L. 103–182, § 655(1), (5), substituted catchline for one which read "Vessels not required to enter" and amended introductory provisions generally. Prior to amendment, introductory provisions read as follows: "The following vessels shall not be required to make entry at the customhouse:".

Par. (3). Pub. L. 103–182, § 655(2), amended par. (3) generally. Prior to amendment, par. (3) read as follows: "Vessels carrying passengers on excursion from the United States Virgin Islands to the British Virgin Islands and returning, and licensed yachts or undocumented American pleasure vessels not engaged in trade: *Provided*, That such vessels do not in any way violate the customs or navigation laws of the United States and have not visited any hovering vessel: *Provided further*, That the master of any such vessel which has on board any article required by law to be entered shall be required to report such article to the appropriate customs officer within twenty-four hours after arrival."

Pars. (4), (5). Pub. L. 103–182, § 655(3), added par. (4) and redesignated former par. (4) as (5). Former par. (5) redesignated (6).

Par. (6). Pub. L. 103–182, § 655(3), (4), redesignated par. (5) as (6) and substituted "documented under chapter 121 of title 46 with a Great Lakes endorsement" for "enrolled and licensed to engage in the foreign and coasting trade in the northern, northeastern, and northwestern frontiers".

1984—Par. (3). Pub. L. 98–573 amended par. (3) generally, inserting provision referring to vessels carrying passengers on excursion from the United States Virgin Islands to the British Virgin Islands and returning.

1970—Pars. (2) to (4). Pub. L. 91–271 substituted references to appropriate customs officer for references to collector wherever appearing.

1954—Par. (3). Act Sept. 1, 1954, exempted undocumented American pleasure vessels from entry requirements, and provided that both yachts and undocumented pleasure vessels report to the collector of customs, within 24 hours after arrival, all articles, whether dutiable or not, for which a customs entry is required.

1937—Par. (4). Act Aug. 14, 1937, substituted "sea stores, or ship's stores" for "or necessary sea stores" wherever appearing.

1935—Par. (3). Act. Aug. 5, 1935, inserted "And not visiting any hovering vessel, nor having at any time or, if forfeited to the United States or to a foreign government, at any time after forfeiture, become liable to seizure and forfeiture for any violation of the laws of the United States".

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 applicable with respect to vessels returning from the British Virgin Islands on or after 15th day after Oct. 30, 1984, see section 214(a), (c)(1) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1937 AMENDMENT

Section 2 of act Aug. 14, 1937, provided as follows: "The amendment made by this Act [amending this section] shall take effect on the day following the date of its enactment [Aug. 14, 1937]."

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1448 of this title.

§ 1442. Residue cargo

Any vessel having on board merchandise shown by the manifest to be destined to a foreign port or place may, after the report and entry of such vessel under the provisions of this chapter, proceed to such foreign port of destination with the cargo so destined therefor, without unlading the same and without the payment of duty thereon. Any vessel arriving from a foreign port or place having on board merchandise shown by the manifest to be destined to a port

or ports in the United States other than the port of entry at which such vessel first arrived and made entry may proceed with such merchandise from port to port or from district to district for the unlading thereof.

(June 17, 1930, ch. 497, title IV, § 442, 46 Stat. 713.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in R.S. §§ 2776 (as amended by act June 26, 1884, ch. 121, § 29, 23 Stat. 59), 2777–2779, 2782, and 2783, all of which were superseded by act Sept. 21, 1922, ch. 356, title IV, § 442, 42 Stat. 952, and were repealed by section 642 thereof. Section 442 of the 1922 act was superseded by section 442 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions authorizing the Secretary of the Treasury to require bonds in cases of vessels carrying goods destined for ports other than port of entry were contained in the 1922 act and prior acts. These provisions were omitted from this section. General provisions authorizing the Secretary to require bonds where not specifically required are contained in section 1623 of this title.

Special provisions concerning Astoria and Portland were contained in R.S. §§ 2588 and 2590, prior to repeal by section 642 of the act of Sept. 21, 1922, ch. 356.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1449 of this title.

§§ 1443 to 1445. Repealed. Pub. L. 103–182, title VI, § 690(b)(6), Dec. 8, 1993, 107 Stat. 2223

Section 1443, acts June 17, 1930, ch. 497, title IV, § 443, 46 Stat. 713; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287, related to manifests and permits for merchandise arriving for delivery in different districts or ports of entry.

Section 1444, acts June 17, 1930, ch. 497, title IV, § 444, 46 Stat. 713; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287, required master to report his arrival at another port to a customs officer within twenty-four hours and to produce copies of permit and manifest.

Section 1445, acts June 17, 1930, ch. 497, title IV, § 445, 46 Stat. 713; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287, set forth penalties for failure of master to obtain or produce permit or manifest.

§ 1446. Supplies and stores retained on board

Vessels arriving in the United States from foreign ports may retain on board, without the payment of duty, all coal and other fuel supplies, ships' stores, sea stores, and the legitimate equipment of such vessels. Any such supplies, ships' stores, sea stores, or equipment landed and delivered from such vessel shall be considered and treated as imported merchandise: *Provided*, That bunker coal, bunker oil, ships' stores, sea stores, or the legitimate equipment of vessels belonging to regular lines plying between foreign ports and the United States, which are delayed in port for any cause, may be transferred under a permit by the appropriate customs officer and under customs supervision from the vessel so delayed to another vessel of the same line and owner, and engaged in the foreign trade, without the payment of duty thereon.

(June 17, 1930, ch. 497, title IV, § 446, 46 Stat. 713; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 446, 42 Stat. 953. That section was superseded by section 446 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions similar to those of the last sentence of this section concerning sea stores and equipment, were contained in R.S. § 2797, as amended by act Mar. 3, 1897, ch. 389, § 17, 29 Stat. 691. A provision that steam vessels might retain coal on board without being required to land it or pay duty was contained in R.S. § 2798. Provision for collection of duty on excessive quantities of sea stores was made by R.S. § 2796. All of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§ 1447. Place of entry and unlading

It shall be unlawful to make entry of any vessel or to unlade the cargo or any part thereof of any vessel elsewhere than at a port of entry: *Provided*, That upon good cause therefor being shown, the Commissioner of Customs may permit entry of any vessel to be made at a place other than a port of entry designated by him, under such conditions as he shall prescribe: *And provided further*, That any vessel laden with merchandise in bulk may proceed after entry of such vessel to any place designated by the Secretary of the Treasury for the purpose of unlading such cargo, under the supervision of customs officers if the Customs Service considers the same necessary, and in such case the compensation and expenses of such officers shall be reimbursed to the Government by the party in interest.

(June 17, 1930, ch. 497, title IV, § 447, 46 Stat. 714; 1946 Reorg. Plan No. 3, §§ 101–104, eff. July 16, 1946, 11 F.R. 7875, 60 Stat. 1097; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Dec. 8, 1993, Pub. L. 103–182, title VI, § 649(a), 107 Stat. 2208.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 447, 42 Stat. 953. That section was superseded by section 447 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions concerning the place of entry and unlading of foreign vessels and vessels from foreign ports were contained in R.S. §§ 2770 and 2771, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

Special provisions concerning the place of lading and unlading vessels laden with the products of Canada, New Brunswick, Nova Scotia, Newfoundland and Prince Edward Island were contained in R.S. § 3129, prior to repeal by section 642 of the 1922 act.

R.S. § 2897 authorized Secretary of the Treasury, under regulations by him prescribed, to permit unloading of salt, imported from foreign places, on right bank of Mississippi River, opposite New Orleans, at any point on said bank between upper and lower corporate limits of said city, prior to repeal by act Mar. 3, 1897, ch. 389, § 16, 29 Stat. 691.

AMENDMENTS

1993—Pub. L. 103–182 substituted "the Customs Service considers" for "the appropriate customs officer shall consider".

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Customs personnel, referred to in text, are under Department of the Treasury.

''Commissioner of Customs'' substituted in text for ''Secretary of Commerce'' on authority of Reorg. Plan No. 3 of 1946, set out in the Appendix to Title 5.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1449 of this title.

§ 1448. Unlading

(a) Permits and preliminary entries

Except as provided in section 1441 of this title (relating to vessels not required to enter or clear), no merchandise, passengers, or baggage shall be unladen from any vessel required to make entry under section 1434 of this title, or vehicle required to report arrival under section 1433 of this title, until entry of such vessel or report of the arrival of such vehicle has been made and a permit for the unlading of the same issued or transmitted pursuant to an electronic data interchange system by the Customs Service. After the entry of any vessel or report of the arrival of any vehicle, the Customs Service may issue a permit, electronically pursuant to an authorized electronic data interchange system or otherwise, to the master of the vessel, or to the person in charge of the vehicle, to unlade merchandise or baggage, but except as provided in subdivision (b) of this section merchandise or baggage so unladen shall be retained at the place of unlading until entry therefor is made and a permit for its delivery granted, and the owners of the vessel or vehicle from which any imported merchandise is unladen prior to entry of such merchandise shall be liable for the payment of the duties accruing on any part thereof that may be removed from the place of unlading without a permit therefor having been issued. The owner or master of any vessel or vehicle, or agent thereof, shall notify the Customs Service of any merchandise or baggage so unladen for which entry is not made within the time prescribed by law or regulation. The Secretary shall by regulation prescribe administrative penalties not to exceed $1,000 for each bill of lading for which notice is not given. Any such administrative penalty shall be subject to mitigation and remittance under section 1618 of this title. Such unentered merchandise or baggage shall be the responsibility of the master or person in charge of the importing vessel or vehicle, or agent thereof, until it is removed from the carrier's control in accordance with section 1490 of this title.

(b) Special delivery permit

The Secretary of the Treasury is authorized to provide by regulations for the issuing of special permits for delivery, prior to formal entry therefor, of perishable articles and other articles, the immediate delivery of which is necessary.

(June 17, 1930, ch. 497, title IV, § 448, 46 Stat. 714; June 2, 1970, Pub. L. 91–271, title III, § 301(e), 84 Stat. 288; Dec. 8, 1993, Pub. L. 103–182, title VI, § 656, 107 Stat. 2211.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 448, 42 Stat. 953. That section was superseded by section 448 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions similar to those of this section concerning preliminary entries, and a further provision that on making such entry lading might proceed by both day and night, were contained in act Feb. 13, 1911, ch. 46, § 2, 36 Stat. 900, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

Provisions for the estimation of duties, and the issuance of permits for delivery of merchandise, and provisions prescribing the contents of such permits, were contained in R.S. § 2869, (as amended by act June 5, 1894, ch. 92, § 2, 28 Stat. 86) and § 2870, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

Provisions as to the removal of merchandise brought in any vessel from a foreign port or place, from the wharf or place where it might be landed or put, before it had been weighed, gauged, measured, etc., were contained in R.S. § 2882, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Pub. L. 103–182 in first sentence, substituted ''enter or clear)'' for ''enter)'' and ''required to make entry under section 1434 of this title, or vehicle required to report arrival under section 1433 of this title,'' for ''or vehicle arriving from a foreign port or place'', inserted ''or transmitted pursuant to an electronic data interchange system'' after ''issued'', and substituted ''the Customs Service.'' for ''the appropriate customs officer: *Provided*, That the master may make a preliminary entry of a vessel by making oath or affirmation to the truth of the statements contained in the vessel's manifest and delivering the manifest to the customs officer who boards such vessel, but the making of such preliminary entry shall not excuse the master from making formal entry of his vessel at the customhouse, as provided by this chapter.'', in second sentence, struck out '', preliminary or otherwise,'' after ''After the entry'', substituted ''the Customs Service'' for ''such customs officer'', and inserted '', electronically pursuant to an authorized electronic data interchange system or otherwise,'' after ''may issue a permit'', and substituted last four sentences for former last sentence which read as follows: ''Any merchandise or baggage so unladen from any vessel or vehicle for which entry is not made within forty-eight hours exclusive of Sunday and holidays from the time of the entry of the vessel or report of the vehicle, unless a longer time is granted by such customs officer, as provided in section 1484 of this title, shall be sent to a bonded warehouse or the public stores and held as unclaimed at the risk and expense of the consignee in the case of merchandise and of the owner in the case of baggage, until entry thereof is made.''

1970—Subsec. (a). Pub. L. 91–271 substituted references to appropriate customs officer or such customs officer for references to collector wherever appearing.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 58c of this title.

§ 1449. Unlading at port of entry

Except as provided in sections 1442 and 1447 of this title (relating to residue cargo and to bulk cargo respectively), merchandise and baggage imported in any vessel by sea shall be unladen at the port of entry to which such vessel is destined, unless (1) such vessel is compelled by any cause to put into another port of entry, and the Customs Service issues a permit for the unlading of such merchandise or baggage at such port, or (2) the Secretary of the Treasury, because of an emergency existing at the port of destination, authorizes such vessel to proceed to another port of entry. Merchandise and baggage so unladen may be entered in the same manner as other imported merchandise or baggage and may be treated as unclaimed merchandise or baggage and stored at the expense and risk of the owner thereof, or may be reladen without entry upon the vessel from which it was unladen for transportation to its destination.

(June 17, 1930, ch. 497, title IV, § 449, 46 Stat. 714; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Dec. 8, 1993, Pub. L. 103–182, title VI, § 649(b), 107 Stat. 2208.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 449, 42 Stat. 954. That section was superseded by section 449 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions concerning protests and reports by vessels compelled by distress of weather or other necessity to put into a port of the United States; permits for the unlading thereof; the storage of the goods; the disposal of perishable goods; variances between the report, and the delivery of the cargo, and the reloading of such vessels, and a special provision for Spanish vessels arriving in distress, were contained in R.S. §§ 2891–2895. Provisions for report and entry of vessels prevented by ice from getting to the port or place at which her cargo was intended to be delivered, and for the unlading or landing of the cargo, were contained in R.S. § 2896. All of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Pub. L. 103–182 substituted ''Customs Service issues a permit for the unlading of such merchandise or baggage at such port,'' for ''appropriate customs officer of such port issues a permit for the unlading of such merchandise or baggage,''.

1970—Pub. L. 91–271 substituted reference to appropriate customs officers for reference to collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§ 1450. Unlading on Sundays, holidays, or during overtime hours

No merchandise, baggage, or passengers arriving in the United States from any foreign port or place, and no bonded merchandise or baggage being transported from one port to another, shall be unladen from the carrying aircraft, vessel or vehicle on Sunday, a holiday, or during overtime hours, except under special license granted by the appropriate customs officer under such regulations as the Secretary of the Treasury may prescribe.

(June 17, 1930, ch. 497, title IV, § 450, 46 Stat. 715; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Aug. 10, 1993, Pub. L. 103–66, title XIII, § 13811(b)(2), 107 Stat. 670.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in R.S. § 2872, as amended by the act of June 26, 1884, ch. 121, § 25, 23 Stat. 59, which was superseded by act Sept. 21, 1922, ch. 356, title IV, § 450, 42 Stat. 954, and was repealed by section 642 thereof. Section 450 of the 1922 act was superseded by section 450 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

R.S. § 2871 providing for the granting of a special license to unlade at night, and the amendment thereof by act June 30, 1906, ch. 3909, 34 Stat. 633, were repealed by section 6 of act Feb. 13, 1911, ch. 46, and provision for the grant of a special license to lade or unlade at night, and the grant of permits for immediate lading and unlading of vessels admitted to preliminary entry, etc., was made, in sections 1 and 4 of that act, which were repealed by section 643 of the act of Sept. 21, 1922, ch. 356.

A special provision on the subject matter of this section for the northern, northeastern and northwestern frontiers was contained in R.S. § 3120, as amended by act Feb. 27, 1877, ch. 69, § 1, 19 Stat. 248, prior to repeal by section 642 of the act of Sept. 21, 1922, ch. 356.

AMENDMENTS

1993—Pub. L. 103–66 in section catchline substituted ''during overtime hours'' for ''at night'', and in text substituted ''during overtime hours'' for ''at night'' and inserted ''aircraft,'' before ''vessel''.

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–66 applicable to customs inspectional services provided on or after Jan. 1, 1994, see section 13811(c) of Pub. L. 103–66, set out as a note under section 267 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

CROSS REFERENCES

Overtime compensation, see section 5541 et seq. of Title 5, Government Organization and Employees.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1451 of this title; title 5 section 5549.

§ 1451. Extra compensation

Before any such special license to unlade shall be granted, the master, owner, or agent of such vessel or vehicle, or the person in charge of such vehicle, shall be required to deposit sufficient money to pay, or to give a bond in an amount to be fixed by the Secretary conditioned to pay, the compensation and expenses of the customs officers and employees assigned to duty in connection with such unlading at night or on Sunday or a holiday, in accordance with the provisions of section 267 of this title. In lieu of such deposit or bond the owner or agent of any vessel or vehicle or line of vessels or vehicles may execute a bond in an amount to be fixed by the Sec-

retary of the Treasury to cover and include the issuance of special licenses for the unlading of such vessels or vehicles for a period not to exceed one year. Upon a request made by the owner, master, or person in charge of a vessel or vehicle, or by or on behalf of a common carrier or by or on behalf of the owner or consignee of any merchandise or baggage, for overtime services of customs officers or employees at night or on a Sunday or holiday, the appropriate customs officer shall assign sufficient customs officers or employees if available to perform any such services which may lawfully be performed by them during regular hours of business, but only if the person requesting such services deposits sufficient money to pay, or gives a bond in an amount to be fixed by the[1] such customs officer, conditioned to pay the compensation and expenses of such customs officers and employees, who shall be entitled to rates of compensation fixed on the same basis and payable in the same manner and upon the same terms and conditions as in the case of customs officers and employees assigned to duty in connection with lading or unlading at night or on Sunday or a holiday. Nothing in this section shall be construed to impair the existing authority of the Treasury Department to assign customs officers or employees to regular tours of duty at nights or on Sundays or holidays when such assignments are in the public interest: *Provided*, That the provisions of this section, sections 1450 and 1452 of this title, and the provisions of section 267 of this title insofar as such section 267 of this title requires payment of compensation by the master, owner, agent, or consignee of a vessel or conveyance, shall not apply to the owner, operator, or agent of a highway vehicle, bridge, tunnel, or ferry, between the United States and Canada or between the United States and Mexico, nor to the lading or unlading of merchandise, baggage, or persons arriving in or departing from the United States by motor vehicle, trolley car, on foot, or by other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry. At ports of entry and customs stations where any merchandise, baggage, or persons shall arrive in or depart from the United States by motor vehicle, trolley car, on foot, or by other means of highway travel upon, over, or through any highway, bridge, tunnel, or ferry, between the United States and Canada or between the United States and Mexico, the appropriate customs officer, under such regulations as the Secretary of the Treasury may prescribe, shall assign customs officers and employees to duty at such times during the twenty-four hours of each day, including Sundays and holidays, as the Secretary of the Treasury in his discretion may determine to be necessary to facilitate the inspection and passage of such merchandise, baggage, or persons. Officers and employees assigned to such duty at night or on Sunday or a holiday shall be paid compensation in accordance with existing law as interpreted by the United States Supreme Court in the case of the United States v. Howard C. Myers (320 U.S. 561); but all compensation payable to such customs officers and employees shall be paid by the United States without requiring any license, bond, obligation, financial undertaking, or payment in connection therewith on the part of any owner, operator, or agent of any such highway vehicle, bridge, tunnel, or ferry, or other person. As used in this section, the term ''ferry'' shall mean a passenger service operated with the use of vessels which arrive in the United States on regular schedules at intervals of at least once each hour during any period in which customs service is to be furnished without reimbursement as above provided.

(June 17, 1930, ch. 497, title IV, § 451, 46 Stat. 715; June 25, 1938, ch. 679, § 9, 52 Stat. 1082; June 3, 1944, ch. 233, § 1, 58 Stat. 269; Sept. 1, 1954, ch. 1213, title V, § 503, 68 Stat. 1141; June 2, 1970, Pub. L. 91–271, title III, § 301(f), 84 Stat. 288.)

PRIOR PROVISIONS

Provisions similar to those of this section, but applying also to the issuance of a permit for immediate lading or unlading after preliminary entry, were contained in act Feb. 13, 1911, ch. 46, § 3, 36 Stat. 900, which was superseded in part by act Sept. 21, 1922, ch. 356, title IV, § 451, 42 Stat. 954, and was repealed by section 643 thereof. Section 451 of the 1922 act was superseded by section 451 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1970—Pub. L. 91–271 substituted references to appropriate customs officer or such customs officer for references to collector wherever appearing.

1954—Act Sept. 1, 1954, permitted the deposit of sufficient money to cover costs of night, Sunday, or holiday service in lieu of filing of bond.

1944—Act June 3, 1944, inserted proviso.

1938—Act June 25, 1938, amended third sentence generally.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of those officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

CROSS REFERENCES

Maximum charges for inspection and quarantine overtime services, notwithstanding provisions of this section, see section 80503 of Title 49, Transportation.

Overtime compensation, see section 5541 of Title 5, Government Organization and Employees.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 58c of this title; title 5 section 5549; title 49 section 80503.

[1] So in original. The word ''the'' probably should not appear.

§ 1451a. Repealed. Pub. L. 103–66, title XIII, § 13811(b)(1), Aug. 10, 1993, 107 Stat. 670

Section, act June 3, 1944, ch. 233, § 2, 58 Stat. 270, provided that certain extra compensation of customs officers and employees assigned to performance of inspectional services in connection with traffic over highways, toll bridges, etc. on Sundays or holidays prior to June 3, 1944, was to be payable by the U.S. without reimbursement by the applicant for such services and that any reimbursement which had accrued and been collected since Jan. 6, 1941, was to be refunded.

EFFECTIVE DATE OF REPEAL

Repeal applicable to customs inspectional services provided on or after Jan. 1, 1994, see section 13811(c) of Pub. L. 103–66, set out as an Effective Date of 1993 Amendment note under section 267 of this title.

§ 1452. Lading on Sundays, holidays, or at night

No merchandise or baggage entered for transportation under bond or for exportation with the benefit of drawback, or other merchandise or baggage required to be laden under customs supervision, shall be laden on any vessel or vehicle at night or on Sunday or a holiday, except under special license therefor to be issued by the appropriate customs officer under the same conditions and limitations as pertain to the unlading of imported merchandise or merchandise being transported in bond.

(June 17, 1930, ch. 497, title IV, § 452, 46 Stat. 715; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 452, 42 Stat. 955. That section was superseded by section 452 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

CROSS REFERENCES

Overtime compensation, see section 5541 et seq. of Title 5, Government Organization and Employees.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1451 of this title; title 5 section 5549.

§ 1453. Lading and unlading of merchandise or baggage; penalties

If any merchandise or baggage is laden on, or unladen from, any vessel or vehicle without a special license or permit therefor issued by the appropriate customs officer, the master of such vessel or the person in charge of such vehicle and every other person who knowingly is concerned, or who aids therein, or in removing or otherwise securing such merchandise or baggage, shall each be liable to a penalty equal to the value of the merchandise or baggage so laden or unladen, and such merchandise or baggage shall be subject to forfeiture, and if the value thereof is $500 or more, the vessel or vehicle on or from which the same shall be laden or unladen shall be subject to forfeiture.

(June 17, 1930, ch. 497, title IV, § 453, 46 Stat. 716; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 453, 42 Stat. 955. That section was superseded by section 453 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions imposing penalties and forfeitures for violation of R.S. § 2872, which required a special license for unloading or delivering merchandise otherwise than in open day, were contained in R.S. §§ 2873 and 2874, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§ 1454. Unlading of passengers; penalty

If any passenger is unladen from any vessel or vehicle without a special license or permit therefor issued by the appropriate customs officer, the master of such vessel or the person in charge of such vehicle and every other person who knowingly is concerned, or who aids therein, shall each be liable to a penalty of $1,000 for the first passenger and $500 for each additional such passenger so unladen.

(June 17, 1930, ch. 497, title IV, § 454, 46 Stat. 716; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Oct. 27, 1986, Pub. L. 99–570, title III, § 3114, 100 Stat. 3207–82.)

AMENDMENTS

1986—Pub. L. 99–570 substituted "$1,000 for the first passenger and $500 for each additional such passenger" for "$500 for each such passenger".

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§ 1455. Boarding and discharging inspectors

The appropriate customs officer for the district in which any vessel or vehicle arrives from a foreign port or place may put on board of such vessel or vehicle while within such district, and if necessary while going from one district to another, one or more inspectors or other customs officers to examine the cargo and contents of such vessel or vehicle and superintend the unlading thereof, and to perform such other duties as may be required by law or the customs regulations for the protection of the revenue. Such inspector or other customs officer may, if he shall deem the same necessary for the protection of the revenue, secure the hatches or other communications or outlets of such vessel or ve-

hicle with customs seals or other proper fastenings while such vessel is not in the act of unlading and such fastenings shall not be removed without permission of the inspector or other customs officer. Such inspector or other customs officer may require any vessel or vehicle to discontinue or suspend unlading during the continuance of unfavorable weather or any conditions rendering the discharge of cargo dangerous or detrimental to the revenue. Any officer, owner, agent of the owner, or member of the crew of any such vessel who obstructs or hinders any such inspector or other customs officer in the performance of his duties, shall be liable to a penalty of not more than $500.

(June 17, 1930, ch. 497, title IV, § 455, 46 Stat. 716; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 454, 42 Stat. 955. That section was superseded by section 455 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions on the subject matter of this section were contained in R.S. §§ 2834 (as amended by act Mar. 3, 1897, ch. 389, § 15, 29 Stat. 691), 2875, and 3070; and special provisions for particular ports in sections 2588, 2590 and 2832. Provisions as to the duties of inspectors, the records to be kept and returns to be made by them and the comparison of their returns with the manifests and entries, were contained in R.S. §§ 2876, 2877, 2888 and 2889. All the foregoing sections were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§ 1456. Compensation and expenses of inspectors between ports; reimbursement

The compensation of any inspector or other customs officer, stationed on any vessel or vehicle while proceeding from one port to another and returning therefrom, shall be reimbursed to the Government by the master or owner of such vessel, together with the actual expense of such inspector or customs officer for subsistence, or in lieu of such expenses such vessel or vehicle may furnish such inspector or customs officer, the accommodations usually supplied to passengers.

(June 17, 1930, ch. 497, title IV, § 456, 46 Stat. 716.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 455, 42 Stat. 955. That section was superseded by section 456 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions on the subject matter of this section were contained in R.S. § 2878, and particular provisions for certain ports in sections 2588 and 2833. Section 2878 contained a further provision prohibiting inspectors from performing any other duties or service than what was required by that title. All these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

§ 1457. Time for unlading

Whenever any merchandise remains on board any vessel or vehicle from a foreign port more than twenty-five days after the date on which report of said vessel or vehicle was made, the appropriate customs officer may take possession of such merchandise and cause the same to be unladen at the expense and risk of the owners thereof, or may place one or more inspectors or other customs officers on board of said vessel or vehicle to protect the revenue. The compensation and expenses of any such inspector or customs officer for subsistence while on board of such vessel or vehicle shall be reimbursed to the Government by the owner or master of such vessel or vehicle.

(June 17, 1930, ch. 497, title IV, § 457, 46 Stat. 716; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in R.S. §§ 2879, 2880 and 2969 (as amended by act May 9, 1896, ch. 164, 29 Stat. 115), which were superseded by act Sept. 21, 1922, ch. 356, title IV, § 456, 42 Stat. 955, and were repealed by section 642 thereof. Section 456 of the 1922 act was superseded by section 457 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§ 1458. Bulk cargo, time for unlading

The limitation of time for unlading shall not extend to vessels laden exclusively with merchandise in bulk consigned to one consignee and arriving at a port for orders, but if the master of such vessel requests a longer time to discharge its cargo, the compensation of the inspectors or other customs officers whose services are required in connection with the unlading shall, for every day consumed in unlading in excess of twenty-five days from the date of the vessel's entry, be reimbursed by the master or owner of such vessel.

(June 17, 1930, ch. 497, title IV, § 458, 46 Stat. 717.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 458, 42 Stat. 956. That section was superseded by section 458 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions somewhat similar to those of this section, but applicable only to vessels laden with specified articles, was contained in R.S. § 2881, as amended by act June 3, 1892, ch. 86, § 2, 27 Stat. 41, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

§ 1459. Reporting requirements for individuals

(a) Individuals arriving other than by conveyance

Except as otherwise authorized by the Secretary, individuals arriving in the United States other than by vessel, vehicle, or aircraft shall—

(1) enter the United States only at a border crossing point designated by the Secretary; and

(2) immediately—

(A) report the arrival, and

(B) present themselves, and all articles accompanying them for inspection;

to the customs officer at the customs facility designated for that crossing point.

(b) Individuals arriving by reported conveyance

Except as otherwise authorized by the Secretary, passengers and crew members aboard a conveyance the arrival in the United States of which was made or reported in accordance with section 1433 or 1644 of this title or section 1644a(b)(1) or (c)(1) of this title, or in accordance with applicable regulations, shall remain aboard the conveyance until authorized to depart the conveyance by the appropriate customs officer. Upon departing the conveyance, the passengers and crew members shall immediately report to the designated customs facility with all articles accompanying them.

(c) Individuals arriving by unreported conveyance

Except as otherwise authorized by the Secretary, individuals aboard a conveyance the arrival in the United States of which was not made or reported in accordance with the laws or regulations referred to in subsection (b) of this section shall immediately notify a customs officer and report their arrival, together with appropriate information concerning the conveyance on or in which they arrived, and present their property for customs examination and inspection.

(d) Departure from designated customs facilities

Except as otherwise authorized by the Secretary, any person required to report to a designated customs facility under subsection (a), (b), or (c) of this section may not depart that facility until authorized to do so by the appropriate customs officer.

(e) Unlawful acts

It is unlawful—

(1) to fail to comply with subsection (a), (b), or (c) of this section;

(2) to present any forged, altered, or false document or paper to a customs officer under subsection (a), (b), or (c) of this section without revealing the facts;

(3) to violate subsection (d) of this section; or

(4) to fail to comply with, or violate, any regulation prescribed to carry out subsection (a), (b), (c), or (d) of this section.

(f) Civil penalty

Any individual who violates any provision of subsection (e) of this section is liable for a civil penalty of $5,000 for the first violation, and $10,000 for each subsequent violation.

(g) Criminal penalty

In addition to being liable for a civil penalty under subsection (f) of this section, any individual who intentionally violates any provision of subsection (e) of this section is, upon conviction, liable for a fine of not more than $5,000, or imprisonment for not more than 1 year, or both.

(June 17, 1930, ch. 497, title IV, § 459, 46 Stat. 717; June 25, 1938, ch. 679, § 10(a), 52 Stat. 1082; Oct. 27, 1986, Pub. L. 99–570, title III, § 3115(a), 100 Stat. 3207–82.)

CODIFICATION

In subsec. (b), ''section 1644a(b)(1) or (c)(1) of this title'' substituted for ''section 1109 of the Federal Aviation Act of 1958'' on authority of Pub. L. 103–272, § 6(b), July 5, 1994, 108 Stat. 1378, the first section of which enacted subtitles II, III, and V to X of Title 49, Transportation.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 459, 42 Stat. 956. That section was superseded by section 459 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

R.S. § 3109, as amended by act Feb. 17, 1898, ch. 26, § 4, 30 Stat. 248, was omitted from the Code as superseded by this section. It read as follows: ''The master of any foreign vessel, laden or in ballast, arriving, whether by sea or otherwise, in the waters of the United States from any foreign territory adjacent to the northern, northeastern, or northwestern frontiers of the United States, shall report at the office of any collector or deputy collector of the customs, which shall be nearest to the point at which such vessel may enter such waters; and such vessel shall not transfer her cargo or passengers to another vessel or proceed farther inland, either to unlade or take in cargo, without a special permit from such collector or deputy collector, issued under and in accordance with such general or special regulations as the Secretary of the Treasury may, in his discretion, from time to time prescribe. This section shall also apply to trade with or through Alaska. For any violation of this section such vessel shall be seized and forfeited.''

Provisions concerning the manner of importation, landing and unlading except in districts on the northern, northwestern and western boundaries, were contained in R.S. § 3095, as amended by act April 27, 1904, ch. 1625, § 1, 33 Stat. 362.

Additional provisions concerning importations on the northern and northwestern boundaries, reports, manifests, entries, etc., were contained in R.S. §§ 3096 and 3097.

Provisions for the delivery of a manifest by the master of vessels, except registered vessels, and the person in charge of boats, vehicles, etc., coming from any foreign territory adjacent to the United States, were contained in R.S. § 3098.

R.S. § 3121, provided that the master of any vessel with cargo, passengers, or baggage from any foreign port, should obtain a permit and comply with existing laws before discharging or landing the same.

R.S. § 3128, made special provision for landing of merchandise imported by steamboat on Lake Champlain.

All of the foregoing sections of the Revised Statutes (3095–3098, 3109, 3121 and 3128) with the exception of R.S. § 3109, were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1986—Pub. L. 99–570 amended section generally. Prior to amendment, section read as follows: ''The master of any vessel of less than five net tons carrying merchandise and the person in charge of any vehicle arriving in the United States from contiguous country, shall immediately report his arrival to the customs officer at the port of entry or customhouse which shall be nearest to the place at which such vessel or vehicle shall cross the boundary line or shall enter the territorial waters of the United States, and if such vessel or vehicle have on board any merchandise, shall produce to such customs officer a manifest as required by law, and no such vessel or vehicle shall proceed farther inland nor shall discharge or land any merchandise, pas-

sengers, or baggage without receiving a permit therefor from such customs officer. Any person importing or bringing merchandise into the United States from a contiguous country otherwise than in a vessel or vehicle shall immediately report his arrival to the customs officer at the port of entry or customhouse which shall be nearest to the place at which he shall cross the boundary line and shall present such merchandise to such customs officer for inspection.''

1938—Act June 25, 1938, substituted provisions requiring any person importing merchandise from a contiguous country otherwise than in a vessel to report his arrival at the nearest customshouse and present such merchandise for inspection for provisions setting penalties of $100 for for the failure of the master of any vessel to report its arrival in the United States, forfeiture of vessel and goods for unlading without a permit, and $500 for the unlading of any passenger without a permit.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

§ 1460. Repealed. Pub. L. 99–570, title III, § 3115(b), Oct. 27, 1986, 100 Stat. 3207–83

Section, acts June 17, 1930, ch. 497, title IV, § 460, 46 Stat. 717; June 25, 1938, ch. 679, § 10(b), 52 Stat. 1082, related to penalties for failure to report or file manifest.

§ 1461. Inspection of merchandise and baggage

All merchandise and baggage imported or brought in from any contiguous country, except as otherwise provided by law or by regulations of the Secretary of the Treasury, shall be unladen in the presence of and be inspected by a customs officer at the first port of entry at which the same shall arrive; and such officer may require the owner, or his agent, or other person having charge or possession of any trunk, traveling bag, sack, valise, or other container, or of any closed vehicle, to open the same for inspection, or to furnish a key or other means for opening the same.

(June 17, 1930, ch. 497, title IV, § 461, 46 Stat. 717.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in R.S. § 3100, as amended by act Feb. 18, 1875, ch. 80, § 1, 18 Stat. 319, and act Feb. 27, 1877, ch. 69, § 1, 19 Stat. 248, which was superseded by act Sept. 21, 1922, ch. 356, title IV, § 461, 42 Stat. 956, and was repealed by section 642 thereof. Section 461 of the 1922 act was superseded by section 461 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

§ 1462. Forfeiture

If such owner, agent, or other person shall fail to comply with his demand, the officer shall retain such trunk, traveling bag, sack, valise, or other container or closed vehicle, and open the same, and, as soon thereafter as may be practicable, examine the contents, and if any article subject to duty or any article the importation of which is prohibited is found therein, the whole contents and the container or vehicle shall be subject to forfeiture.

(June 17, 1930, ch. 497, title IV, § 462, 46 Stat. 718.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in R.S. § 3101, which was superseded by act Sept. 21, 1922, ch. 356, title IV, § 462, 42 Stat. 956, and was repealed by section 642 thereof. Section 462 of the 1922 act was superseded by section 462 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

§ 1463. Sealed vessels and vehicles

To avoid unnecessary inspection of merchandise imported from a contiguous country at the first port of arrival, the master of the vessel or the person in charge of the vehicle in which such merchandise is imported may apply to the customs officer of the United States stationed in the place from which such merchandise is shipped, and such officer may seal such vessel or vehicle. Any vessel or vehicle so sealed may proceed with such merchandise to the port of destination under such regulations as the Secretary of the Treasury may prescribe.

(June 17, 1930, ch. 497, title IV, § 463, 46 Stat. 718.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 463, 42 Stat. 957. That section was superseded by section 463 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions somewhat similar to those of this section, and further provisions requiring the vessel, car, or vehicle sealed to proceed without unnecessary delay to the port of destination and be there inspected, and providing that nothing contained therein should exempt the vessel, car, or vehicle from examinations to prevent frauds, were contained in R.S. § 3102, and provisions authorizing and requiring the Secretary of the Treasury to make regulations for sealing vessels, cars, etc., were contained in section 3103, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

§ 1464. Penalties in connection with sealed vessels and vehicles

If the master of such vessel or the person in charge of any such vehicle fails to proceed with reasonable promptness to the port of destination and to deliver such vessel or vehicle to the proper officers of the customs, or fails to proceed in accordance with such regulations of the Secretary of the Treasury, or unlades such merchandise or any part thereof at other than such port of destination, or disposes of any such merchandise by sale or otherwise, he shall be guilty of a felony and upon conviction thereof shall be fined not more than $1,000 or imprisoned for not more than five years, or both; and any such vessel or vehicle, with its contents, shall be subject to forfeiture.

(June 17, 1930, ch. 497, title IV, § 464, 46 Stat. 718.)

PRIOR PROVISIONS

Provisions somewhat similar to those of this section, with a further provision for seizure of the vessel, car, or vehicle with its contents, and a provision that nothing therein should prevent sales of cargo prior to arrival, to be delivered per manifest and after due inspection, were contained in R.S. § 3104, which was superseded in part by act Sept. 21, 1922, ch. 356, title IV, § 464, 42 Stat. 957, and was repealed by section 642 thereof. Section 464 of the 1922 act was superseded by section 464 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

CROSS REFERENCES

Provisions restricting the seizure and forfeiture of vessels used as common carriers, see section 1594 of this title.

§ 1465. Repealed. Pub. L. 103–182, title VI, § 690(b)(7), Dec. 8, 1993, 107 Stat. 2223

Section, act June 17, 1930, ch. 497, title IV, § 465, 46 Stat. 718, required master of any vessel engaged in certain foreign and coasting trade and conductor of any railway car to file, upon arrival from foreign contiguous country, a list of all supplies or other merchandise purchased in such foreign country.

§ 1466. Equipment and repairs of vessels

(a) Vessels subject to duty; penalties

The equipments, or any part thereof, including boats, purchased for, or the repair parts or materials to be used, or the expenses of repairs made in a foreign country upon a vessel documented under the laws of the United States to engage in the foreign or coasting trade, or a vessel intended to be employed in such trade, shall, on the first arrival of such vessel in any port of the United States, be liable to entry and the payment of an ad valorem duty of 50 per centum on the cost thereof in such foreign country. If the owner or master willfully or knowingly neglects or fails to report, make entry, and pay duties as herein required, or if he makes any false statement in respect of such purchases or repairs without reasonable cause to believe the truth of such statements, or aids or procures the making of any false statement as to any matter material thereto without reasonable cause to believe the truth of such statement, such vessel, or a monetary amount up to the value thereof as determined by the Secretary, to be recovered from the owner, shall be subject to seizure and forfeiture. For the purposes of this section, compensation paid to members of the regular crew of such vessel in connection with the installation of any such equipments or any part thereof, or the making of repairs, in a foreign country, shall not be included in the cost of such equipment or part thereof, or of such repairs.

(b) Notice

If the appropriate customs officer has reasonable cause to believe a violation has occurred and determines that further proceedings are warranted, he shall issue to the person concerned a written notice of his intention to issue a penalty claim. Such notice shall—

(1) describe the circumstances of the alleged violation;

(2) specify all laws and regulations allegedly violated;

(3) disclose all the material facts which establish the alleged violation;

(4) state the estimated loss of lawful duties, if any, and taking into account all of the circumstances, the amount of the proposed penalty; and

(5) inform such person that he shall have a reasonable opportunity to make representations, both oral and written, as to why such penalty claim should not be issued.

(c) Violation

After considering representations, if any, made by the person concerned pursuant to the notice issued under subsection (b) of this section, the appropriate customs officer shall determine whether any violation of subsection (a) of this section, as alleged in the notice, has occurred. If such officer determines that there was no violation, he shall promptly notify, in writing, the person to whom the notice was sent. If such officer determines that there was a violation, he shall issue a written penalty claim to such person. The written penalty claim shall specify all changes in the information provided under paragraphs (1) through (4) of subsection (b) of this section.

(d) Remission for necessary repairs

If the owner or master of such vessel furnishes good and sufficient evidence that—

(1) such vessel, while in the regular course of her voyage, was compelled, by stress of weather or other casualty, to put into such foreign port and purchase such equipments, or make such repairs, to secure the safety and seaworthiness of the vessel to enable her to reach her port of destination;

(2) such equipments or parts thereof or repair parts or materials, were manufactured or produced in the United States, and the labor necessary to install such equipments or to make such repairs was performed by residents of the United States, or by members of the regular crew of such vessel; or

(3) such equipments, or parts thereof, or materials, or labor, were used as dunnage for cargo, or for the packing or shoring thereof, or in the erection of temporary bulkheads or other similar devices for the control of bulk cargo, or in the preparation (without permanent repair or alteration) of tanks for the carriage of liquid cargo;

then the Secretary of the Treasury is authorized to remit or refund such duties, and such vessel shall not be liable to forfeiture, and no license or enrollment and license, or renewal of either, shall hereafter be issued to any such vessel until the collector to whom application is made for the same shall be satisfied, from the oath of the owner or master, that all such equipments or parts thereof or materials and repairs made within the year immediately preceding such application have been duly accounted for under the provisions of this section, and the duties accruing thereon duly paid; and if such owner or master shall refuse to take such oath, or take it falsely, the vessel shall be seized and forfeited.

(e) Exclusions for arrivals two or more years after last departure

(1) In the case of any vessel referred to in subsection (a) of this section that arrives in a port of the United States two years or more after its last departure from a port in the United States, the duties imposed by this section shall apply only with respect to—

(A) fish nets and netting, and

(B) other equipments and parts thereof, repair parts and materials purchased, or repairs made, during the first six months after the last departure of such vessel from a port of the United States.

(2) If such vessel is designed and used primarily for transporting passengers or property, paragraph (1) shall not apply if the vessel departed from the United States for the sole purpose of obtaining such equipments, parts, materials, or repairs.

(f) Civil aircraft exception

The duty imposed under subsection (a) of this section shall not apply to the cost of equipments, or any part thereof, purchased, of repair parts or materials used, or of repairs made in a foreign country with respect to a United States civil aircraft, within the meaning of general note 3(c)(iv) of the Harmonized Tariff Schedule of the United States.

(g) Fish net and netting purchases and repairs

The duty imposed by subsection (a) of this section shall not apply to entries on and after October 1, 1979, and before January 1, 1982, of—

(1) tuna purse seine nets and netting which are equipments or parts thereof,

(2) repair parts for such nets and netting, or materials used in repairing such nets and netting, or

(3) the expenses of repairs of such nets and netting,

for any United States documented tuna purse seine vessel of greater than 500 tons carrying capacity or any United States tuna purse seine vessel required to carry a certificate of inclusion under the general permit issued to the American Tunaboat Association pursuant to section 1374 of title 16.

(h) Foreign repair of vessels

The duty imposed by subsection (a) of this section shall not apply to—

(1) the cost of any equipment, or any part of equipment, purchased for, or the repair parts or materials to be used, or the expense of repairs made in a foreign country with respect to, LASH (Lighter Aboard Ship) barges documented under the laws of the United States and utilized as cargo containers,

(2) the cost of spare repair parts or materials (other than nets or nettings) which the owner or master of the vessel certifies are intended for use aboard a cargo vessel, documented under the laws of the United States and engaged in the foreign or coasting trade, for installation or use on such vessel, as needed, in the United States, at sea, or in a foreign country, but only if duty is paid under appropriate commodity classifications of the Harmonized Tariff Schedule of the United States upon first entry into the United States of each such spare part purchased in, or imported from, a foreign country, or

(3) the cost of spare parts necessarily installed before the first entry into the United States, but only if duty is paid under appropriate commodity classifications of the Harmonized Tariff Schedule of the United States upon first entry into the United States of each such spare part purchased in, or imported from, a foreign country.

(June 17, 1930, ch. 497, title IV, § 466, 46 Stat. 719; Jan. 5, 1971, Pub. L. 91–654, § 1, 84 Stat. 1944; Oct. 3, 1978, Pub. L. 95–410, title II, § 206, 92 Stat. 900; July 26, 1979, Pub. L. 96–39, title VI, § 601(a)(3), 93 Stat. 268; Oct. 17, 1980, Pub. L. 96–467, § 14(a)(3)(B), 94 Stat. 2225; Dec. 28, 1980, Pub. L. 96–609, title I, § 115(a), 94 Stat. 3558; Oct. 30, 1984, Pub. L. 98–573, title II, § 208, 98 Stat. 2976; Aug. 23, 1988, Pub. L. 100–418, title I, § 1214(h)(4), 102 Stat. 1157; Aug. 20, 1990, Pub. L. 101–382, title III, § 484E(a), 104 Stat. 709; Dec. 8, 1994, Pub. L. 103–465, title I, § 112(b), 108 Stat. 4825.)

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States, referred to in subsecs. (f) and (h)(2), (3), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

PRIOR PROVISIONS

Provisions similar to those of subsecs. (a) and (b) of this section were contained respectively in R.S. §§ 3114 and 3115, as amended, which were formerly classified to sections 257 and 258 of this title prior to repeal by section 3 of Pub. L. 91–654.

AMENDMENTS

1994—Subsec. (h)(3). Pub. L. 103–465 added par. (3).

1990—Subsec. (h). Pub. L. 101–382 added subsec. (h).

1988—Subsec. (f). Pub. L. 100–418 substituted ''general note 3(c)(iv) of the Harmonized Tariff Schedule of the United States'' for ''headnote 3 to schedule 6, part 6, subpart C of the Tariff Schedules of the United States''.

1984—Subsec. (e). Pub. L. 98–573 designated existing provisions as par. (1), in par. (1) as so designated substituted reference to any vessel referred to in subsec. (a) for reference to any vessel designed and used primarily for purposes other than transporting passengers or property in the foreign or coasting trade, redesignated former cls. (1) and (2) as subpars. (A) and (B), respectively, and added par. (2).

1980—Subsec. (f). Pub. L. 96–467 substituted ''of equipments, or any part thereof, purchased, of repair parts or materials used, or of repairs made in a foreign country with respect to'' for ''of repair parts, materials, or expenses of repairs in a foreign country upon'' and ''schedule 6'' for ''Schedule 6''.

Subsec. (g). Pub. L. 96–609 added subsec. (g).

1979—Subsec. (f). Pub. L. 96–39 added subsec. (f).

1978—Subsec. (a). Pub. L. 95–410, § 206(1), incorporated seizure and forfeiture provision formerly a part of first sentence in an inserted second sentence; substituted therein ''willfully or knowingly'' for ''willfully and knowingly'' and ''such vessel, or a monetary amount up to the value thereof as determined by the Secretary, to be recovered from the owner, shall be subject to seizure and forfeiture'' for ''such vessel, with her tackle, apparel, and furniture, shall be seized and forfeited''; and authorized the seizure and forfeiture for making false statements in respect of purchases or repairs or aiding or procuring the making of false statements.

Subsecs. (b) to (e). Pub. L. 95–410, § 206(2), added subsecs. (b) and (c) and redesignated former subsecs. (b) and (c) as (d) and (e), respectively.

1971—Subsec. (c). Pub. L. 91–654 added subsec. (c).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 116(a) of Pub. L. 103–465, set out as an Effective Date note under section 3521 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Section 484E(b) of Pub. L. 101–382, as amended by Pub. L. 103–465, title I, § 112(a), Dec. 8, 1994, 108 Stat. 4825, provided that: ''The amendment made by this section [amending this section] shall apply to—

''(1) any entry made before the date of enactment of this Act [Aug. 20, 1990] that is not liquidated on the date of enactment of this Act,

''(2) any entry made—

''(A) on or after the date of enactment of this Act, and

''(B) on or before December 31, 1992, and

''(3) any entry made pursuant to section 466(h)(1) or (2) of the Tariff Act of 1930 (19 U.S.C. 1466(h)(1) or (2)),

on or after the date of the entry into force of the WTO Agreement with respect to the United States [Jan. 1, 1995].''

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 applicable with respect to entries made in connection with arrivals of vessels on or after the 15th day after Oct. 30, 1984, with certain exceptions for vessels transporting passengers or property, see section 214(a), (c)(3) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Section 14(b) of Pub. L. 96–467 provided in part that: ''The amendment made by paragraph (3) of subsection (a) [amending this section] shall apply with respect to entries made under section 466 of the Tariff Act of 1930 [this section] on or after January 1, 1980.''

EFFECTIVE DATE OF 1979 AMENDMENT

Section 601(a) of Pub. L. 96–39 provided that the amendment made by that section is effective upon a Presidential proclamation authorized to be made after Sept. 30, 1979, when the conditions under section 2503(b) of this title on acceptance of the Agreement on Trade in Civil Aircraft are fulfilled.

ENTRIES MADE IN CONNECTION WITH ARRIVAL OF VESSELS ON OR AFTER OCTOBER 1, 1979, AND BEFORE DECEMBER 28, 1980

Section 115(b) of Pub. L. 96–609 provided that: ''Upon request therefor filed with the customs officer concerned on or before the 90th day after the date of the enactment of this Act [Dec. 28, 1980], the entry of any article to which section 466(a) of the Tariff Act of 1930 [subsec. (a) of this section] applied and—

''(1) that was made on or after October 1, 1979, and before the date of the enactment of this Act; and

''(2) with respect to which there would have been no duty if the amendment made by subsection (a) [adding subsec. (g) of this section] applied to such entry or withdrawal;

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 [section 1514 of this title] or any other provision of law, be liquidated or reliquidated as though such entry or withdrawal had been made on the date of the enactment of this Act.''

ENTRIES MADE IN CONNECTION WITH ARRIVALS OF VESSELS ON OR AFTER JANUARY 5, 1971; ENTRIES IN CONNECTION WITH THE ARRIVAL OF SHRIMP VESSELS AFTER JANUARY 1, 1969, AND BEFORE JANUARY 5, 1971

Section 2 of Pub. L. 91–654 provided that:

''(a) The amendment made by the first section of this Act [amending this section] shall apply with respect to entries made in connection with arrivals of vessels on or after the date of the enactment of this Act [Jan. 5, 1971].

''(b) Upon request therefor filed with the customs officer concerned on or before the ninetieth day after the date of the enactment of this Act, any entry in connection with the arrival of a vessel used primarily for the catching of shrimp—

''(1) which was made after January 1, 1969, and before the date of the enactment of this Act, and

''(2) with respect to which there would have been no duty if the amendment made by the first section of this Act applied to such entry,

shall, notwithstanding the provisions of section 514 of the Tariff Act of 1930 [section 1514 of this title] or any other provision of law, be liquidated or reliquidated as though such entry had been made on the day after the date of the enactment of this Act.''

CROSS REFERENCES

Definitions with respect to vessel documentation, see section 12101 of Title 46, Shipping.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1498 of this title.

§ 1467. Special inspection, examination, and search

Whenever a vessel from a foreign port or place or from a port or place in any Territory or possession of the United States arrives at a port or place in the United States or the Virgin Islands, whether directly or via another port or place in the United States or the Virgin Islands, the appropriate customs officer for such port or place of arrival may, under such regulations as the Secretary of the Treasury may prescribe and for the purpose of assuring compliance with any law, regulation, or instruction which the Secretary of the Treasury or the Customs Service is authorized to enforce, cause inspection, examination, and search to be made of the persons, baggage, and merchandise discharged or unladen from such vessel, whether or not any or all such persons, baggage, or merchandise has previously been inspected, examined, or searched by officers of the customs.

(June 17, 1930, ch. 497, title IV, § 467, as added June 25, 1938, ch. 679, § 11, 52 Stat. 1083; amended June 2, 1970, Pub. L. 91–271, title III, § 301(g), 84 Stat. 288.)

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector of customs.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE

This section effective on the thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as an Effective Date of 1938 Amendment note under section 1401 of this title.

TRANSFER OF FUNCTIONS

Functions of all other officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

PART III—ASCERTAINMENT, COLLECTION, AND RECOVERY OF DUTIES

§ 1481. Invoice; contents

(a) In general

All invoices of merchandise to be imported into the United States and any electronic equiv-

alent thereof considered acceptable by the Secretary in regulations prescribed under this section shall set forth, in written, electronic, or such other form as the Secretary shall prescribe, the following:

(1) The port of entry to which the merchandise is destined;

(2) The time when, the place where, and the person by whom and the person to whom the merchandise is sold or agreed to be sold, or if to be imported otherwise than in pursuance of a purchase, the place from which shipped, the time when and the person to whom and the person by whom it is shipped;

(3) A detailed description of the merchandise, including the commercial name by which each item is known, the grade or quality, and the marks, numbers, or symbols under which sold by the seller or manufacturer in the country of exportation, together with the marks and numbers of the packages in which the merchandise is packed;

(4) The quantities in the weights and measures of the country or place from which the merchandise is shipped, or in the weights and measures of the United States;

(5) The purchase price of each item in the currency of the purchase, if the merchandise is shipped in pursuance of a purchase or an agreement to purchase;

(6) If the merchandise is shipped otherwise than in pursuance of a purchase or an agreement to purchase, the value for each item, in the currency in which the transactions are usually made, or, in the absence of such value, the price in such currency that the manufacturer, seller, shipper, or owner would have received, or was willing to receive, for such merchandise if sold in the ordinary course of trade and in the usual wholesale quantities in the country of exportation;

(7) The kind of currency, whether gold, silver, or paper;

(8) All charges upon the merchandise, itemized by name and amount when known to the seller or shipper; or all charges by name (including commissions, insurance, freight, cases, containers, coverings, and cost of packing) included in the invoice prices when the amounts for such charges are unknown to the seller or shipper;

(9) All rebates, drawbacks, and bounties, separately itemized, allowed upon the exportation of the merchandise; and

(10) Any other fact that the Secretary may by regulation require as being necessary to a proper appraisement, examination and classification of the merchandise.

(b) Shipments not purchased and not shipped by manufacturer

If the merchandise is shipped to a person in the United States by a person other than the manufacturer, otherwise than by purchase, such person shall state on the invoice the time when, the place where, the person from whom such merchandise was purchased, and the price paid therefor in the currency of the purchase, stating whether gold, silver, or paper.

(c) Importer provision of information

Any information required to be set forth on an invoice may alternatively be provided by any of the parties qualifying as an ''importer of record'' under section 1484(a)(2)(B) of this title by such means, in such form or manner, and within such time as the Secretary shall by regulation prescribe.

(d) Exceptions by regulations

The Secretary of the Treasury may by regulations provide for such exceptions from the requirements of this section as he deems advisable and may allow for the submission or electronic transmission of partial invoices, electronic equivalents of invoices, bills, or other documents or parts thereof, required under this section.

(June 17, 1930, ch. 497, title IV, §481, 46 Stat. 719; Dec. 8, 1993, Pub. L. 103–182, title VI, §636, 107 Stat. 2200.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, §481, 42 Stat. 958. That section was superseded by section 481 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions as to the weights or measures, and currency, in which invoices should be made out and the contents of invoices, with additional provisions as to invoices of merchandise intended for immediate transportation without appraisement, and a provision as to the signing of the invoice, were contained in R.S. §2837 and act Oct. 3, 1913, ch. 16, §III, C, 38 Stat. 181 (superseding Customs Administrative Act of June 10, 1890, ch. 407, §2, 26 Stat. 131, as amended by Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, §28, 36 Stat. 91), which were superseded by act Sept. 21, 1922, ch. 356, title IV, §481, 42 Stat. 958, and repealed by sections 642 and 643 thereof.

R.S. §§2838, 2853 (as amended by Act June 10, 1880, ch. 190) and 2860, contained provisions concerning invoices and their contents, prior to repeal by Customs Administrative Act of June 10, 1890, ch. 407, §29, 26 Stat. 141.

Act May 27, 1921, ch. 14, §401, 42 Stat. 16, required invoices to contain, in addition to statements then required by law, such other statements as the Secretary of the Treasury should prescribe, and a statement as to the currency in which made out, and section 402 of that Act required the owner, importer, etc., to set forth on the invoice or statement in form of an invoice, and in the entry, in addition to statements then required by law such statements, under oath if required, as the Secretary might prescribe. These provisions were omitted from the Code as superseded by this section, and section 1485(a) of this title.

Provisions on the subject matter of subdivision (c) of this section were contained in act Oct. 3, 1913, ch. 16, §III, W, 38 Stat. 190, which was superseded by act Sept. 21, 1922, ch. 356, title IV, §481, 42 Stat. 958, and repealed by section 643 thereof.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182, §636(1)(A), amended introductory provisions generally. Prior to amendment, introductory provisions read as follows: ''All invoices of merchandise to be imported into the United States shall set forth—''.

Subsec. (a)(3). Pub. L. 103–182, §636(1)(B), amended par. (3) generally. Prior to amendment, par. (3) read as follows: ''A detailed description of the merchandise, including the name by which each item is known, the grade or quality, and the marks, numbers, or symbols under which sold by the seller or manufacturer to the trade in the country of exportation, together with the marks and numbers of the packages in which the merchandise is packed;''.

Subsec. (a)(10). Pub. L. 103–182, §636(1)(C), amended par. (10) generally. Prior to amendment, par. (10) read

as follows: ''Any other facts deemed necessary to a proper appraisement, examination, and classification of the merchandise that the Secretary of the Treasury may require.''

Subsec. (c). Pub. L. 103–182, § 636(2), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: ''When the merchandise has been purchased in different consular districts for shipment to the United States and is assembled for shipment and embraced in a single invoice which is produced for certification under the provisions of paragraph (2) of subdivision (a) of section 1482 of this title, the invoice shall have attached thereto the original bills or invoices received by the shipper, or extracts therefrom, showing the actual prices paid or to be paid for such merchandise. The consular officer to whom the invoice is so produced for certification may require that any such original bill or invoice be certified by the consular officer for the district in which the merchandise was purchased.''

Subsec. (d). Pub. L. 103–182, § 636(3), inserted before period at end ''and may allow for the submission or electronic transmission of partial invoices, electronic equivalents of invoices, bills, or other documents or parts thereof, required under this section''.

CROSS REFERENCES

Furs and fur products, additional information required in invoices, see section 69d of Title 15, Commerce and Trade.

Wool products, additional information required in invoices, see section 68f of Title 15.

§ 1482. Repealed. Pub. L. 103–182, title VI, § 690(b)(8), Dec. 8, 1993, 107 Stat. 2223

Section, acts June 17, 1930, ch. 497, title IV, § 482, 46 Stat. 720; Proc. No. 2695, July 4, 1946, 11 F.R. 7517, 60 Stat. 1352; Oct. 25, 1951, ch. 562, § 4(4), 65 Stat. 640; Aug. 8, 1953, ch. 397, § 16(a), 67 Stat. 517; June 2, 1970, Pub. L. 91–271, title III, § 301(h), 84 Stat. 288, set forth requirements for certified invoices including time of certification, declarations, number and destination of copies, and certification by other than an American consulate in remote areas.

§ 1483. Repealed. Pub. L. 97–446, title II, § 201(c), Jan. 12, 1983, 96 Stat. 2349

Section, acts June 17, 1930, ch. 497, title IV, § 483, 46 Stat. 721; Oct. 3, 1978, Pub. L. 95–410, title II, § 207, 92 Stat. 901, provided that for specified purposes the consignee of merchandise be deemed the owner.

EFFECTIVE DATE OF REPEAL

Repeal effective with respect to merchandise entered on and after 30th day after Jan. 12, 1983, see section 201(g) of Pub. L. 97–446, set out as an Effective Date of 1983 Amendment note under section 1484 of this title.

§ 1484. Entry of merchandise

(a) Requirement and time

(1) Except as provided in sections 1490, 1498, 1552, 1553, and 1336(j)[1] of this title, one of the parties qualifying as ''importer of record'' under paragraph (2)(B), either in person or by an agent authorized by the party in writing, shall, using reasonable care—

(A) make entry therefor by filing with the Customs Service—

(i) such documentation or, pursuant to an electronic data interchange system, such information as is necessary to enable the Customs Service to determine whether the merchandise may be released from customs custody, and

(ii) notification whether an import activity summary statement will be filed; and

(B) complete the entry by filing with the Customs Service the declared value, classification and rate of duty applicable to the merchandise, and such other documentation or, pursuant to an electronic data interchange system, such other information as is necessary to enable the Customs Service to—

(i) properly assess duties on the merchandise,

(ii) collect accurate statistics with respect to the merchandise, and

(iii) determine whether any other applicable requirement of law (other than a requirement relating to release from customs custody) is met.

(2)(A) The documentation or information required under paragraph (1) with respect to any imported merchandise shall be filed or transmitted in such manner and within such time periods as the Secretary shall by regulation prescribe. Such regulations shall provide for the filing of import activity summary statements, covering entries or warehouse withdrawals made during a calendar month, within such time period as is prescribed in regulations but not to exceed the 20th day following such calendar month.

(B) When an entry of merchandise is made under this section, the required documentation or information shall be filed or electronically transmitted either by the owner or purchaser of the merchandise or, when appropriately designated by the owner, purchaser, or consignee of the merchandise, a person holding a valid license under section 1641 of this title. When a consignee declares on entry that he is the owner or purchaser of merchandise the Customs Service may, without liability, accept the declaration. For the purposes of this chapter, the importer of record must be one of the parties who is eligible to file the documentation or information required by this section.

(C) The Secretary, in prescribing regulations to carry out this subsection, shall establish procedures which insure the accuracy and timeliness of import statistics, particularly statistics relevant to the classification and valuation of imports. Corrections of errors in such statistical data shall be transmitted immediately to the Director of the Bureau of the Census, who shall make corrections in the statistics maintained by the Bureau. The Secretary shall also provide, to the maximum extent practicable, for the protection of the revenue, the enforcement of laws governing the importation and exportation of merchandise, the facilitation of the commerce of the United States, and the equal treatment of all importers of record of imported merchandise.

(b) Reconciliation

(1) In general

A party that electronically transmits an entry summary or import activity summary statement may at the time of filing such summary or statement notify the Customs Service of his intention to file a reconciliation pursuant to such regulations as the Secretary may prescribe. Such reconciliation must be filed by the importer of record within such time period

[1] See References in Text note below.

as is prescribed by regulation but no later than 15 months following the filing of the entry summary or import activity summary statement; except that the prescribed time period for reconciliation issues relating to the assessment of antidumping and countervailing duties shall require filing no later than 90 days after the Customs Service advises the importer that a period of review for antidumping or countervailing duty purposes has been completed. Before filing a reconciliation, an importer of record shall post bond or other security pursuant to such regulations as the Secretary may prescribe.

(2) Regulations regarding AD/CV duties

The Secretary shall prescribe, in consultation with the Secretary of Commerce, such regulations as are necessary to adapt the reconciliation process for use in the collection of antidumping and countervailing duties.

(c) Release of merchandise

The Customs Service may permit the entry and release of merchandise from customs custody in accordance with such regulations as the Secretary may prescribe. No officer of the Customs Service shall be liable to any person with respect to the delivery of merchandise released from customs custody in accordance with such regulations.

(d) Signing and contents

Entries shall be signed by the importer of record, or his agent, unless filed pursuant to an electronic data interchange system. If electronically filed, each transmission of data shall be certified by an importer of record or his agent, one of whom shall be resident in the United States for purposes of receiving service of process, as being true and correct to the best of his knowledge and belief, and such transmission shall be binding in the same manner and to the same extent as a signed document. The entry shall set forth such facts in regard to the importation as the Secretary may require and shall be accompanied by such invoices, bills of lading, certificates, and documents, or their electronically submitted equivalents, as are required by regulation.

(e) Production of invoice

The Secretary may provide by regulation for the production of an invoice, parts thereof, or the electronic equivalents thereof, in such manner and form, and under such terms and conditions, as the Secretary considers necessary.

(f) Statistical enumeration

The Secretary, the Secretary of Commerce, and the United States International Trade Commission shall establish from time to time for statistical purposes an enumeration of articles in such detail as in their judgment may be necessary, comprehending all merchandise imported into the United States and exported from the United States, and shall seek, in conjunction with statistical programs for domestic production and programs for achieving international harmonization of trade statistics, to establish the comparability thereof with such enumeration of articles. All import entries and export declarations shall include or have attached thereto an accurate statement specifying, in terms of such detailed enumeration, the kinds and quantities of all merchandise imported and exported and the value of the total quantity of each kind of article.

(g) Statement of cost of production

Under such regulations as the Secretary may prescribe, the Customs Service may require a verified statement from the manufacturer or producer showing the cost of producing the imported merchandise, if the Customs Service considers such verification necessary for the appraisement of such merchandise.

(h) Admissibility of data electronically transmitted

Any entry or other information transmitted by means of an authorized electronic data interchange system shall be admissible in any and all administrative and judicial proceedings as evidence of such entry or information.

(June 17, 1930, ch. 497, title IV, §484, 46 Stat. 722; June 25, 1938, ch. 679, §12, 52 Stat. 1083; Aug. 8, 1953, ch. 397, §§3(b), 16(b), (c), 67 Stat. 509, 517; June 2, 1970, Pub. L. 91–271, title III, §301(i), 84 Stat. 288; Jan. 3, 1975, Pub. L. 93–618, title VI, §608(a), 88 Stat. 2073; Aug. 17, 1977, Pub. L. 95–106, §4, 91 Stat. 869; Oct. 3, 1978, Pub. L. 95–410, title I, §102(a), 92 Stat. 888; Jan. 12, 1983, Pub. L. 97–446, title II, §201(d), 96 Stat. 2349; Dec. 8, 1993, Pub. L. 103–182, title VI, §637(a), 107 Stat. 2200.)

REFERENCES IN TEXT

Section 1336(j) of this title, referred to in subsec. (a)(1), was repealed by Pub. L. 96–39, title II, §202(a)(2)(D), July 26, 1979, 93 Stat. 202.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, §484, 42 Stat. 960. That section was superseded by section 484 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions requiring entry of goods, and prescribing the manner of making it, the documents to be produced, etc., were contained in R.S. §2785. Provision for entry when the particulars of the merchandise were unknown was made by R.S. §2788. A special provision regarding entry of distilled spirits and wines was contained in R.S. §2794. All of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, §642, 42 Stat. 989.

Provisions relating to the production of certified invoices were contained in act Oct. 3, 1913, ch. 16, §III, E, 38 Stat. 182, which reenacted the provisions of the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, §28, 36 Stat. 92, which amended Customs Administrative Act of June 10, 1890, ch. 407, §4, 26 Stat. 131. Said section III, E, was repealed by act Sept. 21, 1922, ch. 356, title IV, §643, 42 Stat. 989. Earlier provisions were contained in R.S. §2860, and act June 22, 1874, ch. 391, §§9, 10, and 11, all repealed by act June 10, 1890, ch. 407, §29, 26 Stat. 141.

R.S. §2842 required bond for the production of an invoice duly certified by the oath of the owner or one of them, in the case of merchandise belonging to a resident of the United States absent from the place of entry. R.S. §2852, provided that when merchandise was admitted to entry on invoice, the collector should certify the same, and no other evidence of value should be admitted on the part of the owner, except in corroboration of the entry. R.S. §2859, made special provision for entry of merchandise from countries where there was no United States consul, etc. These sections were all repealed by act Sept. 21, 1922, ch. 356, title IV, §642, 42 Stat. 989.

R.S. §§ 2847 and 2848 authorized the Secretary of the Treasury to admit to entry in certain cases merchandise subject to ad valorem duty, belonging to a person not residing in the United States, not accompanied with an invoice verified and authenticated as required by preceding section. They became inoperative by the repeal of R.S. §§ 2843, 2845, by the Customs Administrative Act of June 10, 1890, ch. 407, § 29, 26 Stat. 141, reenacted by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 104, and the enactment of provisions for entry of goods without invoice by section 4 of said Customs Administrative Act amended by the Payne-Aldrich Tariff Act, and further amended by the Underwood Tariff Act of Oct. 3, 1913, ch. 16, § III, E, and were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

R.S. § 2858, provided that the Secretary of the Treasury, whenever it had become impracticable for the person desiring to make entry of merchandise to produce any invoice thereof, might authorize the entry thereof, and remit forfeitures in such cases, as in other cases under the revenue laws. It was repealed by the Customs Administrative Act of June 10, 1890, ch. 407, § 29, 26 Stat. 141, reenacted by the Payne-Aldrich Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 104.

A provision relating to statistical enumeration of merchandise, except that the ''accurate statement'' was to be a part of the declaration therein provided for, and a further provision making it the duty of the consular officer to whom the invoice should be produced to require the information to be given, were contained in act Oct. 3, 1913, ch. 16, § III, F, 38 Stat. 182, amending the Customs Administrative Act of June 10, 1890, ch. 407, § 5, 26 Stat. 132, as previously amended by Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 95. Said section III, F, was repealed by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

Prior provisions on the subject of subsequent entry of part of merchandise and separate entry of packages contained in packages for delivery to others were contained in act May 1, 1876, ch. 89, § 1, 19 Stat. 49, which was repealed by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989; and in act Oct. 3, 1913, ch. 16, § III, F, 38 Stat. 182, amending Customs Administrative Act of June 10, 1890, ch. 407, § 5, 26 Stat. 132, as previously amended by Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 95. Said section III, F, was repealed by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

AMENDMENTS

1993—Pub. L. 103–182 amended section generally, substituting present provisions for provisions relating to entry of merchandise and providing specifically for requirement and time, production of certified invoice, production of bill of lading, signing and contents of entry, statistical enumeration, packages included, statement of cost of production, certification of owner by carrier, acceptance of duplicate bill of lading, and release of merchandise from customs custody.

1983—Subsec. (a)(1). Pub. L. 97–446, § 201(d)(1)(A), substituted ''one of the parties qualifying as 'importer of record' under paragraph (2)(C) of this subsection'' for ''the consignee of imported merchandise'', and ''authorized by him'' for ''authorized by the consignee''.

Subsec. (a)(2)(C), (D). Pub. L. 97–446, § 201(d)(1)(B), (C), added subpar. (C), redesignated former subpar. (C) as (D), and in subpar. (D) as so redesignated substituted ''importers of record'' for ''consignees'' after ''treatment of all''.

Subsec. (c). Pub. L. 97–446, § 201(d)(2), substituted ''importer of record'' for ''consignee'' before ''shall produce''.

Subsec. (d). Pub. L. 97–446, § 201(d)(2), substituted ''importer of record'' for ''consignee'' after ''signed by the''.

Subsec. (h). Pub. L. 97–446, § 201(d)(3), substituted provision relating to authority of carrier of merchandise bringing it into the port to certify any person to receive the merchandise if the carrier has actual knowledge of the accuracy of the certification, for provision that any person certified by the carrier bringing the merchandise to the port at which entry was to be made to be the owner or consignee of the merchandise, or an agent of such owner or consignee, might make entry thereof, either in person or by an authorized agent, in the manner and subject to the requirements prescribed in this section (or in regulations promulgated hereunder) in the case of a consignee within the meaning of paragraph (1) of section 1483 of this title.

Subsec. (i). Pub. L. 97–446, § 201(d)(3), substituted provision authorizing appropriate customs officer to accept a duplicate bill of lading, for provision that any person might, upon the production of a duplicate bill of lading signed or certified to be genuine by the carrier bringing the merchandise to the port at which entry was to be made, make entry for the merchandise in respect to which such bill of lading was issued, in the manner and subject to the requirements prescribed in this section (or in regulations promulgated hereunder) in the case of a consignee within the meaning of paragraph (1) of section 1483 of this title, except that such person was to make such entry in his own name.

1978—Subsec. (a). Pub. L. 95–410, § 102(a)(1), incorporated first sentence in introductory text of par. designated (1), added subpars. (A) and (B) and par. (2), and struck out second sentence which required the entry to be made at the customhouse within five days, exclusive of Sundays and holidays, after the entry of the importing vessel or report of the vehicle, or after the arrival at the port of destination in the case of merchandise transported in bond, unless the appropriate customs officer authorized in writing a longer time.

Subsec. (c)(3). Pub. L. 95–410, § 102(a)(2), substituted ''subsection'' for ''subdivision''.

Subsec. (j). Pub. L. 95–410, § 102(a)(3), struck out ''The custom officer shall return to the person making entry the bill of lading (if any is produced) with a notation thereon to the effect that entry for such merchandise has been made.''

1977—Subsec. (e). Pub. L. 95–106 substituted ''production and programs for achieving international harmonization of trade statistics,'' for ''production,''.

1975—Subsec. (e). Pub. L. 93–618 substituted ''United States International Trade Commission'' for ''United States Tariff Commission'' and inserted references to an enumeration of articles exported from the United States and, in conjunction with statistical programs for domestic production, to the establishment of the comparability thereof with the enumeration of articles.

1970—Subsec. (a). Pub. L. 91–271, § 301(i)(1), substituted reference to appropriate customs officer for reference to collector.

Subsec. (c). Pub. L. 91–271, § 301(i)(2), (3), substituted references to appropriate customs officer or such customs officer for references to collector wherever appearing.

Subsec. (g). Pub. L. 91–271, § 301(i)(4), substituted reference to appropriate customs officer for reference to collector or appraiser.

Subsec. (j). Pub. L. 91–271, § 301(i)(5), (6), substituted references to customs officer or such customs officer for references to collector wherever appearing.

1953—Subsec. (a). Act Aug. 8, 1953, § 16(b), substituted ''five days'' for ''forty-eight hours''.

Subsec. (b). Act Aug. 8, 1953, § 16(c), granted the Secretary of the Treasury discretion to require certified invoices with respect to merchandise entered as he deems advisable and to establish terms under which merchandise may be imported without a certified invoice, in lieu of former provision that all such merchandise should be accompanied by an invoice certified by a United States consulate except in certain enumerated situations, and of the former provision that the Secretary might grant certain other exceptions.

Subsec. (f). Act Aug. 8, 1953, § 3(b), inserted provision relating to acceptance at port of entry designated by consignee or his agent in cases of articles not subject to a quantitative or tariff-rate quota.

1938—Subsec. (f). Act June 25, 1938, inserted provision relating to authorization by the Secretary for inclusion of portions of merchandise in separate entries under such rules and regulations as he may prescribe.

EFFECTIVE DATE OF 1983 AMENDMENT

Section 201(g) of Pub. L. 97–446 provided that: ''The amendments made by this section [amending the General headnotes of the Tariff Schedules, this section, and sections 1485, 1487, 1494, 1505, and 1557 of this title, and repealing section 1483 of this title] shall apply with respect to merchandise entered on and after the 30th day after the date of the enactment of this Act [Jan. 12, 1983].''

EFFECTIVE DATE OF 1978 AMENDMENT

Section 102(b) of Pub. L. 95–410 provided that: ''The amendments made by this section [amending this section] shall take effect 60 days after the date of enactment of this Act [Oct. 3, 1978].''

EFFECTIVE DATE OF 1975 AMENDMENT

Section 608(e) of Pub. L. 93–618 provided that: ''The amendment made by subsection (a) [amending this section] insofar as it related to export declarations shall take effect on January 1, 1976.''

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

DRUG PARAPHERNALIA

Pub. L. 101–382, title I, § 137, Aug. 20, 1990, 104 Stat. 652, provided that:

''(a) STATISTICAL ANNOTATIONS.—The Secretary of the Treasury, the Secretary of Commerce, and the United States International Trade Commission shall take actions under section 484(e) of the Tariff Act of 1930 (19 U.S.C. 1484(e)) to implement the recommendations of the Commission regarding additional statistical annotations that were made in the report of the Commission on Investigation 332–277.

''(b) REPORT.—By no later than the date that is 1 year after the date of enactment of this Act [Aug. 20, 1990], the Commissioner of Customs shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on the operational response of the United States Customs Service to the recommendations contained in the report of the United States Trade Commission described in subsection (a). The report submitted by the Commissioner of Customs under this subsection shall address the effectiveness of the United States Customs Service in monitoring and seizing drug paraphernalia, including crack bags, vials, and pipes.''

STUDY OF COMMODITY CLASSIFICATION SYSTEMS

Section 608(b) of Pub. L. 93–618 mandated a joint study by the Secretary of Commerce and the United States International Trade Commission with a view toward development of an enumeration of articles resulting in comparability of import, production, and export data, with the submission of a report to both Houses of Congress and to the President no later than Aug. 1, 1975.

INVESTIGATION BY UNITED STATES INTERNATIONAL TRADE COMMISSION; FORMULATION OF INTERNATIONAL COMMODITY CODE

Section 608(c) of Pub. L. 93–618 authorized an investigation by the United States International Trade Commission to provide the basis for the formulation of an international commodity code (with a report to be submitted to both Houses of Congress and to the President no later than June 1, 1975) and to provide the basis for full and immediate participation by the Trade Commission in the United States contribution to technical work of the Harmonized Systems Committee to assure recognition of the needs of the business community in the development of a harmonized code.

COOPERATION OF GOVERNMENTAL AGENCIES WITH SECRETARY OF COMMERCE AND UNITED STATES INTERNATIONAL TRADE COMMISSION IN STUDIES AND INVESTIGATIONS

Section 608(d) of Pub. L. 93–618 provided that: ''The President is requested to direct the appropriate agencies to cooperate fully with the Secretary of Commerce and the United States International Trade Commission in carrying out their responsibilities under subsections (a) [amending this section], (b), and (c) [see notes set out above].''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 58c, 1414, 1481, 1485, 1504, 1592a, 3007, 3010 of this title; title 15 section 70g.

§ 1484a. Articles returned from space not to be construed as importation

The return of articles from space shall not be considered an importation, and an entry of such articles shall not be required, if:

(1) such articles were previously launched into space from the customs territory of the United States aboard a spacecraft operated by, or under the control of, United States persons and owned—

(A) wholly by United States persons, or

(B) in substantial part by United States persons, or

(C) by the United States;

(2) such articles were maintained or utilized while in space solely on board such spacecraft or aboard another spacecraft which meets the requirements of paragraph (1)(A) through (C) of this section; and

(3) such articles were returned to the customs territory directly from space aboard such spacecraft or aboard another spacecraft which meets the requirements of paragraph (1)(A) through (C) of this section;

without regard to whether such articles have been advanced in value or improved in condition by any process of manufacture or other means while in space.

(June 17, 1930, ch. 497, title IV, § 484a, as added Oct. 30, 1984, Pub. L. 98–573, title II, § 209(a), 98 Stat. 2976.)

EFFECTIVE DATE

Section applicable with respect to articles launched into space from the customs territory of the United States on or after Jan. 1, 1985, see section 214(c)(4) of Pub. L. 98–573, set out as an Effective Date of 1984 Amendment note under section 1304 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1202 of this title.

§ 1485. Declaration

(a) Requirement; form and contents

Every importer of record making an entry under the provisions of section 1484 of this title

shall make and file or transmit electronically therewith, in a form and manner to be prescribed by the Secretary of the Treasury, a declaration under oath, stating—

(1) Whether the merchandise is imported in pursuance of a purchase or an agreement to purchase, or whether it is imported otherwise than in pursuance of a purchase or agreement to purchase;

(2) That the prices set forth in the invoice are true, in the case of merchandise purchased or agreed to be purchased; or in the case of merchandise secured otherwise than by purchase or agreement to purchase, that the statements in such invoice as to value or price are true to the best of his knowledge and belief;

(3) That all other statements in the invoice or other documents filed with the entry, or in the entry itself, are true and correct; and

(4) That he will produce at once to the appropriate customs officer any invoice, paper, letter, document, or information received showing that any such prices or statements are not true or correct.

(b) Books and periodicals

The Secretary of the Treasury is authorized to prescribe regulations for one declaration in the case of books, magazines, newspapers, and periodicals published and imported in successive parts, numbers, or volumes, and entitled to free entry.

(c) Agents

In the event that an entry is made by an agent under the provisions of section 1484 of this title and such agent is not in possession of such declaration of the importer of record, such agent shall give a bond to produce such declaration.

(d) Liability of importer of record for increased duties

An importer of record shall not be liable for any additional or increased duties if (1) he declares at the time of entry that he is not the actual owner of the merchandise, (2) he furnishes the name and address of such owner, and (3) within ninety days from the date of entry he produces a declaration of such owner conditioned that he will pay all additional and increased duties, under such regulations as the Secretary of the Treasury may prescribe. Such owner shall possess all the rights of an importer of record.

(e) Separate forms for purchase and nonpurchase importations

The Secretary of the Treasury shall prescribe separate forms for the declaration in the case of merchandise which is imported in pursuance of a purchase or agreement to purchase and merchandise which is imported otherwise than in pursuance of a purchase or agreement to purchase.

(f) Deceased or insolvent persons; partnerships and corporations

Whenever such merchandise is consigned to a deceased person, or to an insolvent person who has assigned the same for the benefit of his creditors, the executor or administrator, or the assignee of such person or trustee in a case under title 11, shall be considered as the importer of record; when consigned to a partnership the declaration of one of the partners only shall be required, and when consigned to a corporation such declaration may be made by any officer of such corporation. Whether the importer of record is an individual, a partnership, or a corporation, the declaration may be made by any person who has knowledge of the facts and who is specifically authorized by such individual, a member of such partnership, or an officer of such corporation to make such declaration.

(g) Exported merchandise returned as undeliverable

With respect to any importation of merchandise to which General Headnote 4(e) of the Harmonized Tariff Schedule of the United States applies, any person who gained any benefit from, or met any obligation to, the United States as a result of the prior exportation of such merchandise shall, in accordance with regulations prescribed by the Secretary, within a reasonable time inform the Customs Service of the return of the merchandise.

(June 17, 1930, ch. 497, title IV, § 485, 46 Stat. 724; June 25, 1938, ch. 679, § 13, 52 Stat. 1083; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Nov. 6, 1978, Pub. L. 95–598, title III, § 315, 92 Stat. 2678; Jan. 12, 1983, Pub. L. 97–446, title II, § 201(e), 96 Stat. 2350; Dec. 8, 1993, Pub. L. 103–182, title VI, § 657, 107 Stat. 2212.)

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States, referred to in subsec. (g), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 485, 42 Stat. 961. That section was superseded by section 485 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions for a declaration to be filed when merchandise was entered by invoice, were contained in the Customs Administrative Act of June 10, 1890, ch. 407, § 5, 26 Stat. 132, as amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 95, and by act Oct. 3, 1913, ch. 16, § III, F, 38 Stat. 182. The sections of the acts of 1890 and 1913, referred to, were repealed by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

R.S. § 2786, requiring entries to be verified by oath, was superseded by the Customs Administrative Act of June 10, 1890, ch. 407, §§ 4, 5, 22, 26 Stat. 131, 132, 140, amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 92, 102, and further amended by the Underwood Tariff Act of Oct. 3, 1913, ch. 16, § III, E, F, and section IV, S, of that act, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

R.S. § 2841 prescribed the forms of oaths of which one, according to the nature of the case, was required to be administered by the collector at the time of the entry of merchandise by invoice. It was modified by act May 1, 1876, ch. 89, § 2, 19 Stat. 49, and repealed by the Customs Administrative Act of June 10, 1890, ch. 407, § 29, 26 Stat. 141, amended and reenacted by the Payne-Aldrich Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 104, and declarations in lieu of oaths were required to accompany the invoice by section 5 of the Customs Administrative Act, amended by the Payne-Aldrich Act and further amended by the Underwood Tariff Act of Oct. 3, 1913, ch. 16, § III, F. All oaths administered by officers of the

customs, except as provided in the Customs Administrative Act, were abolished by section 22 thereof amended by section 28 of the Payne-Aldrich Act.

The provisions for the abolition of fees and oaths on entry of goods, made by the Customs Administrative Act of June 10, 1890, ch. 407, § 22, 26 Stat. 140, as amended by the Payne-Aldrich Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 102, were superseded by a proviso annexed to section IV, S, of the Underwood Tariff Act of Oct. 3, 1913, which provided that ''nothing in this act shall be construed to permit any oaths to be demanded or fees to be charged except as provided in this act,'' etc.

Act May 1, 1876, ch. 89, § 2, 19 Stat. 49, modifying the form of oath prescribed by R.S. § 2841, was repealed by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

R.S. § 2849, relative to oaths when merchandise belonged in part to a resident of the United States and in part to a non-resident was superseded in part by the Customs Administrative Act of June 10, 1890, ch. 407, §§ 5, 22, 29, 26 Stat. 132, 140, 141, amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 92, 102, 104, and further amended by the Underwood Tariff Act of Oct. 3, 1913, ch. 16, § III, B–J, and was repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

Prior provisions requiring a bond to be taken when entry was made by an agent, factor, or person other than the owner or ultimate consignee, and prescribing the conditions, etc., of the bond, and the circumstances under which it might be canceled with a proviso authorizing the taking of a general penal bond, were contained in R.S. § 2787, as amended by act Mar. 2, 1905, ch. 1306, 33 Stat. 826, which was repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

Provisions concerning the statement to be presented to the collector when merchandise entered for customs duty had been consigned for sale to a person, agent, partner, or consignee, were contained in act Oct. 3, 1913, ch. 16, § III, J, 38 Stat. 185, which reenacted the provisions of the Customs Administrative Act of June 10, 1890, ch. 407, 26 Stat. 131, and the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 96, and which was repealed by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

A prior provision relative to oaths to invoices when merchandise belonged to estates of deceased persons or of persons insolvent was contained in R.S. § 2846, which was superseded, in part, by the abolition of all oaths administered by officers of the customs, except as provided therein, by the Customs Administrative Act of June 10, 1890, ch. 407, § 22, 26 Stat. 140, and by the repeal, by section 29 of that act, 26 Stat. 141, of R.S. §§ 2841, 2843, 2845, which required oaths to accompany invoices on entry of merchandise, and the substitution of declarations for such oaths, by sections 3–5 of said act, 26 Stat. 131, amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 102, and further amended by the Underwood Tariff Act of Oct. 3, 1913, ch. 16, § III, D, F, and § IV, S, 38 Stat. 181.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182, § 657(1), in introductory provisions, inserted ''or transmit electronically'' after ''file'' and ''and manner'' after ''form''.

Subsec. (d). Pub. L. 103–182, § 657(2), substituted ''An importer'' for ''A importer'' and ''an importer'' for ''a importer''.

Subsec. (g). Pub. L. 103–182, § 657(3), added subsec. (g).

1983—Subsec. (a). Pub. L. 97–446 substituted ''importer of record'' for ''consignee'' before ''making an entry''.

Subsec. (c). Pub. L. 97–446 substituted ''importer of record'' for ''consignee'' after ''declaration of the''.

Subsecs. (d), (f). Pub. L. 97–446 substituted ''importer of record'' for ''consignee'' wherever appearing.

1978—Subsec. (f). Pub. L. 95–598 substituted ''trustee in a case under title 11'' for ''receiver or trustee in bankruptcy''.

1970—Subsec. (a). Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

1938—Subsec. (f). Act June 25, 1938, changed the comma to a period after ''such declaration may be made by any officer of such corporation'', struck out ''or by any other person specifically authorized by any officer of such corporation to make the same'' after said comma, and inserted in lieu thereof a new sentence providing that whether the consignee is an individual, a partnership, or a corporation, the declaration may be made by any person having knowledge of the facts and authorized to make such declaration.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 97–446 applicable with respect to merchandise entered on and after 30th day after Jan. 12, 1983, see section 201(g) of Pub. L. 97–446, set out as a note under section 1484 of this title.

EFFECTIVE DATE OF 1978 AMENDMENT

Amendment by Pub. L. 95–598 effective Oct. 1, 1979, see section 402(a) of Pub. L. 95–598, set out as an Effective Date note preceding section 101 of Title 11, Bankruptcy.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1514 of this title; title 15 section 70g.

§ 1486. Administration of oaths

(a) Customs officers

The following officers and employees may administer any oaths required or authorized by law or regulations promulgated thereunder in respect of any matter coming before such officers or employees in the performance of their official duties: (1) Any customs officer appointed by the President; (2) the chief assistant of any such officer, or any officer or employee of the customs field service designated for the purpose by such officer or by the Secretary of the Treasury; and (3) any officer or employee of the United States Customs Service designated for the purpose by the Secretary of the Treasury.

(b) Postmasters

The postmaster or assistant postmaster of the United States at any post office where customs officers are not stationed, is authorized to administer any oaths required to be made to statements in customs documents by importers of merchandise, not exceeding $100 in value, through the mails.

(c) No compensation

No compensation or fee shall be demanded or accepted for administering any oath under the provisions of this section.

(d) Verification in lieu of oath

The Secretary of the Treasury may by regulation prescribe that any document required by any law administered by the Customs Service to be under oath may be verified by a written declaration in such form as he shall prescribe, such declaration to be in lieu of the oath otherwise required.

(June 17, 1930, ch. 497, title IV, § 486, 46 Stat. 725; Aug. 8, 1953, ch. 397, § 17, 67 Stat. 517.)

AMENDMENTS

1953—Subsec. (d). Act Aug. 8, 1953, added subsec. (d).

CHANGE OF NAME

''United States Customs Service'' substituted in text for ''Bureau of Customs'' pursuant to Treasury Department Order 165–23, Apr. 4, 1973, eff. Aug. 1, 1973, 38 F.R. 13037. See, also, section 308 of Title 31, Money and Finance.

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

§ 1487. Value in entry; amendment

The importer of record or his agent may, under such regulations as the Secretary of the Treasury may prescribe, at the time entry is made, make in the entry such additions to or deductions from the cost or value given in the invoice as, in his opinion, may raise or lower the same to the value of such merchandise.

(June 17, 1930, ch. 497, title IV, § 487, 46 Stat. 725; Aug. 8, 1953, ch. 397, § 18(a), 67 Stat. 517; Jan. 12, 1983, Pub. L. 97–446, title II, § 201(e), 96 Stat. 2350.)

PRIOR PROVISIONS

Provisions somewhat similar to those of this section were contained in act Oct. 3, 1913, ch. 16, § III, I, 38 Stat. 184, which were substituted for provisions made by the Customs Administrative Act of June 10, 1890, ch. 407, § 7, 26 Stat. 134, as amended by act July 24, 1897, ch. 11, § 32, 30 Stat. 211, and as further amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 95. Section III of the act of 1913 was superseded by act Sept. 21, 1922, ch. 356, title IV, § 487, 42 Stat. 962, and was repealed by section 643 thereof. Section 487 of the 1922 act was superseded by section 487 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions for addition to the invoice values made by R.S. § 2900, were repealed by section 29 of the Customs Administrative Act.

AMENDMENTS

1983—Pub. L. 97–446 substituted ''importer of record'' for ''consignee'' before ''or his agent''.

1953—Act Aug. 8, 1953, struck out ''or at any time before the invoice or the merchandise has come under the observation of the appraiser for the purpose of appraisement,'' after ''at the time entry is made,''.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 97–446 applicable with respect to merchandise entered on and after 30th day after Jan. 12, 1983, see section 201(g) of Pub. L. 97–446, set out as a note under section 1484 of this title.

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

§ 1488. Repealed. Pub. L. 91–271, title II, § 204(b), June 2, 1970, 84 Stat. 283

Section, act June 17, 1930, ch. 497, title IV, § 488, 46 Stat. 725, authorized a collector to cause the appraisal of entered merchandise.

EFFECTIVE DATE OF REPEAL

For effective date of repeal, see section 203 of Pub. L. 91–271, set out as an Effective Date of 1970 Amendment note under section 1500 of this title.

§ 1489. Repealed. Pub. L. 87–456, title III, § 301(a), May 24, 1962, 76 Stat. 75

Section, acts June 17, 1930, ch. 497, title IV, § 489, 46 Stat. 725; Aug. 8, 1953, ch. 397, § 18(b), 67 Stat. 517, related to entry of antique furniture at designated ports.

EFFECTIVE DATE OF REPEAL

For effective date of repeal, see section 501(a) of Pub. L. 87–456, set out as an Effective Date of Tariff Classification Act of 1962 note preceding section 1202 of this title.

§ 1490. General orders

(a) Incomplete entry

(1) Whenever—

(A) the entry of any imported merchandise is not made within the time provided by law or by regulation prescribed by the Secretary;

(B) the entry of imported merchandise is incomplete because of failure to pay the estimated duties, fees, or interest;

(C) in the opinion of the Customs Service, the entry of imported merchandise cannot be made for want of proper documents or other cause; or

(D) the Customs Service believes that any merchandise is not correctly and legally invoiced;

the carrier (unless subject to subsection (c) of this section) shall notify the bonded warehouse of such unentered merchandise.

(2) After notification under paragraph (1), the bonded warehouse shall arrange for the transportation and storage of the merchandise at the risk and expense of the consignee. The merchandise shall remain in the bonded warehouse until—

(A) entry is made or completed and the proper documents are produced;

(B) the information and data necessary for entry are transmitted to the Customs Service pursuant to an authorized electronic data interchange system; or

(C) a bond is given for the production of documents or the transmittal of data.

(b) Request for possession by Customs

At the request of the consignee of any merchandise, or of the owner or master of the vessel or the person in charge of the vehicle in which the same is imported, any merchandise may be taken possession of by the Customs Service after the expiration of one day after the entry of the vessel or report of the vehicle and may be

unladen and held at the risk and expense of the consignee until entry thereof is made.

(c) Government merchandise

Any imported merchandise that—

(1) is described in any of paragraphs (1) through (4)[1] of subsection (a) of this section; and

(2) is consigned to, or owned by, the United States Government;

shall be stored and disposed of in accordance with such rules and procedures as the Secretary shall by regulation prescribe.

(June 17, 1930, ch. 497, title IV, § 490, 46 Stat. 726; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Dec. 8, 1993, Pub. L. 103–182, title VI, § 658, 107 Stat. 2212.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 490, 42 Stat. 963. That section was superseded by section 490 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions authorizing the collector to take possession of, or store merchandise were contained in the following sections, all of which were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989:

R.S. § 2789, authorizing the collector, when an entry was imperfect, to take the merchandise into his custody until the quantity, quality, or value could be ascertained;

R.S. § 2840, providing that when the collector should suspect that merchandise was not invoiced at a sum equal to that for which it had usually been sold, he should take possession and retain the same until its value had been ascertained and the duties paid or secured;

R.S. § 2926, providing that merchandise of which incomplete entry had been made, or entry without specification of particulars, should be conveyed to some warehouse or designated by the collector to remain until the particulars, cost or value should have been ascertained, and the duties paid or secured, and a permit for delivery granted;

R.S. § 2963, providing that when merchandise had not been entered it should be deposited in a public warehouse, and there remain until an invoice was produced, but that it should not be construed to prohibit sales of merchandise to discharge duties and charges;

R.S. § 2964, authorizing the collector to take possession of merchandise, and deposit it in public stores, or other stores to be agreed on, in case of failure or neglect to pay duties, or when the owner, etc., should make entry for warehousing;

R.S. § 2965, providing for the storage in a public warehouse, or private bonded warehouse, of unclaimed merchandise required to be taken possession of by collectors, and making provision for payment of charges and expenses;

R.S. § 2966, as amended by act June 26, 1884, ch. 121, § 24, 23 Stat. 58, providing for the deposit in a bonded warehouse of merchandise imported in vessels, when it should appear by the bills of lading that it was to be delivered immediately after entry of the vessel, or on request, when it did not so appear.

A prior provision authorizing the collector to require a bond for the production of proof to enable the collector to ascertain the class or description of manufacture, or rate of duty to which merchandise was liable, was contained in R.S. § 2925, which was also repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182, § 658(1), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: ''Whenever entry of any imported merchandise is not made within the time provided by law or the regulations prescribed by the Secretary of the Treasury, or whenever entry of such merchandise is incomplete because of failure to pay the estimated duties, or whenever, in the opinion of the appropriate customs officer, entry of such merchandise can not be made for want of proper documents or other cause, or whenever the appropriate customs officer believes that any merchandise is not correctly and legally invoiced, he shall take the merchandise into his custody and send it to a bonded warehouse or public store, to be held at the risk and expense of the consignee until entry is made or completed and the proper documents are produced, or a bond given for their production.''

Subsec. (b). Pub. L. 103–182, § 658(2), substituted heading for one which read ''At request of consignee'' and in text substituted ''Customs Service'' for ''appropriate customs officer''.

Subsec. (c). Pub. L. 103–182, § 658(3), added subsec. (c).

1970—Pub. L. 91–271 substituted references to appropriate customs officer for references to collector wherever appearing.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1448, 1484, 1491 of this title.

§ 1491. Unclaimed merchandise; disposition of forfeited distilled spirits, wines and malt liquor

(a) Appraisal and sale of unclaimed merchandise

Any entered or unentered merchandise (except merchandise entered under section 1557 of this title, but including merchandise entered for transportation in bond or for exportation) which shall remain in in[1] a bonded warehouse pursuant to section 1490 of this title for 6 months from the date of importation thereof, without all estimated duties, taxes, fees, interest, storage, or other charges thereon having been paid, shall be considered unclaimed and abandoned to the Government and shall be appraised and sold by the appropriate customs officer at public auction under such regulations as the Secretary of the Treasury shall prescribe. All gunpowder and other explosive substances and merchandise liable to depreciation in value by damage, leakage, or other cause to such extent that the proceeds of sale thereof may be insufficient to pay the duties, taxes, fees, interest, storage, and other charges, if permitted to remain in[1] pursuant to section 1490 of this title in a bonded warehouse for 6 months, may be sold forthwith, under such regulations as the Secretary of the Treasury may prescribe. Merchandise subject to sale hereunder or under section 1559 of this title may be entered or withdrawn for consumption at any time prior to such sale upon payment of all duties, taxes, fees, interest, storage, and other charges, and expenses that may have accrued thereon, but such merchandise after becoming subject to sale may not be exported prior to sale without the payment of such duties, taxes, fees, interest, charges, and expenses nor may it be entered for warehouse. The computation of duties,

[1] So in original. Subsec. (a) does not contain pars. (3) and (4).

[1] So in original. The word ''in'' probably should not appear.

taxes, interest, and fees for the purposes of this section and sections 1493 and 1559 of this title shall be at the rate or rates applicable at the time the merchandise becomes subject to sale.

(b) Notice of title vesting in United States

At the end of the 6-month period referred to in subsection (a) of this section, the Customs Service may, in lieu of sale of the merchandise, provide notice to all known interested parties that the title to such merchandise shall be considered to vest in the United States free and clear of any liens or encumbrances, on the 30th day after the date of the notice unless, before such 30th day—

(1) the subject merchandise is entered or withdrawn for consumption; and

(2) payment is made of all duties, taxes, fees, transfer and storage charges, and other expenses that may have accrued thereon.

(c) Retention, transfer, destruction, or other disposition

If title to any merchandise vests in the United States by operation of subsection (b) of this section, such merchandise may be retained by the Customs Service for official use, transferred to any other Federal agency or to any State or local agency, destroyed, or otherwise disposed of in accordance with such regulations as the Secretary shall prescribe. All transfer and storage charges or expenses accruing on retained or transferred merchandise shall be paid by the receiving agency.

(d) Petition

Whenever any party, having lost a substantial interest in merchandise by virtue of title vesting in the United States under subsection (b) of this section, can establish such title or interest to the satisfaction of the Secretary within 30 days after the day on which title vests in the United States under subsection (b) of this section, or can establish to the satisfaction of the Secretary that the party did not receive notice under subsection (b) of this section, the Secretary may, upon receipt of a timely and proper petition and upon finding that the facts and circumstances warrant, pay such party out of the Treasury of the United States the amount the Secretary believes the party would have received under section 1493 of this title had the merchandise been sold and a proper claim filed. The decision of the Secretary with respect to any such petition is final and conclusive on all parties.

(e) Appraisal and sale or other disposition of forfeited distilled spirits, wines, and malt liquor

All distilled spirits, wines, and malt liquor forfeited to the Government summarily or by order of court, under any provision of law administered by the United States Customs Service, shall be appraised and disposed of by—

(1) delivery to such Government agencies, as in the opinion of the Secretary have a need for such distilled spirits, wines, and malt liquor for medical, scientific, or mechanical purposes, or for any other official purpose for which appropriated funds may be expended by a Government agency:

(2) gifts to such eleemosynary institutions as, in the opinion of the Secretary, have a need for such distilled spirits, wines, and malt liquor for medical purposes;

(3) sale by Customs Service at public auction under such regulations as the Secretary shall prescribe, except that before making any such sale the Secretary shall determine that no Government agency or eleemosynary institution has established a need for such spirits, wines, and malt liquor under paragraph (1) or (2); or

(4) destruction.

(June 17, 1930, ch. 497, title IV, § 491, 46 Stat. 726; June 25, 1938, ch. 679, § 14, 52 Stat. 1083; June 2, 1970, Pub. L. 91–271, title III, § 301(j), 84 Stat. 289; Oct. 3, 1978, Pub. L. 95–410, title II, § 208, 92 Stat. 901; Dec. 8, 1993, Pub. L. 103–182, title VI, § 659, 107 Stat. 2213.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in R.S. §§ 2973, 2975 and 2976, all of which were superseded by act Sept. 21, 1922, ch. 356, title IV, § 491, 42 Stat. 963, and repealed by section 642 thereof. Section 491 of the 1922 act was superseded by section 491 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182, § 659(1), substituted ''in a bonded warehouse pursuant to section 1490 of this title for 6 months'' for ''customs custody for one year'', ''estimated duties, taxes, fees, interest, storage,'' for ''estimated duties and storage'', ''duties, taxes, fees, interest, storage, and other charges, if permitted'' for ''duties, storage, and other charges, if permitted'', ''pursuant to section 1490 of this title in a bonded warehouse for 6 months'' for ''public store or bonded warehouse for a period of one year'', ''duties, taxes, fees, interest, storage, and other charges'' for ''duties, storage, and other charges'', ''duties, taxes, fees, interest, charges, and expenses'' for ''duties, charges, and expenses'', and ''computation of duties, taxes, interest, and fees for the purposes'' for ''computation of duties for the purposes''.

Subsecs. (b) to (d). Pub. L. 103–182, § 659(2), added subsecs. (b) to (d). Former subsec. (b) redesignated (e).

Subsec. (e). Pub. L. 103–182, § 659(2), (3), redesignated subsec. (b) as (e) and substituted ''Customs Service'' for ''appropriate customs officer'' in par. (3).

1978—Pub. L. 95–410 amended section catchline, designated existing provisions as subsec. (a), and added subsec. (b).

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector, and struck out reference to appraiser of merchandise.

1938—Act June 25, 1938, amended generally so much of this section as preceded ''shall be considered unclaimed and abandoned''.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

EXTENSION OF ONE-YEAR PERIOD

For extension of one year period prescribed in this section, see Proc. No. 2948, Oct. 12, 1951, 16 F.R. 10589, 65 Stat. c41, set out as a note under section 1318 of this title.

Proc. No. 2599, Nov. 6, 1943, 8 F.R. 15359, 57 Stat. 758, as amended by Proc. No. 2712, Dec. 4, 1946, 11 F.R. 14133,

61 Stat. 1947, was superseded by Proc. No. 2948, Oct. 12, 1951, 16 F.R. 10589, 65 Stat. c41.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1493, 1753 of this title.

§ 1492. Destruction of abandoned or forfeited merchandise

Except as provided in R.S. § 3369 (relating to tobacco and snuff), and in section 901 of the Revenue Act of 1926 (relating to distilled spirits), any merchandise abandoned or forfeited to the Government under the preceding or any other provision of the customs laws, which is subject to internal revenue tax and which the Customs Service shall be satisfied will not sell for a sufficient amount to pay such taxes, shall be forthwith destroyed, retained for official use, or otherwise disposed of under regulations to be prescribed by the Secretary of the Treasury, instead of being sold at auction.

(June 17, 1930, ch. 497, title IV, § 492, 46 Stat. 727; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Dec. 8, 1993, Pub. L. 103–182, title VI, § 660, 107 Stat. 2214.)

REFERENCES IN TEXT

R.S. § 3369, referred to in text, is covered by sections 5723(a) and 5753 of Title 26, Internal Revenue Code.

Section 901 of Revenue Act of 1926, referred to in text, is covered by section 5243 of Title 26.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 492, 42 Stat. 963. That section was superseded by section 492 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior to its incorporation into the Code, this section read: ''Except as provided in section 3369 of the Revised Statutes, as amended,'' etc. R.S. § 3369, as amended by act Oct. 14, 1921, ch. 107, 42 Stat. 205, related in part to abandoned, condemned or forfeited tobacco, snuff, cigars, or cigarettes, which would not bring a price equal to the internal revenue tax thereon. So far as it related to tobacco and snuff, it was incorporated into the Code as sections 702(a)(1), 803(a)(1), (c), (d), and 890, of Title 26, Internal Revenue Code, and so far as it applied to cigars and cigarettes, it was incorporated into the Code as sections 812(d)(2) and 890, of Title 26.

AMENDMENTS

1993—Pub. L. 103–182 substituted ''Customs Service'' for ''appropriate customs officer'' and inserted '', retained for official use, or otherwise disposed of'' after ''destroyed''.

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1753 of this title.

§ 1493. Proceeds of sale

The surplus of the proceeds of sales under section 1491 of this title, after the payment of storage charges, expenses, duties, taxes, and fees, and the satisfaction of any lien for freight, charges, or contribution in general average, shall be deposited in the Treasury of the United States, if claim therefor shall not be filed with the Customs Service within ten days from the date of sale, and the sale of such merchandise shall exonerate the master of any vessel in which the merchandise was imported from all claims of the owner thereof, who shall, nevertheless, on due proof of his interest, be entitled to receive from the Treasury the amount of any surplus of the proceeds of sale.

(June 17, 1930, ch. 497, title IV, § 493, 46 Stat. 727; June 2, 1970, Pub. L. 91–271, title III, § 301(e), 84 Stat. 288; Dec. 8, 1993, Pub. L. 103–182, title VI, § 661, 107 Stat. 2214.)

PRIOR PROVISIONS

Provisions substantially similar in most respects to those of this section, with further provisions concerning the documents to be forwarded by the collector to the Treasury Department, were contained in R.S. § 2974, which was superseded and more nearly assimilated to the present section by act Sept. 21, 1922, ch. 356, title IV, § 493, 42 Stat. 964, and repealed by section 642 thereof. Section 493 of the 1922 act was superseded by section 493 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1993—Pub. L. 103–182 inserted ''taxes, and fees,'' after ''duties,'', struck out ''by the appropriate customs officer'' after ''shall be deposited'', and substituted ''the Customs Service'' for ''such customs officer''.

1970—Pub. L. 91–271 substituted references to appropriate customs officer or such customs officer for references to collector wherever appearing.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

APPROPRIATIONS

Section 2 of act June 26, 1934, ch. 756, 48 Stat. 1225, which was classified to section 725a of former Title 31, Money and Finance, repealed the permanent appropriation under the title ''Refunding proceeds of unclaimed merchandise (Customs) (2x326)'' effective July 1, 1935, and provided that such portions of any Acts as make permanent appropriations to be expended under such account are amended so as to authorize, in lieu thereof, annual appropriations from the general fund of the Treasury in identical terms and in such amounts as now provided by the laws providing such permanent appropriations.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1491, 1559, 1753 of this title.

§ 1494. Expense of weighing and measuring

In all cases in which the invoice or entry does not state the weight, quantity, or measure of the merchandise, the expense of ascertaining the same shall be collected from the importer of record before its release from customs custody.

(June 17, 1930, ch. 497, title IV, § 494, 46 Stat. 727; Jan. 12, 1983, Pub. L. 97–446, title II, § 201(e), 96 Stat. 2350.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 494, 42 Stat. 964. That section was superseded by section 494 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

A prior provision requiring merchandise to be weighed, gauged or measured at the expense of the owner, agent or consignee, in cases in which the invoice or entry did not contain the weight, quantity or measure was contained in R.S. § 2920, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1983—Pub. L. 97–446 substituted ''importer of record'' for ''consignee'' after ''collected from the''.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 97–446 applicable with respect to merchandise entered on and after 30th day after Jan. 12, 1983, see section 201(g) of Pub. L. 97–446, set out as a note under section 1484 of this title.

§ 1495. Partnership bond

When any bond is required by law or regulations to be executed by any partnership for any purpose connected with the transaction of business at any customhouse, the execution of such bond by any member of such partnership shall bind the other partners in like manner and to the same extent as if such other partners had personally joined in the execution, and an action or suit may be instituted on such bond against all partners as if all had executed the same.

(June 17, 1930, ch. 497, title IV, § 495, 46 Stat. 727.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 495, 42 Stat. 964. That section was superseded by section 495 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions substantially similar to those of this section, except that they applied to bonds for the payment of duties or for any other purpose connected with the general transaction of business at any customs house, were contained in act June 20, 1876, ch. 136, 19 Stat. 60, as amended by act Aug. 27, 1894, ch. 349, § 70, 28 Stat. 569, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

§ 1496. Examination of baggage

The appropriate customs officer may cause an examination to be made of the baggage of any person arriving in the United States in order to ascertain what articles are contained therein and whether subject to duty, free of duty, or prohibited notwithstanding a declaration and entry therefor has been made.

(June 17, 1930, ch. 497, title IV, § 496, 46 Stat. 727; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 496, 42 Stat. 964. That section was superseded by section 496 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§ 1496a. Clearance restrictions of individuals returning from abroad; special circumstances; "baggage and effects" defined

Except as otherwise provided by law, no individual returning to the United States from abroad shall be—

(1) entitled to the admission of his or her baggage and effects free of duty without entry; or

(2) entitled to expedited customs examination and clearance of his or her baggage and effects.

Paragraph (2) shall not apply to individuals in special circumstances (including being seriously ill or infirm, having been summoned by news of affliction or disaster, and accompanying the body of a deceased relative). For purposes of this section, the term ''baggage and effects'' means any article which was in the possession of the individual while abroad and is being imported in connection with his or her arrival and is intended for his or her bona fide personal or household use. Such term does not include any article imported as an accommodation to others or for sale or other commercial use.

(Pub. L. 95–410, title II, § 215, Oct. 3, 1978, 92 Stat. 904.)

CODIFICATION

Section was enacted as part of Customs Procedural Reform and Simplification Act of 1978, and not as part of Tariff Act of 1930 which comprises this chapter.

CLEARANCE PROCEDURES STUDY; REPORT TO CONGRESSIONAL COMMITTEES

Section 216 of Pub. L. 95–410 provided that the Comptroller General, in cooperation with the Customs Service of the Department of the Treasury and the Immigration and Naturalization Service of the Department of Justice, study clearance procedures for individuals entering or reentering the United States, and to report the results of his study and any recommendations for expediting the clearance process to specific committees of the United States Senate and the House of Representatives not later than Sept. 1, 1979.

§ 1497. Penalties for failure to declare

(a) In general

(1) Any article which—

(A) is not included in the declaration and entry as made or transmitted; and

(B) is not mentioned before examination of the baggage begins—

(i) in writing by such person, if written declaration and entry was required, or

(ii) orally, if written declaration and entry was not required;

shall be subject to forfeiture and such person shall be liable for a penalty determined under paragraph (2) with respect to such article.

(2) The amount of the penalty imposed under paragraph (1) with respect to any article is equal to—

(A) if the article is a controlled substance, either $500 or an amount equal to 1,000 percent of the value of the article, whichever amount is greater; and

(B) if the article is not a controlled substance, the value of the article.

(b) Value of controlled substances

(1) Notwithstanding any other provision of this chapter, the value of any controlled sub-

stance shall, for purposes of this section, be equal to the amount determined by the Secretary in consultation with the Attorney General of the United States, to be equal to the price at which such controlled substance is likely to be illegally sold to the consumer of such controlled substance.

(2) The Secretary and the Attorney General of the United States shall establish a method of determining the price at which each controlled substance is likely to be illegally sold to the consumer of such controlled substance.

(June 17, 1930, ch. 497, title IV, § 497, 46 Stat. 728; Oct. 27, 1986, Pub. L. 99–570, title III, § 3116, 100 Stat. 3207–83; Nov. 18, 1988, Pub. L. 100–690, title VII, § 7367(a), 102 Stat. 4479; Dec. 8, 1993, Pub. L. 103–182, title VI, § 612, 107 Stat. 2170.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 497, 42 Stat. 964. That section was superseded by section 497 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

A prior provision for forfeiture of any article subject to duty found in baggage, and not mentioned to the collector before whom entry was made, and for a penalty of treble the value of the article, was contained in R.S. § 2802, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Subsec. (a)(1)(A). Pub. L. 103–182, § 612(1), inserted ''or transmitted'' after ''made''.

Subsec. (a)(2)(A). Pub. L. 103–182, § 612(2), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: ''if the article is a controlled substance, 1,000 percent of the value of the article; and''.

1988—Subsec. (a)(2)(A). Pub. L. 100–690 substituted ''1,000 percent'' for ''200 percent''.

1986—Pub. L. 99–570 amended section generally. Prior to amendment, section read as follows: ''Any article not included in the declaration and entry as made, and, before examination of the baggage was begun, not mentioned in writing by such person, if written declaration and entry was required, or orally if written declaration and entry was not required, shall be subject to forfeiture and such person shall be liable to a penalty equal to the value of such article.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1590 of this title.

§ 1498. Entry under regulations

(a) Authorized for certain merchandise

The Secretary of the Treasury is authorized to prescribe rules and regulations for the declaration and entry of—

(1) Merchandise, when—

(A) the aggregate value of the shipment does not exceed an amount specified by the Secretary by regulation, but not more than $2,500; or

(B) different commercial facilitation and risk considerations that may vary for different classes or kinds of merchandise or different classes of transactions may dictate;

(2) Products of the United States, when the aggregate value of the shipment does not exceed such amounts as the Secretary may prescribe and the products are imported.

(A) for the purposes of repair or alteration prior to reexportation, or

(B) after having been either rejected or returned by the foreign purchaser to the United States for credit;

(3) Merchandise damaged on the voyage of importation, by fire or through marine casualty or any other cause, without fault on the part of the shipper;

(4) Merchandise recovered from a wrecked or stranded vessel;

(5) Household effects used abroad and personal effect, not imported in pursuance of a purchase or agreement for purchase and not intended for sale;

(6) Articles sent by persons in foreign countries as gifts to persons in the United States;

(7) Articles carried on the person or contained in the baggage of a person arriving in the United States;

(8) Tools of trade of a person arriving in the United States;

(9) Personal effects of citizens of the United States who have died in a foreign country;

(10) Merchandise within the provisions of sections 1465[1] and 1466 of this title (relating to supplies, repairs, and equipment on vessels and railway cars) at the first port of arrival;

(11) Merchandise when in the opinion of the Secretary of the Treasury the value thereof cannot be declared; and

(12) Merchandise within the provisions of paragraph 1631 of section 1201 of this title.

(b) Application of general provisions

The Secretary of the Treasury is authorized to include in such rules and regulations any of the provisions of section 1484 or 1485 of this title (relating, respectively, to entry and to declaration of merchandise generally).

(June 17, 1930, ch. 497, title IV, § 498, 46 Stat. 728; Aug. 8, 1953, ch. 397, § 16(d), (e), 67 Stat. 517; Dec. 28, 1980, Pub. L. 96–609, title II, § 202, 94 Stat. 3561; Oct. 30, 1984, Pub. L. 98–573, title II, § 206, 98 Stat. 2975; Aug. 23, 1988, Pub. L. 100–418, title I, § 1214(h)(5), 102 Stat. 1157; Dec. 8, 1993, Pub. L. 103–182, title VI, § 662, 107 Stat. 2214.)

REFERENCES IN TEXT

Section 1465 of this title, referred to in subsec. (a)(10), was repealed by Pub. L. 103–182, title VI, § 690(b)(7), Dec. 8, 1993, 107 Stat. 2223.

Section 1201 of this title, referred to in subsec. (a)(12), which comprised the free list for articles imported into the United States, was repealed by Pub. L. 87–456, title I, § 101(a), May 24, 1962, 76 Stat. 72, which act also revised the Tariff Schedules of the United States. See notes under section 1202 of this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 498, 42 Stat. 964. That section was superseded by section 498 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provision for an entry, separate from that of other merchandise, of wearing apparel, personal baggage, and tools and implements of a mechanical trade, was made by R.S. § 2799, which also prescribed the contents of such entry, and of the accompanying oath. R.S. § 2800 provided for a bond when the person making entry was not the owner. R.S. § 2801 provided for a landing permit, and for an examination of baggage when deemed proper

[1] See References in Text note below.

by the collector and naval officer, and for entry of articles not exempt from duty. All of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Subsec. (a)(1). Pub. L. 103–182, § 662(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''Merchandise, imported in the mails or otherwise, when the aggregate value of the shipment does not exceed such amount, not greater than $1,250 as the Secretary of the Treasury shall specify in the regulations, and the specified amount may vary for different classes or kinds of merchandise or different classes of transactions, except that this paragraph does not apply to articles valued in excess of $250 classified in—

''(A) chapters 50 through 63;

''(B) chapters 39 through 43, 61 through 65, 67 and 95; and

''(C) subchapters III and IV of chapter 99;

of the Harmonized Tariff Schedule of the United States, or to any other article for which formal entry is required without regard to value.;''.

Subsec. (a)(2). Pub. L. 103–182, § 662(2), substituted ''such amounts as the Secretary may prescribe'' for ''$10,000'' in introductory provisions.

1988—Subsec. (a)(1). Pub. L. 100–418, substituted ''the Harmonized Tariff Schedule of the United States'' for ''the Tariff Schedules of the United States'' in closing provisions, added subpars. (A) to (C), and struck out former subpars. (A) to (C) which read as follows:

''(A) schedule 3,

''(B) parts 1, 4A, 7B, 12A, 12D, and 13B of schedule 7, and

''(C) parts 2 and 3 of the Appendix,''.

1984—Subsec. (a)(1). Pub. L. 98–573 substituted ''$1,250'' for ''$250'' and inserted provision that this paragraph does not apply to articles valued in excess of $250 classified in schedule 3, parts 1, 4A, 7B, 12A, 12D, and 13B of schedule 7, and parts 2 and 3 of the Appendix, of the Tariff Schedules, or to any other article for which formal entry is required without regard to value.

1980—Subsec. (a). Pub. L. 96–609 added par. (2) and redesignated former pars. (2) to (11) as (3) to (12), respectively.

1953—Subsec. (a)(1). Act Aug. 8, 1953, § 16(d), increased valuation figure with respect to informal entries from $100 to $250, and inserted provisions with respect to possible variation for different classes or kinds of merchandise and different classes of transactions.

Subsec. (a)(11). Act Aug. 8, 1953, § 16(e), substituted ''paragraph 1631 of section 1201 of this title'' for ''sections 472 to 574 of this title''.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective on 15th day after Oct. 30, 1984, see section 214(a), (b) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

CROSS REFERENCES

Baggage in transit to foreign country, see section 1553 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1484 of this title.

§ 1499. Examination of merchandise

(a) Entry examination

(1) In general

Imported merchandise that is required by law or regulation to be inspected, examined, or appraised shall not be delivered from customs custody (except under such bond or other security as may be prescribed by the Secretary to assure compliance with all applicable laws, regulations, and instructions which the Secretary or the Customs Service is authorized to enforce) until the merchandise has been inspected, appraised, or examined and is reported by the Customs Service to have been truly and correctly invoiced and found to comply with the requirements of the laws of the United States.

(2) Examination

The Customs Service—

(A) shall designate the packages or quantities of merchandise covered by any invoice or entry which are to be opened and examined for the purpose of appraisement or otherwise;

(B) shall order such packages or quantities to be sent to such place as is designated by the Secretary by regulation for such purpose;

(C) may require such additional packages or quantities as the Secretary considers necessary for such purpose; and

(D) shall inspect a sufficient number of shipments, and shall examine a sufficient number of entries, to ensure compliance with the laws enforced by the Customs Service.

(3) Unspecified articles

If any package contains any article not specified in the invoice or entry and, in the opinion of the Customs Service, the article was omitted from the invoice or entry—

(A) with fraudulent intent on the part of the seller, shipper, owner, agent, importer of record, or entry filer, the contents of the entire package in which such article is found shall be subject to seizure; or

(B) without fraudulent intent, the value of the article shall be added to the entry and the duties, fees, and taxes thereon paid accordingly.

(4) Deficiency

If a deficiency is found in quantity, weight, or measure in the examination of any package, the person finding the deficiency shall make a report thereof to the Customs Service. The Customs Service shall make allowance for the deficiency in the liquidation of duties.

(5) Information required for release

If an examination is conducted, any information required for release shall be provided, either electronically or in paper form, to the Customs Service at the port of examination. The absence of such information does not limit the authority of the Customs Service to conduct an examination.

(b) Testing laboratories

(1) Accreditation of private testing laboratories

The Customs Service shall establish and implement a procedure, under regulations pro-

mulgated by the Secretary, for accrediting private laboratories within the United States which may be used to perform tests (that would otherwise be performed by Customs Service laboratories) to establish the characteristics, quantities, or composition of imported merchandise. Such regulations—

(A) shall establish the conditions required for the laboratories to receive and maintain accreditation for purposes of this subsection;

(B) shall establish the conditions regarding the suspension and revocation of accreditation, which may include the imposition of a monetary penalty not to exceed $100,000 and such penalty is in addition to the recovery, from a gauger or laboratory accredited under paragraph (1), of any loss of revenue that may have occurred, but the Customs Service—

(i) may seek to recover lost revenue only in cases where the gauger or laboratory intentionally falsified the analysis or gauging report in collusion with the importer; and

(ii) shall neither assess penalties nor seek to recover lost revenue because of a good faith difference of professional opinion; and

(C) may provide for the imposition of a reasonable charge for accreditation and periodic reaccreditation.

The collection of any charge for accreditation and reaccreditation under this section is not prohibited by section 58c(e)(6) of this title.

(2) Appeal of adverse accreditation decisions

A laboratory applying for accreditation, or that is accredited, under this section may contest any decision or order of the Customs Service denying, suspending, or revoking accreditation, or imposing a monetary penalty, by commencing an action in accordance with chapter 169 of title 28 in the Court of International Trade within 60 days after issuance of the decision or order.

(3) Testing by accredited laboratories

When requested by an importer of record of merchandise, the Customs Service shall authorize the release to the importer of a representative sample of the merchandise for testing, at the expense of the importer, by a laboratory accredited under paragraph (1). The testing results from a laboratory accredited under paragraph (1) that are submitted by an importer of record with respect to merchandise in an entry shall, in the absence of testing results obtained from a Customs Service laboratory, be accepted by the Customs Service if the importer of record certifies that the sample tested was taken from the merchandise in the entry. Nothing in this subsection shall be construed to limit in any way or preclude the authority of the Customs Service to test or analyze any sample or merchandise independently.

(4) Availability of testing procedure, methodologies, and information

Testing procedures and methodologies used by the Customs Service, and information resulting from any testing conducted by the Customs Service, shall be made available as follows:

(A) Testing procedures and methodologies shall be made available upon request to any person unless the procedures or methodologies are—

(i) proprietary to the holder of a copyright or patent related to such procedures or methodologies, or

(ii) developed by the Customs Service for enforcement purposes.

(B) Information resulting from testing shall be made available upon request to the importer of record and any agent thereof unless the information reveals information which is—

(i) proprietary to the holder of a copyright or patent; or

(ii) developed by the Customs Service for enforcement purposes.

(5) Miscellaneous provisions

For purposes of this subsection—

(A) any reference to a private laboratory includes a reference to a private gauger; and

(B) accreditation of private laboratories extends only to the performance of functions by such laboratories that are within the scope of those responsibilities for determinations of the elements relating to admissibility, quantity, composition, or characteristics of imported merchandise that are vested in, or delegated to, the Customs Service.

(c) Detentions

Except in the case of merchandise with respect to which the determination of admissibility is vested in an agency other than the Customs Service, the following apply:

(1) In general

Within the 5-day period (excluding weekends and holidays) following the date on which merchandise is presented for customs examination, the Customs Service shall decide whether to release or detain the merchandise. Merchandise which is not released within such 5-day period shall be considered to be detained merchandise.

(2) Notice of detention

The Customs Service shall issue a notice to the importer or other party having an interest in detained merchandise no later than 5 days, excluding weekends and holidays, after the decision to detain the merchandise is made. The notice shall advise the importer or other interested party of—

(A) the initiation of the detention;

(B) the specific reason for the detention;

(C) the anticipated length of the detention;

(D) the nature of the tests or inquiries to be conducted; and

(E) the nature of any information which, if supplied to the Customs Service, may accelerate the disposition of the detention.

(3) Testing results

Upon request by the importer or other party having an interest in detained merchandise, the Customs Service shall provide the party

with copies of the results of any testing conducted by the Customs Service on the merchandise and a description of the testing procedures and methodologies (unless such procedures or methodologies are proprietary to the holder of a copyright or patent or were developed by the Customs Service for enforcement purposes). The results and test description shall be in sufficient detail to permit the duplication and analysis of the testing and the results.

(4) Seizure and forfeiture

If otherwise provided by law, detained merchandise may be seized and forfeited.

(5) Effect of failure to make determination

(A) The failure by the Customs Service to make a final determination with respect to the admissibility of detained merchandise within 30 days after the merchandise has been presented for customs examination, or such longer period if specifically authorized by law, shall be treated as a decision of the Customs Service to exclude the merchandise for purposes of section 1514(a)(4) of this title.

(B) For purposes of section 1581 of title 28, a protest against the decision to exclude the merchandise which has not been allowed or denied in whole or in part before the 30th day after the day on which the protest was filed shall be treated as having been denied on such 30th day.

(C) Notwithstanding section 2639 of title 28, once an action respecting a detention is commenced, unless the Customs Service establishes by a preponderance of the evidence that an admissibility decision has not been reached for good cause, the court shall grant the appropriate relief which may include, but is not limited to, an order to cancel the detention and release the merchandise.

(June 17, 1930, ch. 497, title IV, § 499, 46 Stat. 728; June 25, 1938, ch. 679, §§ 15, 16(a), 52 Stat. 1084; June 2, 1970, Pub. L. 91–271, title III, § 301(k), 84 Stat. 289; Dec. 8, 1993, Pub. L. 103–182, title VI, § 613(a), 107 Stat. 2171.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 499, 42 Stat. 965. That section was superseded by section 499 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

A prior provision prohibiting delivery of merchandise liable to be inspected or appraised, until it had been inspected or appraised, or until the packages sent to be inspected or appraised, should be found correctly invoiced, and be so reported, with a further provision as to the taking of bonds conditioned for delivery of the merchandise, and the forfeiture of such bonds, was contained in R.S. § 2899.

Provisions substantially similar to those of this section concerning the number of packages to be examined (not including the provision for designation of a less number by the Secretary of the Treasury) and concerning packages found to contain articles not specified in the invoice, with a further provision for remission of the forfeiture, were contained in R.S. § 2901.

A prior provision, concerning deficiencies somewhat similar to that in this section, was contained in R.S. § 2921.

A special provision concerning the number of packages to be examined and appraised at the port of New York was contained in R.S. § 2939.

A provision concerning returns by weighers, gaugers, and measurers, was contained in R.S. § 2890.

All of the foregoing sections of the Revised Statutes were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Pub. L. 103–182 amended section generally, substituting present provisions for provisions which required imported merchandise to be inspected, examined, appraised, and reported by appropriate customs officer to have been truly and correctly invoiced and found to comply with requirements of laws of the United States prior to release of such merchandise from customs custody.

1970—Pub. L. 91–271 substituted references to appropriate customs officer or such officer for references to collector or appraiser wherever appearing, and struck out references to duties of appraiser.

1938—Act June 25, 1938, amended section generally and among other changes inserted provision relating to invalidity of appraisements made after effective date of Customs Administrative Act of 1938.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

TRANSFER OF FUNCTIONS

Functions of all other officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

EXISTING LABORATORIES

Section § 613(b) of Pub. L. 103–182 provided that: ''Accreditation under section 499(b) of the Tariff Act of 1930 [19 U.S.C. 1499(b)] (as added by subsection (a)) is not required for any private laboratory (including any gauger) that was accredited or approved by the Customs Service as of the day before the date of the enactment of this Act [Dec. 8, 1993]; but any such laboratory is subject to reaccreditation under the provisions of such section and the regulations promulgated thereunder.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1595a of this title; title 15 section 1198; title 28 sections 1581, 2631, 2636, 2640, 2642.

§ 1500. Appraisement, classification, and liquidation procedure

The Customs Service shall, under rules and regulations prescribed by the Secretary—

(a) fix the final appraisement of merchandise by ascertaining or estimating the value thereof, under section 1401a of this title, by all reasonable ways and means in his power, any statement of cost or costs of production in any invoice, affidavit, declaration, other document to the contrary notwithstanding;

(b) fix the final classification and rate of duty applicable to such merchandise;

(c) fix the final amount of duty to be paid on such merchandise and determine any increased or additional duties, taxes, and fees due or any excess of duties, taxes, and fees deposited;

(d) liquidate the entry and reconciliation, if any, of such merchandise; and

(e) give or transmit, pursuant to an electronic data interchange system, notice of such liquidation to the importer, his consignee, or agent in such form and manner as the Secretary shall by regulation prescribe.

(June 17, 1930, ch. 497, title IV, §500, 46 Stat. 729; Aug. 2, 1956, ch. 887, §4(b), 70 Stat. 948; June 2, 1970, Pub. L. 91–271, title II, §204(a), 84 Stat. 283; July 26, 1979, Pub. L. 96–39, title II, §202(a)(4), 93 Stat. 202; Dec. 8, 1993, Pub. L. 103–182, title VI, §638, 107 Stat. 2203.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, §500, 42 Stat. 965. That section was superseded by section 500 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions dealing with the subject matter of subdivision (a) of this section were contained in act Oct. 3, 1913, ch. 16, §III, K, 38 Stat. 185, reenacting without change the provisions of the Customs Administrative Act of June 10, 1890, ch. 407, §10, 26 Stat. 136, as reenacted by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, §28, 36 Stat. 97. A provision somewhat similar to subdivision (a)(5) of this section was contained in section III, M, of the 1913 act, the provisions of which were substituted for provisions of the same nature contained in section 13 of the Customs Administrative Act of June 10, 1890, as amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, §28, 36 Stat. 99. Said section III of the 1913 act was repealed by act Sept. 21, 1922, ch. 356, title IV, §643, 42 Stat. 989.

R.S. §§2609, 2610, relative to merchant appraisers, were superseded by the provisions relating to appraisers and appraisements in the Customs Administrative Act of June 10, 1890, ch. 407, 26 Stat. 131, and later acts, and were repealed by act Sept. 21, 1922, ch. 356, title IV, §642, 42 Stat. 989.

R.S. §2902 prescribed the mode of appraisal of merchandise, prior to repeal by the Customs Administrative Act of June 10, 1890, ch. 407, §29, 26 Stat. 141.

R.S. §2911 required appraisers to adopt the value of the best article in a package containing articles wholly or in part of wool or cotton of similar kind but different quality, charged at an average price, and R.S. §2912 related to appraisal of wool of different qualities when imported in the same bale, bag, or package, and of bales of different qualities when embraced in the same invoice, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, §642, 42 Stat. 989.

R.S. §2945 imposed a penalty on any merchant chosen by the collector to make any appraisement required under any act respecting imports and tonnage, who should, after due notice, decline or neglect to assess at such appraisement. This section was repealed by the Customs Administrative Act of June 10, 1890, ch. 407, §29, 26 Stat. 141, and was again repealed by act Sept. 21, 1922, ch. 356, title IV, §642, 42 Stat. 989.

R.S. §2946 related to the ascertainment of value at ports where there were no appraisers, prior to repeal by section 642 of the act of Sept. 21, 1922, ch. 356.

A prior provision similar to subdivision (b) was contained in act Oct. 3, 1913, ch. 16, §III, M, 38 Stat. 186, the provisions of which were substitutes for those of the Customs Administrative Act of June 10, 1890, ch. 407, §13, 26 Stat. 136, as amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, §28, 36 Stat. 99. Section III, M, was repealed by act Sept. 21, 1922, ch. 356, title IV, §643, 42 Stat. 989.

An earlier provision on the subject was contained in R.S. §2929, prior to repeal by Customs Administrative Act of June 10, 1890, ch. 407, §29, 26 Stat. 141.

Somewhat similar to subdivision (d), R.S. §2943 provided that one of the assistant appraisers at the port of New York should be detailed for the supervision of examination of merchandise damaged on the voyage of importation, and to make examinations and appraisals and to report, etc. It was repealed, with R.S. §2927, which provided for appraisal of such goods, and other sections, by the Customs Administrative Act of June 10, 1890, ch. 407, §29, 26 Stat. 141, reenacted and designated as section 28 by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, §28, 36 Stat. 104.

AMENDMENTS

1993—Pub. L. 103–182, §638(1), substituted ''The Customs Service'' for ''The appropriate customs officer'' in introductory provisions.

Subd. (a). Pub. L. 103–182, §638(2), substituted ''fix the final appraisement of'' for ''appraise''.

Subd. (b). Pub. L. 103–182, §638(3), substituted ''fix the final'' for ''ascertain the''.

Subd. (c). Pub. L. 103–182, §638(4), inserted ''final'' after ''fix the'' and '', taxes, and fees'' after ''duties'' in two places.

Subds. (d) and (e). Pub. L. 103–182, §638(5), amended subds. (d) and (e) generally. Prior to amendment, subds. (d) and (e) read as follows:

''(d) liquidate the entry of such merchandise; and

''(e) give notice of such liquidation to the importer, his consignee, or agent in such form and manner as the Secretary shall prescribe in such regulations.''

1979—Subd. (a). Pub. L. 96–39 substituted ''by ascertaining or estimating the value thereof, under section 1401a of this title, by all reasonable ways and means in his power, any statement of cost or costs of production in any invoice, affidavit, declaration, or other document'' for ''in the unit of quantity in which the merchandise is usually bought and sold by ascertaining or estimating the value thereof by all reasonable ways and means in his power, any statement of cost or costs of production in any invoice, affidavit, declaration, or other document''.

1970—Pub. L. 91–271 struck out ''(a)'' preceding first sentence and, in such provisions, as so redesignated, substituted provisions which set forth the customs functions to be performed by the appropriate customs officer for provisions which set forth the customs functions to be performed by the appraiser, and struck out subds. (b) to (f), which allocated specific customs functions to appraisers, assistant and deputy appraisers, and examiners, and authorized the designation of acting appraisers where necessary.

1956—Subd. (f). Act Aug. 2, 1956, struck out ''take the oath,'' before ''perform all the duties'' in second sentence, and struck out comma after ''perform all duties''.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 1, 1980, see section 204(a) of Pub. L. 96–39, set out as a note under section 1401a of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

Section 203 of Pub. L. 91–271 provided that: ''Titles II and III of this Act [see Short Title of 1970 Amendment note set out under section 1654 of this title] shall take effect with respect to articles entered, or withdrawn, from warehouse for consumption, on or after October 1, 1970, and such other articles entered or withdrawn from warehouse for consumption prior to such date, the appraisement of which has not become final before October 1, 1970, and for which an appeal for reappraisement has not been timely filed with the Bureau of Customs [now the United States Customs Service] before October 1, 1970, or with respect to which a protest has not been disallowed in whole or in part before October 1, 1970.''

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

CROSS REFERENCES

Conversion of foreign currency into currency of the United States for the purpose of the assessment and collection of duties, see section 5151 of Title 31, Money and Finance.

Estimating duties upon the value at the date of shipment, see section 240 of this title.

''Merchandise'' defined, see section 1401 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1501, 1503, 1504 of this title.

§ 1501. Voluntary reliquidations by Customs Service

A liquidation made in accordance with section 1500 of this title or any reliquidation thereof made in accordance with this section may be reliquidated in any respect by the Customs Service, notwithstanding the filing of a protest, within ninety days from the date on which notice of the original liquidation is given or transmitted to the importer, his consignee or agent. Notice of such reliquidation shall be given or transmitted in the manner prescribed with respect to original liquidations under section 1500(e) of this title.

(June 17, 1930, ch. 497, title IV, §501, 46 Stat. 730; June 25, 1938, ch. 679, §16(b), 52 Stat. 1084; June 25, 1948, ch. 646, §§25, 39, 62 Stat. 990, 992; Aug. 8, 1953, ch. 397, §18(c), 67 Stat. 517; June 2, 1970, Pub. L. 91–271, title II, §205, 84 Stat. 283; Dec. 8, 1993, Pub. L. 103–182, title VI, §639, 107 Stat. 2203.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, §501, 42 Stat. 966. That section was superseded by section 501 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions for appeals to reappraisement and for a further appeal to be assigned to a board of general appraisers, with further provisions as to the fee to be paid, the proceedings on appeal, and the conclusiveness of decisions, were contained in act Oct. 3, 1913, ch. 16, §III, M, 38 Stat. 186, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, §643, 42 Stat. 989.

The provisions of section III, M, of the 1913 act, were substituted for provisions of the same nature made by the Customs Administrative Act of June 10, 1890, ch. 407, §13, 26 Stat. 136, amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, §28, 36 Stat. 99.

Provisions similar to some extent to those of section 13 of the Customs Administrative Act of 1890 were contained in R.S. §§2929, 2930, prior to repeal by section 29 of that Act.

R.S. §2950 provided that the certificate of the appraiser should be deemed to be the appraisement. It was superseded by the provisions relating to appraisers made by the Customs Administrative Act of June 10, 1890, ch. 407, §13, amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, §28, and the Underwood Tariff Act of Oct. 3, 1913, ch. 16, §III, M, 38 Stat. 186, and was repealed by act Sept. 21, 1922, ch. 356, title IV, §642, 42 Stat. 989.

AMENDMENTS

1993—Pub. L. 103–182 amended section catchline generally, substituting ''Customs Service'' for ''appropriate customs officer; notice'', and in text substituted ''the Customs Service'' for ''the appropriate customs officer on his own initiative'' and inserted ''or transmitted'' after ''given'' in two places.

1970—Pub. L. 91–271 struck out ''(a)'' preceding first sentence and, in such provisions, as so redesignated, substituted provisions authorizing a reliquidation in any respect by the appropriate customs officer on his own initiative for a liquidation made in accordance with section 1500 of this title or any reliquidation thereof made in accordance with this section for provisions setting forth the procedure for an appeal for a reappraisement by the collector or the consignee.

1953—Subsec. (a). Act. Aug. 8, 1953, inserted cl. (3) and ''including all determinations entering into the same,'' in second sentence, and struck out third sentence which provided that ''No such appeal filed by the consignee or his agent shall be deemed valid, unless he has complied with all the provisions of this chapter relating to the entry and appraisement of such merchandise''.

1948—Subsec. (a). Act June 25, 1948, struck out fourth sentence and substituted new fourth sentence, and repealed the fifth, sixth, seventh, and eighth sentences dealing with review by Customs Court of Reappraisements of this material. See section 1582 of Title 28, Judiciary and Judicial Procedure.

Subsecs. (b) and (c), relating to practice and procedure in Customs Court, were repealed by Act June 25, 1948. See sections 2631 to 2637 of Title 28, Judiciary and Judicial Procedure.

1938—Act June 25, 1938, designated paragraphs as subsecs. (a) and (b) and added subsec. (c).

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

EFFECTIVE DATE OF 1948 AMENDMENT

Section 38 of act June 25, 1948, provided that the amendment made by that act is effective Sept. 1, 1948.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specially provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1503, 1514 of this title.

§ 1502. Regulations for appraisement and classification

(a) Powers of Secretary of the Treasury

The Secretary of the Treasury shall establish and promulgate such rules and regulations not inconsistent with the law (including regulations establishing procedures for the issuance of binding rulings prior to the entry of the merchandise concerned), and may disseminate such information as may be necessary to secure a just, impartial, and uniform appraisement of imported merchandise and the classification and assessment of duties thereon at the various ports of entry. The Secretary may direct any customs officer to go from one port of entry to another for the purpose of appraising or classifying or assisting in appraising or classifying merchandise imported at any port, and may direct any customs officer at any port to review entries of merchandise filed at any other port.

(b) Duties of customs officers

It shall be the duty of all officers of the customs to execute and carry into effect all instructions of the Secretary of the Treasury relative to the execution of the revenue laws; and in case any difficulty arises as to the true construction or meaning of any part of the revenue laws, the decision of the Secretary shall be binding upon all officers of the customs.

(June 17, 1930, ch. 497, title IV, § 502, 46 Stat. 731; June 2, 1970, Pub. L. 91–271, title III, § 301(*l*), 84 Stat. 289; Oct. 10, 1980, Pub. L. 96–417, title VI, § 601(3), 94 Stat. 1744; Sept. 28, 1988, Pub. L. 100–449, title IV, § 403(a), 102 Stat. 1884; Dec. 8, 1993, Pub. L. 103–182, title IV, § 412(a), title VI, § 640, 107 Stat. 2146, 2203.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 502, 42 Stat. 967. That section was superseded by section 502 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

A prior provision, authorizing the Secretary of the Treasury to direct appraisers for any collection district, to attend in any other collection district, was contained in R.S. § 2947. Prior provisions requiring the Secretary to establish rules and regulations to secure a just, faithful, and impartial appraisal, just and proper entries, and to report such rules and regulations to the next session of Congress, were contained in R.S. § 2949. Both of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

Provisions similar to those of subsec. (b) of this section, except that reversal or modification was permitted in concurrence with a judicial decision of a circuit or district court, instead of a final decision of the Board of General Appraisers, were contained in act Mar. 3, 1875, ch. 136, § 2, 18 Stat. 469, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

Provisions almost identical with those of subsec. (c) of this section were contained in R.S. § 2652, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182, § 640(1), inserted ''(including regulations establishing procedures for the issuance of binding rulings prior to the entry of the merchandise concerned)'' after ''law'', substituted ''ports of entry. The Secretary'' for ''ports of entry, and'', inserted ''or classifying'' after ''appraising'' in two places, and substituted ''any port, and may direct any customs officer at any port to review entries of merchandise filed at any other port'' for ''such port''.

Subsec. (b). Pub. L. 103–182, § 640(2), redesignated subsec. (c) as (b) and struck out former subsec. (b) which read as follows: ''No ruling or decision once made by the Secretary of the Treasury, giving construction to any law imposing customs duties, shall be reversed or modified adversely to the United States, by the same or a succeeding Secretary, except in concurrence with an opinion of the Attorney General recommending the same, a final decision of the United States Court of International Trade, or a final decision of a binational panel pursuant to article 1904 of the United States-Canada Free-Trade Agreement.''

Pub. L. 103–182, § 412(a), which directed the insertion of ''the North American Free Trade Agreement or'' before ''the United States-Canada Free-Trade Agreement'', could not be executed because the words ''the United States-Canada Free-Trade Agreement'' did not appear in subsec. (b) subsequent to amendment by Pub. L. 103–182, § 640(2), effective Dec. 8, 1993. See above.

Subsec. (c). Pub. L. 103–182, § 640(2), redesignated subsec. (c) as (b).

1988—Subsec. (b). Pub. L. 100–449 substituted ''a final decision of the United States Court of International Trade, or a final decision of a binational panel pursuant to article 1904 of the United States-Canada Free-Trade Agreement'' for ''or a final decision of the United States Court of International Trade''.

1980—Subsec. (b). Pub. L. 96–417 redesignated the United States Customs Court as the United States Court of International Trade.

1970—Subsec. (a). Pub. L. 91–271 substituted ''customs officer'' for ''appraiser, deputy appraiser, assistant appraiser, or examiner of merchandise''.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by section 412(a) of Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], but not applicable to any final determination described in section 1516a(a)(1)(B) or (2)(B)(i), (ii), or (iii) of this title, notice of which is published in the Federal Register before such date, or to a determination described in section 1516a(a)(2)(B)(vi) of this title, notice of which is received by the Government of Canada or Mexico before such date, or to any binational panel review under the United States-Canada Free-Trade Agreement, or to any extraordinary challenge arising out of any such review, that was commenced before such date, see section 416 of Pub. L. 103–182, set out as an Effective Date note under section 3431 of this title.

Amendment by section 640 of Pub. L. 103–182 effective Dec. 8, 1993, see section 692 of Pub. L. 103–182, set out as a note under section 58c of this title.

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENT

Amendment by Pub. L. 100–449 effective on date the United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–417 effective Nov. 1, 1980, and applicable with respect to civil actions pending on or commenced on or after such date, see section 701(a) of Pub. L. 96–417, set out as a note under section 251 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

Functions of Secretary of the Treasury under subsec. (a) of this section, insofar as subsec. (a) of this section

provides authority to issue regulations and disseminate information and insofar as Secretary of the Treasury had responsibility under sections 1303 and 1671 et seq. of this title for functions transferred to Secretary of Commerce by section 5(a)(1)(C) of Reorg. Plan No. 3 of 1979, transferred to Secretary of Commerce pursuant to Reorg. Plan No. 3 of 1979, § 5(a)(1)(F), 44 F.R. 69275, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title, to be exercised in consultation with Secretary of the Treasury.

Functions of Secretary of the Treasury under subsec. (b) of this section, with respect to functions transferred to Secretary of Commerce in section 1303 and 1671 et seq. of this title by section 5(a)(1)(C) of Reorg. Plan No. 3 of 1979, transferred to Secretary of Commerce pursuant to section 5(a)(1)(F) of Reorg. Plan No. 3 of 1979.

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

EFFECT OF TERMINATION OF NAFTA COUNTRY STATUS

For provisions relating to effect of termination of NAFTA country status on the provisions of sections 401 to 416 of Pub. L. 103–182, see section 3451 of this title.

CROSS REFERENCES

Removal of—

Custom house, in case of insurrection, to a secure place in the district, see section 219 of Title 50, War and National Defense.

Revenue officers from port during epidemic, see section 112 of Title 42, The Public Health and Welfare.

State quarantine regulations and the discharge of cargoes of vessels in quarantine, see sections 88 to 91 and 97 of Title 42.

Superintendence of collection of import duties, see section 3 of this title.

§ 1503. Dutiable value

Except as provided in section 1520(c) of this title (relating to reliquidations on the basis of authorized corrections of errors) or section 1562 of this title (relating to withdrawal from manipulating warehouses), the basis for the assessment of duties on imported merchandise subject to ad valorem rates of duty or rates based upon or regulated in any manner by the value of the merchandise, shall be the appraised value determined upon liquidation, in accordance with section 1500 of this title or any adjustment thereof made pursuant to section 1501 of this title. *Provided*, *however*, That if reliquidation is required pursuant to a final judgment or order of the United States Court of International Trade which includes a reappraisement of imported merchandise, the basis for such assessment shall be the final appraised value determined by such court.

(June 17, 1930, ch. 497, title IV, § 503, 46 Stat. 731; Aug. 8, 1953, ch. 397, § 18(d), 67 Stat. 518; June 2, 1970, Pub. L. 91–271, title II, § 206, 84 Stat. 284; Oct. 10, 1980, Pub. L. 96–417, title VI, § 601(4), 94 Stat. 1744.)

PRIOR PROVISIONS

Provisions somewhat similar to those of subsecs. (a) and (b) were contained in act Sept. 21, 1922, ch. 356, title IV, § 503, 42 Stat. 967. Provisions similar to former subsec. (b) relating to entries pending reappraisement were contained in act Sept. 21, 1922, ch. 356, title IV, § 489, 42 Stat. 962. Both of the acts of 1922 were in part superseded by act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

A provision for assessment of duty on merchandise of different values when invoiced at an average price, was contained in R.S. § 2910, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1980—Pub. L. 96–417 redesignated the United States Customs Court as the United States Court of International Trade.

1970—Pub. L. 91–271 substituted provisions that, except as provided in section 1520(c) or 1562 of this title, the basis for the assessment of duties on imported merchandise be the appraised value determined upon liquidation, in accordance with section 1500 of this title or any adjustment thereof pursuant to section 1501 of this title, and be the final appraised value where reliquidation is required pursuant to a final judgment or order of the United States Customs Court, for provisions that, except as provided in section 1562 of this title, the basis for the assessment of duties on imported merchandise subject to ad valorem rates of duty be the final appraised value, and provisions that for the purpose of determining the rate of duty assessed upon any merchandise when the rate is based upon or regulated in any manner by the value of the merchandise, the final appraised value, except as provided in section 1562 of this title, be taken as the value of merchandise.

1953—Subsec. (a). Act Aug. 8, 1953, struck out ''and in subdivision (b) of this section'' after reference to section 1562 of this title, ''the entered value or'' after ''shall be'', and ''whichever is higher'' at the end.

Subsecs. (b), (c). Act Aug. 8, 1953, redesignated subsec. (c) as (b). Former subsec. (b), which related to entries pending reappraisement, was repealed by act Aug. 8, 1953.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–417 effective Nov. 1, 1980, and applicable with respect to civil actions pending on or commenced on or after such date, see section 701(a) of Pub. L. 96–417, set out as a note under section 251 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after the thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

§ 1503a. Repealed. Aug. 8, 1953, ch. 397, § 18(e), 67 Stat. 518

Section, act July 12, 1932, ch. 473, 47 Stat. 657, related to the construction of former subsection (b) of section 1503 of this title, which was omitted by section 18(d) of act Aug. 8, 1953.

EFFECTIVE DATE OF REPEAL; SAVINGS PROVISION

Repeal effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

§ 1504. Limitation on liquidation

(a) Liquidation

Unless an entry is extended under subsection (b) of this section or suspended as required by

statute or court order, except as provided in section 1675(a)(3) of this title, an entry of merchandise not liquidated within one year from:

(1) the date of entry of such merchandise;

(2) the date of the final withdrawal of all such merchandise covered by a warehouse entry;

(3) the date of withdrawal from warehouse of such merchandise for consumption where, pursuant to regulations issued under section 1505(a) of this title, duties may be deposited after the filing of an entry or withdrawal from warehouse; or

(4) if a reconciliation is filed, or should have been filed, the date of the filing under section 1484 of this title or the date the reconciliation should have been filed;

shall be deemed liquidated at the rate of duty, value, quantity, and amount of duties asserted at the time of entry by the importer of record. Notwithstanding section 1500(e) of this title, notice of liquidation need not be given of an entry deemed liquidated.

(b) Extension

The Secretary may extend the period in which to liquidate an entry if—

(1) the information needed for the proper appraisement or classification of the merchandise, or for insuring compliance with applicable law, is not available to the Customs Service; or

(2) the importer of record requests such extension and shows good cause therefor.

The Secretary shall give notice of an extension under this subsection to the importer of record and the surety of such importer of record. Notice shall be in such form and manner (which may include electronic transmittal) as the Secretary shall by regulation prescribe. Any entry the liquidation of which is extended under this subsection shall be treated as having been liquidated at the rate of duty, value, quantity, and amount of duty asserted at the time of entry by the importer of record at the expiration of 4 years from the applicable date specified in subsection (a) of this section.

(c) Notice of suspension

If the liquidation of any entry is suspended, the Secretary shall by regulation require that notice of the suspension be provided, in such manner as the Secretary considers appropriate, to the importer of record and to any authorized agent and surety of such importer of record.

(d) Removal of suspension

Except as provided in section 1675(a)(3) of this title, when a suspension required by statute or court order is removed, the Customs Service shall liquidate the entry within 6 months after receiving notice of the removal from the Department of Commerce, other agency, or a court with jurisdiction over the entry. Any entry not liquidated by the Customs Service within 6 months after receiving such notice shall be treated as having been liquidated at the rate of duty, value, quantity, and amount of duty asserted at the time of entry by the importer of record.

(June 17, 1930, ch. 497, title IV, §504, as added Oct. 3, 1978, Pub. L. 95–410, title II, §209(a), 92 Stat. 902; amended Oct. 30, 1984, Pub. L. 98–573, title I, §191(d), 98 Stat. 2971; Dec. 8, 1993, Pub. L. 103–182, title VI, §641, 107 Stat. 2204; Dec. 8, 1994, Pub. L. 103–465, title II, §220(c), 108 Stat. 4865.)

PRIOR PROVISIONS

A prior section 1504, act June 17, 1930, ch. 497, title IV, §504, 46 Stat. 732, related to duties on coverings and containers, prior to repeal by Pub. L. 87–456, title III, §301(a), May 24, 1962, 76 Stat. 75, effective, pursuant to section 501(a) of Pub. L. 87–456, with respect to articles entered, or withdrawn from warehouse, for consumption on or after Aug. 31, 1963.

AMENDMENTS

1994—Subsec. (a). Pub. L. 103–465, §220(c)(1), inserted ''except as provided in section 1675(a)(3) of this title,'' before ''an entry of merchandise not liquidated'' in introductory provisions.

Subsec. (d). Pub. L. 103–465, §220(c)(2), substituted ''Except as provided in section 1675(a)(3) of this title, when a suspension'' for ''When a suspension''.

1993—Subsec. (a). Pub. L. 103–182, §641(1)(A), substituted ''Unless an entry is extended under subsection (b) or suspended as required by statute or court order'' for ''Except as provided in subsection (b) of this section'' in introductory provisions.

Subsec. (a)(4). Pub. L. 103–182, §641(1)(B)–(D), added par. (4).

Subsec. (b). Pub. L. 103–182, §641(2), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: ''The Secretary may extend the period in which to liquidate an entry by giving notice of such extension to the importer of record in such form and manner as the Secretary shall prescribe in regulations, if—

''(1) information needed for the proper appraisement or classification of the merchandise is not available to the appropriate customs officer;

''(2) liquidation is suspended as required by statute or court order; or

''(3) the importer of record requests such extension and shows good cause therefor.''

Subsec. (c). Pub. L. 103–182, §641(2), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: ''If the liquidation of any entry is suspended, the Secretary shall, by regulation, require that notice of such suspension be provided to the importer of record concerned and to any authorized agent and surety of such importer of record.''

Subsec. (d). Pub. L. 103–182, §641(2), amended subsec. (d) generally. Prior to amendment, subsec. (d) ''Limitation'' read as follows: ''Any entry of merchandise not liquidated at the expiration of four years from the applicable date specified in subsection (a) of this section, shall be deemed liquidated at the rate of duty, value, quantity, and amount of duty asserted at the time of entry by the importer of record, unless liquidation continues to be suspended as required by statute or court order. When such a suspension of liquidation is removed, the entry shall be liquidated within 90 days therefrom.''

1984—Subsec. (a). Pub. L. 98–573, §191(d)(1), substituted ''importer of record'' for ''importer, his consignee, or agent'' in provisions following par. (3).

Subsec. (b). Pub. L. 98–573, §191(d)(2), substituted ''importer of record'' for ''importer, his consignee, or agent'' in provisions preceding par. (1), and substituted ''importer of record'' for ''importer, consignee, or his agent'' in par. (3).

Subsec. (c). Pub. L. 98–573, §191(d)(3), substituted ''importer of record'' for ''importer or consignee'' in two places.

Subsec. (d). Pub. L. 98–573, §191(d)(4), substituted ''importer of record'' for ''importer, his consignee, or agent''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO

Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 applicable with respect to articles entered on or after 15th day after Oct. 30, 1984, see section 195(a) of Pub. L. 98–573, set out as a note under section 1322 of this title.

EFFECTIVE DATE

Section 209(b) of Pub. L. 95–410 provided that: ''The amendment made by this section [enacting this section] applies to the entry or withdrawal of merchandise for consumption on or after 180 days after the enactment of this Act [Oct. 3, 1978].''

§ 1505. Payment of duties and fees

(a) Deposit of estimated duties, fees, and interest

Unless merchandise is entered for warehouse or transportation, or under bond, the importer of record shall deposit with the Customs Service at the time of making entry, or at such later time as the Secretary may prescribe by regulation, the amount of duties and fees estimated to be payable thereon. Such regulations may provide that estimated duties and fees shall be deposited before or at the time an import activity summary statement is filed. If an import activity summary statement is filed, the estimated duties and fees shall be deposited together with interest, at a rate determined by the Secretary, accruing from the first date of the month the statement is required to be filed until the date such statement is actually filed.

(b) Collection or refund of duties, fees, and interest due upon liquidation or reliquidation

The Customs Service shall collect any increased or additional duties and fees due, together with interest thereon, or refund any excess moneys deposited, together with interest thereon, as determined on a liquidation or reliquidation. Duties, fees, and interest determined to be due upon liquidation or reliquidation are due 30 days after issuance of the bill for such payment. Refunds of excess moneys deposited, together with interest thereon, shall be paid within 30 days of liquidation or reliquidation.

(c) Interest

Interest assessed due to an underpayment of duties, fees, or interest shall accrue, at a rate determined by the Secretary, from the date the importer of record is required to deposit estimated duties, fees, and interest to the date of liquidation or reliquidation of the applicable entry or reconciliation. Interest on excess moneys deposited shall accrue, at a rate determined by the Secretary, from the date the importer of record deposits estimated duties, fees, and interest to the date of liquidation or reliquidation of the applicable entry or reconciliation.

(d) Delinquency

If duties, fees, and interest determined to be due or refunded are not paid in full within the 30-day period specified in subsection (b) of this section, any unpaid balance shall be considered delinquent and bear interest by 30-day periods, at a rate determined by the Secretary, from the date of liquidation or reliquidation until the full balance is paid. No interest shall accrue during the 30-day period in which payment is actually made.

(June 17, 1930, ch. 497, title IV, § 505, 46 Stat. 732; June 2, 1970, Pub. L. 91–271, title II, § 204(c), 84 Stat. 283; Oct. 3, 1978, Pub. L. 95–410, title I, § 103, 92 Stat. 889; Jan. 12, 1983, Pub. L. 97–446, title II, § 201(e), 96 Stat. 2350; Oct. 30, 1984, Pub. L. 98–573, title II, § 210(a), 98 Stat. 2977; Dec. 8, 1993, Pub. L. 103–182, title VI, § 642(a), 107 Stat. 2205.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 504, 42 Stat. 967. That section was superseded by section 505 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

A prior provision that the collector or person acting as such should ascertain, fix, and liquidate the rate and amount of duties, and the dutiable costs and charges, was contained in act Oct. 3, 1913, ch. 16, § III, M, 38 Stat. 186, the provisions of which were substituted for provisions of the same nature contained in the Customs Administrative Act of June 10, 1890, ch. 407, § 13, 26 Stat. 136, as amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 99.

AMENDMENTS

1993—Pub. L. 103–182 amended section generally, substituting provisions relating to deposit, collection or refund of duties, fees, and interest for provisions relating to deposit, collection, or refund of duties and interest.

1984—Subsec. (c). Pub. L. 98–573 added subsec. (c).

1983—Subsec. (a). Pub. L. 97–446 substituted ''importer of record'' for ''consignee'' before ''shall deposit''.

1978—Subsec. (a). Pub. L. 95–410 authorized deposit of estimated duties to be made as prescribed by regulations after time of making entry but not later than thirty days after date of entry.

1970—Pub. L. 91–271 reorganized existing provisions into subsecs. (a) and (b), and struck out provisions authorizing receipt by a collector of various reports and the performance of certain functions in connection with the liquidation of an entry.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective on 30th day after Oct. 30, 1984, see section 214(c)(5)(A) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 97–446 applicable with respect to merchandise entered on and after 30th day after Jan. 12, 1983, see section 201(g) of Pub. L. 97–446, set out as a note under section 1484 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1315, 1504, 1557 of this title.

§ 1506. Allowance for abandonment and damage

Allowance shall be made in the estimation and liquidation of duties under regulations prescribed by the Secretary of the Treasury in the following cases:

(1) Abandonment within thirty days

Where the importer abandons to the United States, within thirty days after entry in the

case of merchandise released without an examination, or within thirty days after the release in the case of merchandise sent to the Customs Service for examination, any imported merchandise representing 5 per centum or more of the total value of all the merchandise of the same class or kind entered in the invoice or entry in which the item appears, and delivers, within the applicable thirty-day period, the portion so abandoned to such place as the Customs Service directs unless the Customs Service is satisfied that the merchandise is so far destroyed as to be nondeliverable;

(2) Perishable merchandise, condemned

Where fruit or other perishable merchandise has been condemned at the port of entry, within ten days after landing, by the health officers or other legally constituted authorities, and the consignee, within five days after such condemnation, files, electronically or otherwise, with the Customs Service notice thereof, an invoiced description and the location thereof, and the name of the vessel or vehicle in which imported.

(June 17, 1930, ch. 497, title IV, § 506, 46 Stat. 732; June 2, 1970, Pub. L. 91–271, title III, § 301(m), 84 Stat. 289; Dec. 8, 1993, Pub. L. 103–182, title VI, § 643, 107 Stat. 2205.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Oct. 3, 1913, ch. 16, § III, X, 38 Stat. 190, reenacting the provisions of the Customs Administrative Act of June 10, 1890, ch. 407, § 23, 26 Stat. 140, as amended by Act May 17, 1898, ch. 341, 30 Stat. 417, and further amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 103. Section III of the 1913 act was superseded by act Sept. 21, 1922, ch. 356, title IV, § 505, 42 Stat. 967, and repealed by section 643 thereof. Section 505 of the 1922 act was superseded by section 506 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

R.S. § 2927 provided for the appraisal of articles damaged during the voyage, and for the allowances for such damages in estimating duties, prior to repeal by the Customs Administrative Act of June 10, 1890, ch. 407, § 29, 26 Stat. 141.

R.S. § 2928, providing for appraisement of merchandise taken from any wreck and of damages sustained during the course of the voyage, was superseded by the provisions of the Customs Administrative Act of June 10, 1890, ch. 407, § 23, 26 Stat. 140, and repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Par. (1). Pub. L. 103–182, § 643(1), (2), substituted ''merchandise released without an examination'' for ''merchandise not sent to the appraiser's stores for examination'', struck out ''of the examination packages or quantities of merchandise'' after ''thirty days after the release'', substituted ''merchandise sent to the Customs Service'' for ''merchandise sent to the appraiser's stores'', inserted ''or entry'' after ''invoice'', and substituted ''such place as the Customs Service'' for ''such place as the appropriate customs officer'' and ''unless the Customs Service'' for ''unless such customs officer''.

Par. (2). Pub. L. 103–182, § 643(1), (3), inserted '', electronically or otherwise,'' after ''files'' and substituted ''the Customs Service notice'' for ''the appropriate customs officer written notice''.

1970—Par. (1). Pub. L. 91–271, § 301(m)(1), substituted references to appropriate customs officer or such customs officer for references to collector wherever appearing.

Par. (2). Pub. L. 91–271, § 301(m)(2), substituted reference to appropriate customs officer for reference to collector.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§ 1507. Tare and draft

(a) In general

The Secretary of the Treasury is authorized to prescribe and issue regulations for the ascertainment of tare upon imported merchandise, including the establishment of reasonable and just schedule tares therefor, but (except as otherwise provided in this section) there shall not be any allowance for draft or for impurities, other than excessive moisture and impurities not usually found in or upon such or similar merchandise.

(b) Crude oil and petroleum products

In ascertaining tare on imports of crude oil, and on imports of petroleum products, allowance shall be made for all detectable moisture and impurities present in, or upon, the imported crude oil or petroleum products.

(June 17, 1930, ch. 497, title IV, § 507, 46 Stat. 732; Aug. 23, 1988, Pub. L. 100–418, title I, § 1902(a), 102 Stat. 1312.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 506, 42 Stat. 968. That section was superseded by section 507 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

A prior provision relative to the allowance of tare, prohibiting any allowance for draught, was contained in R.S. § 2898, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1988—Pub. L. 100–418 designated existing provision as subsec. (a), substituted ''(except as otherwise provided in this section) there shall not be'' for ''in no case shall there be'', and added subsec. (b).

EFFECTIVE DATE OF 1988 AMENDMENT

Section 1902(b) of Pub. L. 100–418, as amended by Pub. L. 100–647, title IX, § 9001(a)(18), Nov. 10, 1988, 102 Stat. 3808, provided that: ''The amendment made by this section [amending this section] shall apply with respect to articles entered, or withdrawn from warehouse for consumption, after October 1, 1988.''

§ 1508. Recordkeeping

(a) Requirements

Any—

(1) owner, importer, consignee, importer of record, entry filer, or other party who—

(A) imports merchandise into the customs territory of the United States, files a drawback claim, or transports or stores merchandise carried or held under bond, or

(B) knowingly causes the importation or transportation or storage of merchandise carried or held under bond into or from the customs territory of the United States;

(2) agent of any party described in paragraph (1); or

(3) person whose activities require the filing of a declaration or entry, or both;

shall make, keep, and render for examination and inspection records (which for purposes of this section include, but are not limited to, statements, declarations, documents and electronically generated or machine readable data) which—

(A) pertain to any such activity, or to the information contained in the records required by this chapter in connection with any such activity; and

(B) are normally kept in the ordinary course of business.

(b) Exportations to free trade countries

(1) Definitions

As used in this subsection—

(A) The term ''associated records'' means, in regard to an exported good under paragraph (2), records associated with—

(i) the purchase of, cost of, value of, and payment for, the good;

(ii) the purchase of, cost of, value of, and payment for, all material, including indirect materials, used in the production of the good; and

(iii) the production of the good.

For purposes of this subparagraph, the terms ''indirect material'', ''material'', ''preferential tariff treatment'', ''used'', and ''value'' have the respective meanings given them in articles 415 and 514 of the North American Free Trade Agreement.

(B) The term ''NAFTA Certificate of Origin'' means the certification, established under article 501 of the North American Free Trade Agreement, that a good qualifies as an originating good under such Agreement.

(2) Exports to NAFTA countries

(A) In general

Any person who completes and signs a NAFTA Certificate of Origin for a good for which preferential treatment under the North American Free Trade Agreement is claimed shall make, keep, and render for examination and inspection all records relating to the origin of the good (including the Certificate or copies thereof) and the associated records.

(B) Claims for certain waivers, reductions, or refunds of duties or for credit against bonds

(i) In general

Any person that claims with respect to an article—

(I) a waiver or reduction of duty under the last paragraph of section 1311 of this title, section 1312(b)(1) or (4) of this title, section 1562(2) of this title, or the last proviso to section 81c(a) of this title;

(II) a credit against a bond under section 1312(d) of this title; or

(III) a refund, waiver, or reduction of duty under section 1313(n)(2) or (*o*)(1) of this title;

must disclose to the Customs Service the information described in clause (ii).

(ii) Information required

Within 30 days after making a claim described in clause (i) with respect to an article, the person making the claim must disclose to the Customs Service whether that person has prepared, or has knowledge that another person has prepared, a NAFTA Certificate of Origin for the article. If after such 30-day period the person making the claim either—

(I) prepares a NAFTA Certificate of Origin for the article; or

(II) learns of the existence of such a Certificate for the article;

that person, within 30 days after the occurrence described in subclause (I) or (II), must disclose the occurrence to the Customs Service.

(iii) Action on claim

If the Customs Service determines that a NAFTA Certificate of Origin has been prepared with respect to an article for which a claim described in clause (i) is made, the Customs Service may make such adjustments regarding the previous customs treatment of the article as may be warranted.

(3) Exports under the Canadian agreement

Any person who exports, or who knowingly causes to be exported, any merchandise to Canada during such time as the United States-Canada Free-Trade Agreement is in force with respect to, and the United States applies that Agreement to, Canada shall make, keep, and render for examination and inspection such records (including certifications of origin or copies thereof) which pertain to the exportations.

(c) Period of time

The records required by subsections (a) and (b) of this section shall be kept for such periods of time as the Secretary shall prescribe; except that—

(1) no period of time for the retention of the records required under subsection (a) or (b)(3) of this section may exceed 5 years from the date of entry or exportation, as appropriate;

(2) the period of time for the retention of the records required under subsection (b)(2) of this section shall be at least 5 years from the date of signature of the NAFTA Certificate of Origin; and

(3) records for any drawback claim shall be kept until the 3rd anniversary of the date of payment of the claim.

(d) Limitation

For the purposes of this section and section 1509 of this title, a person ordering merchandise from an importer in a domestic transaction does not knowingly cause merchandise to be imported unless—

(1) the terms and conditions of the importation are controlled by the person placing the order; or

(2) technical data, molds, equipment, other production assistance, material, components, or parts are furnished by the person placing the order with knowledge that they will be

used in the manufacture or production of the imported merchandise.

(e) Subsection (b) penalties

(1) Relating to NAFTA exports

Any person who fails to retain records required by paragraph (2) of subsection (b) of this section or the regulations issued to implement that paragraph shall be liable for—

(A) a civil penalty not to exceed $10,000; or

(B) the general recordkeeping penalty that applies under the customs laws;

whichever penalty is higher.

(2) Relating to Canadian agreement exports

Any person who fails to retain the records required by paragraph (3) of subsection (b) of this section or the regulations issued to implement that paragraph shall be liable for a civil penalty not to exceed $10,000.

(June 17, 1930, ch. 497, title IV, § 508, as added Oct. 3, 1978, Pub. L. 95–410, title I, § 104, 92 Stat. 889; amended Sept. 28, 1988, Pub. L. 100–449, title II, § 205(b), 102 Stat. 1864; Dec. 8, 1993, Pub. L. 103–182, title II, § 205(a), title VI, § 614, 107 Stat. 2093, 2174.)

REFERENCES IN TEXT

The customs laws, referred to in subsec. (e)(1)(B), are classified generally to this title.

PRIOR PROVISIONS

A prior section 1508, acts June 17, 1930, ch. 497, title IV, § 508, 46 Stat. 732; Aug. 8, 1953, ch. 397, § 19, 67 Stat. 518, related to commingling of goods, prior to repeal by Pub. L. 87–456, title III, § 301(a), May 24, 1962, 76 Stat. 75, effective, pursuant to section 501(a) of Pub. L. 87–456, with respect to articles entered, or withdrawn from warehouse, for consumption on or after Aug. 31, 1963.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182, § 614(1), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: ''Any owner, importer, consignee, or agent thereof who imports, or who knowingly causes to be imported, any merchandise into the customs territory of the United States shall make, keep, and render for examination and inspection such records (including statements, declarations, and other documents) which—

''(1) pertain to any such importation, or to the information contained in the documents required by this chapter in connection with the entry of merchandise; and

''(2) are normally kept in the ordinary course of business.''

Subsec. (b). Pub. L. 103–182, § 205(a)(1), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: ''Any person who exports, or who knowingly causes to be exported, any merchandise to Canada shall make, keep, and render for examination and inspection such records (including certifications of origin or copies thereof) which pertain to such exportations.''

Subsec. (c). Pub. L. 103–182, § 205(a)(2), amended generally subsec. (c), as amended by Pub. L. 103–182, § 614(2) (see below). Prior to amendment, subsec. (c) read as follows: ''The records required by subsections (a) and (b) of this section shall be kept for such period of time, not to exceed 5 years from the date of entry or exportation, as appropriate, as the Secretary shall prescribe; except that records for any drawback claim shall be kept until the 3rd anniversary of the date of payment of the claim.'' See Construction of 1993 Amendment note below.

Pub. L. 103–182, § 614(2), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: ''The records required by subsection (a) and (b) of this section shall be kept for such periods of time, not to exceed 5 years from the date of entry, as the Secretary shall prescribe.'' See Construction of 1993 Amendment note below.

Subsec. (e). Pub. L. 103–182, § 205(a)(3), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: ''Any person who fails to retain records required by subsection (b) of this section or the regulations issued to implement that subsection shall be liable to a civil penalty not to exceed $10,000.''

1988—Subsecs. (b) to (e). Pub. L. 100–449 added subsec. (b), redesignated former subsec. (b) as (c) and inserted ''and (b)'' after ''subsection (a)'', redesignated former subsec. (c) as (d), and added subsec. (e).

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by section 205(a) of Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 213(b) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENT

Amendment by Pub. L. 100–449 effective on date United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

CONSTRUCTION OF 1993 AMENDMENT

Amendment by section 205(a) of Pub. L. 103–182 to be made after amendment by section 614 of Pub. L. 103–182 is executed, see section 212 of Pub. L. 103–182, set out as a note under section 58c of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 81c, 1311, 1312, 1313, 1509, 1520, 1553a, 1562, 1592 of this title.

§ 1509. Examination of books and witnesses

(a) Authority

In any investigation or inquiry conducted for the purpose of ascertaining the correctness of any entry, for determining the liability of any person for duty, fees and taxes due or duties, fees and taxes which may be due the United States, for determining liability for fines and penalties, or for insuring compliance with the laws of the United States administered by the United States Customs Service, the Secretary (but no delegate of the Secretary below the rank of district director or special agent in charge) may—

(1) examine, or cause to be examined, upon reasonable notice, any record (which for purposes of this section, includes, but is not limited to, any statement, declaration, document, or electronically generated or machine readable data) described in the notice with reasonable specificity, which may be relevant to such investigation or inquiry, except that—

(A) if such record is required by law or regulation for the entry of the merchandise (whether or not the Customs Service required its presentation at the time of entry) it shall be provided to the Customs Service within a reasonable time after demand for its production is made, taking into consideration the number, type, and age of the item demanded; and

(B) if a person of whom demand is made under subparagraph (A) fails to comply with the demand, the person may be subject to penalty under subsection (g) of this section;

(2) summon, upon reasonable notice—

(A) the person who—

(i) imported, or knowingly caused to be imported, merchandise into the customs territory of the United States,

(ii) exported merchandise, or knowingly caused merchandise to be exported, to a NAFTA country (as defined in section 3301(4) of this title) or to Canada during such time as the United States-Canada Free-Trade Agreement is in force with respect to, and the United States applies that Agreement to, Canada,

(iii) transported or stored merchandise that was or is carried or held under customs bond, or knowingly caused such transportation or storage, or

(iv) filed a declaration, entry, or drawback claim with the Customs Service;

(B) any officer, employee, or agent of any person described in subparagraph (A);

(C) any person having possession, custody or care of records relating to the importation or other activity described in subparagraph (A); or

(D) any other person he may deem proper;

to appear before the appropriate customs officer at the time and place within the customs territory of the United States specified in the summons (except that no witness may be required to appear at any place more than one hundred miles distant from the place where he was served with the summons), to produce records, as defined in subsection (c)(1)(A) of this section, and to give such testimony, under oath, as may be relevant to such investigation or inquiry; and

(3) take, or cause to be taken, such testimony of the person concerned, under oath, as may be relevant to such investigation or inquiry.

(b) Regulatory audit procedures

(1) In conducting a regulatory audit under this section (which does not include a quantity verification for a customs bonded warehouse or general purpose foreign trade zone), the Customs Service auditor shall provide the person being audited, in advance of the audit, with a reasonable estimate of the time to be required for the audit. If in the course of an audit it becomes apparent that additional time will be required, the Customs Service auditor shall immediately provide a further estimate of such additional time.

(2) Before commencing an audit, the Customs Service auditor shall inform the party to be audited of his right to an entry conference at which time the purpose will be explained and an estimated termination date set. Upon completion of on-site audit activities, the Customs Service auditor shall schedule a closing conference to explain the preliminary results of the audit.

(3) Except as provided in paragraph (5), if the estimated or actual termination date for an audit passes without the Customs Service auditor providing a closing conference to explain the results of the audit, the person being audited may petition in writing for such a conference to the appropriate regional commissioner, who, upon receipt of such a request, shall provide for such a conference to be held within 15 days after the date of receipt.

(4) Except as provided in paragraph (5), the Customs Service auditor shall complete the formal written audit report within 90 days following the closing conference unless the appropriate regional commissioner provides written notice to the person being audited of the reason for any delay and the anticipated completion date. After application of any exemption contained in section 552 of title 5, a copy of the formal written audit report shall be sent to the person audited no later than 30 days following completion of the report.

(5) Paragraphs (3) and (4) shall not apply after the Customs Service commences a formal investigation with respect to the issue involved.

(c) Service of summons

A summons issued pursuant to this section may be served by any person designated in the summons to serve it. Service upon a natural person may be made by personal delivery of the summons to him. Service may be made upon a domestic or foreign corporation or upon a partnership or other unincorporated association which is subject to suit under a common name, by delivering the summons to an officer, or managing or general agent, or to any other agent authorized by appointment or by law to receive service of process. The certificate of service signed by the person serving the summons is prima facie evidence of the facts it states on the hearing of an application for the enforcement of the summons. When the summons requires the production of records, such records shall be described in the summons with reasonable specificity.

(d) Special procedures for third-party summonses

(1) For purposes of this subsection—

(A) The term ''records'' includes those—

(i) required to be kept under section 1508 of this title; or

(ii) regarding which there is probable cause to believe that they pertain to merchandise the importation of which into the United States is prohibited.

(B) The term ''summons'' means any summons issued under subsection (a) of this section which requires the production of records or the giving of testimony relating to records. Such term does not mean any summons issued to aid in the collection of the liability of any person against whom an assessment has been made or judgment rendered.

(C) The term ''third-party recordkeeper'' means—

(i) any customhouse broker, unless such customhouse broker is the importer of record on an entry;

(ii) any attorney; and

(iii) any accountant.

(2) If—

(A) any summons is served on any person who is a third-party recordkeeper; and

(B) the summons requires the production of, or the giving of testimony relating to, any portion of records made or kept of the transactions described in section 1508 of this title of any person (other than the person summoned) who is identified in the description of the records contained in such summons;

then notice of such summons shall be given to any persons so identified within a reasonable time before the day fixed in the summons as the day upon which such records are to be examined or testimony given. Such notice shall be accompanied by a copy of the summons which has been served and shall contain directions for staying compliance with the summons under paragraph (5)(B) of this subsection.

(3) Any notice required under paragraph (2) of this subsection shall be sufficient if such notice is served in the manner provided in subsection (b) of this section upon the person entitled to notice, or is mailed by certified or registered mail to the last known address of such person.

(4) Paragraph (2) of this subsection shall not apply to any summons—

(A) served on the person with respect to whose liability for duties, fees, or taxes the summons is issued, or any officer or employee of such person; or

(B) to determine whether or not records of the transactions described in section 1508 of this title of an identified person have been made or kept.

(5) Notwithstanding any other law or rule of law, any person who is entitled to notice of a summons under paragraph (2) of this subsection shall have the right—

(A) to intervene in any proceeding with respect to the enforcement of such summons under section 1510 of this title; and

(B) to stay compliance with the summons if, not later than the day before the day fixed in the summons as the day upon which the records are to be examined or testimony given—

(i) notice in writing is given to the person summoned not to comply with the summons; and

(ii) a copy of such notice not to comply with the summons is mailed by registered or certified mail to such person and to such office as the Secretary may direct in the notice referred to in paragraph (2) of this subsection.

(6) No examination of any records required to be produced under a summons as to which notice is required under paragraph (2) of this subsection may be made—

(A) before the expiration of the period allowed for the notice not to comply under paragraph (5)(B) of this subsection, or

(B) if the requirements of such paragraph (5)(B) have been met, except in accordance with an order issued by a court of competent jurisdiction authorizing examination of such records or with the consent of the person staying compliance.

(7) The provisions of paragraphs (2) and (5) of this subsection shall not apply with respect to any summons if, upon petition by the Secretary, the court determines, on the basis of the facts and circumstances alleged, that there is reasonable cause to believe the giving of notice may lead to attempts to conceal, destroy, or alter records relevant to the examination, to prevent the communication of information from other persons through intimidation, bribery, or collusion, or to flee to avoid prosecution, testifying, or production of records.

(e) List of records and information

The Customs Service shall identify and publish a list of the records or entry information that is required to be maintained and produced under subsection (a)(1)(A) of this section.

(f) Recordkeeping compliance program

(1) In general

After consultation with the importing community, the Customs Service shall by regulation establish a recordkeeping compliance program which the parties listed in section 1508(a) of this title may participate in after being certified by the Customs Service under paragraph (2). Participation in the recordkeeping compliance program by recordkeepers is voluntary.

(2) Certification

A recordkeeper may be certified as a participant in the recordkeeping compliance program after meeting the general recordkeeping requirements established under the program or after negotiating an alternative program suited to the needs of the recordkeeper and the Customs Service. Certification requirements shall take into account the size and nature of the importing business and the volume of imports. In order to be certified, the recordkeeper must be able to demonstrate that it—

(A) understands the legal requirements for recordkeeping, including the nature of the records required to be maintained and produced and the time periods involved;

(B) has in place procedures to explain the recordkeeping requirements to those employees who are involved in the preparation, maintenance, and production of required records;

(C) has in place procedures regarding the preparation and maintenance of required records, and the production of such records to the Customs Service;

(D) has designated a dependable individual or individuals to be responsible for recordkeeping compliance under the program and whose duties include maintaining familiarity with the recordkeeping requirements of the Customs Service;

(E) has a record maintenance procedure approved by the Customs Service for original records, or, if approved by the Customs Service, for alternative records or recordkeeping formats other than the original records; and

(F) has procedures for notifying the Customs Service of occurrences of variances to, and violations of, the requirements of the recordkeeping compliance program or the negotiated alternative programs, and for taking corrective action when notified by the Customs Service of violations or problems regarding such program.

(g) Penalties

(1) "Information" defined

For purposes of this subsection, the term ''information'' means any record, statement, declaration, document, or electronically stored or transmitted information or data referred to in subsection (a)(1)(A) of this section.

(2) Effects of failure to comply with demand

Except as provided in paragraph (4), if a person fails to comply with a lawful demand for information under subsection (a)(1)(A) of this section the following provisions apply:

(A) If the failure to comply is a result of the willful failure of the person to maintain, store, or retrieve the demanded information, such person shall be subject to a penalty, for each release of merchandise, not to exceed $100,000, or an amount equal to 75 percent of the appraised value of the merchandise, whichever amount is less.

(B) If the failure to comply is a result of the negligence of the person in maintaining, storing, or retrieving the demanded information, such person shall be subject to a penalty, for each release of merchandise, not to exceed $10,000, or an amount equal to 40 percent of the appraised value of the merchandise, whichever amount is less.

(C) In addition to any penalty imposed under subparagraph (A) or (B) regarding demanded information, if such information related to the eligibility of merchandise for a column 1 special rate of duty under title I, the entry of such merchandise—

(i) if unliquidated, shall be liquidated at the applicable column 1 general rate of duty; or

(ii) if liquidated within the 2-year period preceding the date of the demand, shall be reliquidated, notwithstanding the time limitation in section 1514 or 1520 of this title, at the applicable column 1 general rate of duty;

except that any liquidation or reliquidation under clause (i) or (ii) shall be at the applicable column 2 rate of duty if the Customs Service demonstrates that the merchandise should be dutiable at such rate.

(3) Avoidance of penalty

No penalty may be assessed under this subsection if the person can show—

(A) that the loss of the demanded information was the result of an act of God or other natural casualty or disaster beyond the fault of such person or an agent of the person;

(B) on the basis of other evidence satisfactory to the Customs Service, that the demand was substantially complied with; or

(C) the information demanded was presented to and retained by the Customs Service at the time of entry or submitted in response to an earlier demand.

(4) Penalties not exclusive

Any penalty imposed under this subsection shall be in addition to any other penalty provided by law except for—

(A) a penalty imposed under section 1592 of this title for a material omission of the demanded information, or

(B) disciplinary action taken under section 1641 of this title.

(5) Remission or mitigation

A penalty imposed under this section may be remitted or mitigated under section 1618 of this title.

(6) Customs summons

Nothing in this subsection shall limit or preclude the Customs Service from issuing, or seeking the enforcement of, a customs summons.

(7) Alternatives to penalties

(A) In general

When a recordkeeper who—

(i) has been certified as a participant in the recordkeeping compliance program under subsection (f) of this section; and

(ii) is generally in compliance with the appropriate procedures and requirements of the program;

does not produce a demanded record or information for a specific release or provide the information by acceptable alternative means, the Customs Service, in the absence of willfulness or repeated violations, shall issue a written notice of the violation to the recordkeeper in lieu of a monetary penalty. Repeated violations by the recordkeeper may result in the issuance of penalties and removal of certification under the program until corrective action, satisfactory to the Customs Service, is taken.

(B) Contents of notice

A notice of violation issued under subparagraph (A) shall—

(i) state that the recordkeeper has violated the recordkeeping requirements;

(ii) indicate the record or information which was demanded; and

(iii) warn the recordkeeper that future failures to produce demanded records or information may result in the imposition of monetary penalties.

(C) Response to notice

Within a reasonable time after receiving written notice under subparagraph (A), the recordkeeper shall notify the Customs Service of the steps it has taken to prevent a recurrence of the violation.

(D) Regulations

The Secretary shall promulgate regulations to implement this paragraph. Such regulations may specify the time periods for compliance with a demand for information and provide guidelines which define repeated violations for purposes of this paragraph. Any penalty issued for a recordkeeping violation shall take into account the degree of compliance compared to the total number of importations, the nature of the demanded records and the recordkeeper's cooperation.

(June 17, 1930, ch. 497, title IV, § 509, 46 Stat. 733; June 25, 1948, ch. 646, § 26, 62 Stat. 990; June 2, 1970, Pub. L. 91–271, title III, § 301(n), 84 Stat. 289; Oct. 3, 1978, Pub. L. 95–410, title I, § 105, 92 Stat. 889; Oct. 27, 1986, Pub. L. 99–570, title III, § 3117,

100 Stat. 3207–84; Dec. 8, 1993, Pub. L. 103–182, title II, § 205(b), title VI, § 615, 107 Stat. 2094, 2175.)

REFERENCES IN TEXT

Title I, referred to in subsec. (g)(2)(C), means title I of act June 17, 1930, ch. 497, as amended, which contains the Harmonized Tariff Schedule of the United States and which is not set out in the Code. See notes preceding section 1202 of this title and Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

PRIOR PROVISIONS

Provisions substantially the same, in most respects, as those of this section, were contained in act Oct. 3, 1913, ch. 16, § III, O, 38 Stat. 188, which substantially reenacted the provisions of Customs Administrative Act of June 10, 1890, ch. 407, § 16, 26 Stat. 138, as renumbered and reenacted without other change by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 100. Section III of the 1913 act was superseded and more closely assimilated to this section by act Sept. 21, 1922, ch. 356, title IV, § 508, 42 Stat. 968, and repealed by section 643 thereof. Section 508 of the 1922 act was superseded by section 509 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions similar to those of this section and section 1510 of this title were made by R.S. §§ 2922–2924, repealed by section 29 of the Customs Administrative Act of 1890, 26 Stat. 141.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182, § 615(1)(A), substituted ", fees and taxes" for "and taxes" in two places in introductory provisions.

Subsec. (a)(1). Pub. L. 103–182, § 615(1)(B), amended par. (1) generally. Prior to amendment, par. (1) read as follows: "examine, or cause to be examined, upon reasonable notice, any record, statement, declaration or other document, described in the notice with reasonable specificity, which may be relevant to such investigation or inquiry;".

Subsec. (a)(2)(A). Pub. L. 103–182, § 615(1)(C), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: "the person who imported, or knowingly caused to be imported, merchandise into the customs territory of the United States,". See Construction of 1993 Amendment note below.

Subsec. (a)(2)(A)(ii). Pub. L. 103–182, § 205(b), amended generally cl. (ii), as amended by Pub. L. 103–182, § 615(1)(C). Prior to amendment, cl. (ii) read as follows: "exported merchandise, or knowingly caused merchandise to be exported, to Canada,". See Construction of 1993 Amendment note below.

Subsec. (a)(2)(B), (C). Pub. L. 103–182, § 615(1)(C), amended subpars. (B) and (C) generally. Prior to amendment, subpars. (B) and (C) read as follows:

"(B) any officer, employee, or agent of such person,

"(C) any person having possession, custody, or care of records relating to such importation, or".

Subsec. (a)(2)(D). Pub. L. 103–182, § 615(1)(D), substituted a semicolon for comma at end.

Subsecs. (b), (c). Pub. L. 103–182, § 615(2), (3), added subsec. (b) and redesignated former subsec. (b) as (c). Former subsec. (c) redesignated (d).

Subsec. (d). Pub. L. 103–182, § 615(2), redesignated subsec. (c) as (d).

Subsec. (d)(1)(A). Pub. L. 103–182, § 615(4)(A), substituted "those" for "statements, declarations, or documents" in introductory provisions.

Subsec. (d)(1)(C)(i). Pub. L. 103–182, § 615(4)(B), inserted ", unless such customhouse broker is the importer of record on an entry" after "broker".

Subsec. (d)(2)(B). Pub. L. 103–182, § 615(4)(C), (D), substituted "the transactions described in section 1508 of this title" for "the import transactions".

Subsec. (d)(4)(A). Pub. L. 103–182, § 615(4)(E), inserted ", fees," after "duties".

Subsec. (d)(4)(B). Pub. L. 103–182, § 615(4)(C), (D), substituted "the transactions described in section 1508 of this title" for "the import transactions".

Subsecs. (e) to (g). Pub. L. 103–182, § 615(5), added subsecs. (e) to (g).

1986—Subsec. (a)(2). Pub. L. 99–570, § 3117(1), substituted "as defined in subsection (c)(1)(A) of this section" for "required to be kept under section 1508 of this title" in concluding provisions.

Subsec. (c)(1)(A). Pub. L. 99–570, § 3117(2), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: "The term 'records' includes statements, declarations, or documents required to be kept under section 1508 of this title."

1978—Pub. L. 95–410 substituted subsec. (a) to (c) provisions for examination of books and witnesses for prior provisions for examination of importer and others, which authorized appropriate customs officers to issue citations for examination under oath of any owner, importer, consignee, agent, or other person upon any material matter or thing respecting any imported merchandise then under consideration or previously imported within one year, in ascertaining the classification or the value thereof or the rate or amount of duty and to require production of any letters, accounts, contracts, invoices, or other documents relating to the merchandise, and the reduction of the testimony to writing, required the testimony to be filed and preserved under Customs Court rules, and authorized consideration of the evidence in subsequent proceedings relating to the merchandise.

1970—Pub. L. 91–271 substituted "Appropriate customs officer" for "Collectors and appraisers".

1948—Act June 25, 1948, struck out "and judges and divisions of the United States Customs Court" after "Collectors and appraisers" in first sentence.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by section 205(b) of Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 213(b) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1948 AMENDMENT

Section 38 of act June 25, 1948, provided that the amendment made by that act is effective Sept. 1, 1948.

CONSTRUCTION OF 1993 AMENDMENT

Amendment by section 205(b) of Pub. L. 103–182 to be made after amendment by section 615 of Pub. L. 103–182 is executed, see section 212 of Pub. L. 103–182, set out as a note under section 58c of this title.

CROSS REFERENCES

Court of International Trade procedure, witnesses and inspection of documents, see section 2641 of Title 28, Judiciary and Judicial Procedure.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1508, 1510, 1553a of this title; title 26 section 6103.

§ 1510. Judicial enforcement

(a) Order of court

If any person summoned under section 1509 of this title does not comply with the summons, the district court of the United States for any district in which such person is found or resides or is doing business, upon application and after notice to any such person and hearing, shall

have jurisdiction to issue an order requiring such person to comply with the summons. Failure to obey such order of the court may be punished by such court as a contempt thereof and such court may assess a monetary penalty.

(b) Sanctions

(1) For so long as any person, after being adjudged guilty of contempt for neglecting or refusing to obey a lawful summons issued under section 1509 of this title and for refusing to obey the order of the court, remains in contempt, the Secretary may—

(A) prohibit that person from importing merchandise into the customs territory of the United States directly or indirectly or for his account, and

(B) instruct the appropriate customs officers to withhold delivery of merchandise imported directly or indirectly by that person or for his account.

(2) If any person remains in contempt for more than one year after the date on which the Secretary issues instructions under paragraph (1)(B) with respect to that person, the appropriate customs officers shall cause all merchandise held in customs custody pursuant to such instructions to be sold at public auction or otherwise disposed of under the customs laws.

(3) The sanctions which may be imposed under paragraphs (1) and (2) are in addition to any punishment which may be imposed by the court for contempt.

(June 17, 1930, ch. 497, title IV, § 510, 46 Stat. 733; June 2, 1970, Pub. L. 91–271, title III, § 301(*o*), 84 Stat. 290; Oct. 3, 1978, Pub. L. 95–410, title I, § 106, 92 Stat. 891; Dec. 8, 1993, Pub. L. 103–182, title VI, § 616, 107 Stat. 2179.)

REFERENCES IN TEXT

The customs laws, referred to in subsec. (b)(2), are classified generally to this title.

PRIOR PROVISIONS

Provisions substantially the same as those of this section were contained in act Oct. 3, 1913, ch. 16, § III, P, 38 Stat. 188, which substantially reenacted the provisions of the Customs Administrative Act of June 10, 1890, ch. 407, § 17, 26 Stat. 139, as renumbered and reenacted without other change by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 23, 36 Stat. 100. Section III, P, of the 1913 act was superseded by act Sept. 21, 1922, ch. 356, title IV, § 509, 42 Stat. 968, and repealed by section 643 thereof. Section 509 of the 1922 act was superseded by section 510 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions similar to those of this section were contained in R.S. §§ 2923, 2924, prior to repeal by section 29 of the Customs Administrative Act of June 10, 1890, 26 Stat. 141.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182 inserted before period at end ''and such court may assess a monetary penalty''.

1978—Pub. L. 95–410 substituted judicial enforcement provisions covering court order for compliance with administrative summonses and imposition of specified sanctions for prior provisions covering imposition of penalties for refusal to give testimony, including provision for a penalty of not less than $20 nor more than $500 for refusing to appear or to produce documents or to subscribe his name to a deposition or refusing to answer interrogatories; deeming the last made appraisement of the merchandise as final where an owner, importer, or consignee failed to comply with the examination provisions; deeming the person falsely swearing on an examination guilty of perjury; and forfeiture of the merchandise where the person was an owner, importer, or consignee, or the recovery of its value from him.

1970—Pub. L. 91–271 substituted references to appropriate customs officer for references to collector or appraiser wherever appearing, and struck out references to divisions of United States Customs Court.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1509 of this title.

§ 1511. Repealed. Pub. L. 95–410, title I, § 107, Oct. 3, 1978, 92 Stat. 892

Section, acts June 17, 1930, ch. 497, title IV, § 511, 46 Stat. 733; June 2, 1970, Pub. L. 91–271, title III, § 301(p), 84 Stat. 290, provided for inspection of importer's books. See sections 1508–1510 of this title.

Provisions similar to those of this section were contained in act May 27, 1921, ch. 14, § 405, 42 Stat. 18, which was superseded by act Sept. 21, 1922, ch. 356, title IV, § 511, 42 Stat. 969. Section 511 of the 1922 act was superseded by section 511 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Earlier provisions for assessment of additional duty for failure or refusal of persons importing merchandise or dealing in imported merchandise to submit their books, records, etc., to inspection, were contained in act Oct. 3, 1913, ch. 16, § III, V, 38 Stat. 190, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

§ 1512. Deposit of duty receipts

All moneys paid to any customs officer for unascertained duties or for duties paid under protest against the rate or amount of duties charged shall be deposited to the credit of the Treasurer of the United States and shall not be held by the customs officers to await any ascertainment of duties or the result of any litigation in relation to the rate or amount of duties legally chargeable and collectible in any case where money is so paid.

(June 17, 1930, ch. 497, title IV, § 512, 46 Stat. 734; June 2, 1970, Pub. L. 91–271, title III, § 301(q), 84 Stat. 290.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in R.S. § 3010, which was superseded by act Sept. 21, 1922, ch. 356, title IV, § 512, 42 Stat. 969, and was repealed by section 642 thereof. Section 512 of the 1922 act was superseded by section 512 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1970—Pub. L. 91–271 substituted references to customs officers for references to collectors wherever appearing.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§ 1513. Customs officer's immunity

No customs officer shall be liable in any way to any person for or on account of—

(1) any ruling or decision regarding the appraisement or the classification of any imported merchandise or regarding the duties, fees, and taxes charged thereon,

(2) the collection of any dues, charges, duties, fees, and taxes on or on account of any imported merchandise, or

(3) any other matter or thing as to which any person might under this chapter be entitled to protest or appeal from the decision of such officer.

(June 17, 1930, ch. 497, title IV, § 513, 46 Stat. 734; June 2, 1970, Pub. L. 91–271, title III, § 301(r), 84 Stat. 290; Dec. 8, 1993, Pub. L. 103–182, title VI, § 644, 107 Stat. 2206.)

PRIOR PROVISIONS

Provisions substantially the same as those of this section, except that they did not specifically refer to rulings or decisions as to appraisement, were contained in act Oct. 3, 1913, ch. 16, § III, Z, 38 Stat. 191, which reenacted without change the provisions of the Customs Administrative Act of June 10, 1890, ch. 407, § 25, 26 Stat. 141, as reenacted by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 103. Section III, Z, of the 1913 act was superseded and more closely assimilated to this section by act Sept. 21, 1922, ch. 356, title IV, § 513, 42 Stat. 969, and repealed by section 643 thereof. Section 513 of the 1922 act was superseded by section 513 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1993—Pub. L. 103–182 amended section generally. Prior to amendment, section read as follows: ''No customs officer shall be in any way liable to any owner, importer, consignee, or agent or any other person for or on account of any rulings or decisions as to the appraisement or the classification of any imported merchandise or the duties charged thereon, or the collection of any dues, charges, or duties on or on account of said merchandise, or any other matter or thing as to which said owner, importer, consignee, or agent might under this chapter be entitled to protest or appeal from the decision of such officer.''

1970—Pub. L. 91–271 substituted ''customs officer'' for ''collector or other customs officer'' and ''such officer'' for ''such collector or other officer''.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§ 1514. Protest against decisions of Customs Service

(a) Finality of decisions; return of papers

Except as provided in subsection (b) of this section, section 1501 of this title (relating to voluntary reliquidations), section 1516 of this title (relating to petitions by domestic interested parties), section 1520 of this title (relating to refunds and errors), and section 1521[1] of this title (relating to reliquidations on account of fraud), decisions of the Customs Service, including the legality of all orders and findings entering into the same, as to—

(1) the appraised value of merchandise;

(2) the classification and rate and amount of duties chargeable;

(3) all charges or exactions of whatever character within the jurisdiction of the Secretary of the Treasury;

(4) the exclusion of merchandise from entry or delivery or a demand for redelivery to customs custody under any provision of the customs laws, except a determination appealable under section 1337 of this title;

(5) the liquidation or reliquidation of an entry, or reconciliation as to the issues contained therein, or any modification thereof;

(6) the refusal to pay a claim for drawback; or

(7) the refusal to reliquidate an entry under section 1520(c) of this title;

shall be final and conclusive upon all persons (including the United States and any officer thereof) unless a protest is filed in accordance with this section, or unless a civil action contesting the denial of a protest, in whole or in part, is commenced in the United States Court of International Trade in accordance with chapter 169 of title 28 within the time prescribed by section 2636 of that title. When a judgment or order of the United States Court of International Trade has become final, the papers transmitted shall be returned, together with a copy of the judgment or order to the Customs Service, which shall take action accordingly.

(b) Finality of determinations

With respect to determinations made under section 1303[1] of this title or subtitle IV of this chapter which are reviewable under section 1516a of this title, determinations of the Customs Service are final and conclusive upon all persons (including the United States and any officer thereof) unless a civil action contesting a determination listed in section 1516a of this title is commenced in the United States Court of International Trade, or review by a binational panel of a determination to which section 1516a(g)(2) of this title applies is commenced pursuant to section 1516a(g) of this title and article 1904 of the North American Free Trade Agreement or the United States-Canada Free-Trade Agreement.

(c) Form, number, and amendment of protest; filing of protest

(1) A protest of a decision made under subsection (a) of this section shall be filed in writing, or transmitted electronically pursuant to an electronic data interchange system, in accordance with regulations prescribed by the Secretary. A protest must set forth distinctly and specifically—

(A) each decision described in subsection (a) of this section as to which protest is made;

(B) each category of merchandise affected by each decision set forth under paragraph (1);

(C) the nature of each objection and the reasons therefor; and

(D) any other matter required by the Secretary by regulation.

Only one protest may be filed for each entry of merchandise, except that where the entry covers merchandise of different categories, a separate protest may be filed for each category. In addition, separate protests filed by different authorized persons with respect to any one category of merchandise, or with respect to a determination of origin under section 3332 of this title, that is the subject of a protest are deemed to be part of

[1] See References in Text note below.

a single protest. A protest may be amended, under regulations prescribed by the Secretary, to set forth objections as to a decision or decisions described in subsection (a) of this section which were not the subject of the original protest, in the form and manner prescribed for a protest, any time prior to the expiration of the time in which such protest could have been filed under this section. New grounds in support of objections raised by a valid protest or amendment thereto may be presented for consideration in connection with the review of such protest pursuant to section 1515 of this title at any time prior to the disposition of the protest in accordance with that section.

(2) Except as provided in sections 1485(d) and 1557(b) of this title, protests may be filed with respect to merchandise which is the subject of a decision specified in subsection (a) of this section by—

(A) the importers or consignees shown on the entry papers, or their sureties;

(B) any person paying any charge or exaction;

(C) any person seeking entry or delivery;

(D) any person filing a claim for drawback;

(E) with respect to a determination of origin under section 3332 of this title, any exporter or producer of the merchandise subject to that determination, if the exporter or producer completed and signed a NAFTA Certificate of Origin covering the merchandise; or

(F) any authorized agent of any of the persons described in clauses (A) through (E).

(3) A protest of a decision, order, or finding described in subsection (a) of this section shall be filed with the Customs Service within ninety days after but not before—

(A) notice of liquidation or reliquidation, or

(B) in circumstances where subparagraph (A) is inapplicable, the date of the decision as to which protest is made.

A protest by a surety which has an unsatisfied legal claim under its bond may be filed within 90 days from the date of mailing of notice of demand for payment against its bond. If another party has not filed a timely protest, the surety's protest shall certify that it is not being filed collusively to extend another authorized person's time to protest as specified in this subsection.

(d) Limitation on protest of reliquidation

The reliquidation of an entry shall not open such entry so that a protest may be filed against the decision of the Customs Service upon any question not involved in such reliquidation.

(e) Advance notice of certain determinations

Except as provided in subsection (f) of this section, an exporter or producer referred to in subsection (c)(2)(E) of this section shall be provided notice in advance of an adverse determination of origin under section 3332 of this title. The Secretary may, by regulations, prescribe the time period in which such advance notice shall be issued and authorize the Customs Service to provide in the notice the entry number and any other entry information considered necessary to allow the exporter or producer to exercise the rights provided by this section.

(f) Denial of preferential treatment

If the Customs Service finds indications of a pattern of conduct by an exporter or producer of false or unsupported representations that goods qualify under the rules of origin set out in section 3332 of this title—

(1) the Customs Service, in accordance with regulations issued by the Secretary, may deny preferential tariff treatment to entries of identical goods exported or produced by that person; and

(2) the advance notice requirement in subsection (e) of this section shall not apply to that person;

until the person establishes to the satisfaction of the Customs Service that its representations are in conformity with section 3332 of this title.

(June 17, 1930, ch. 497, title IV, § 514, 46 Stat. 734; June 2, 1970, Pub. L. 91–271, title II, § 207, 84 Stat. 284; July 26, 1979, Pub. L. 96–39, title X, § 1001(b)(3), 93 Stat. 305; Oct. 10, 1980, Pub. L. 96–417, title VI, §§ 601(5), 605, 94 Stat. 1744; Oct. 30, 1984, Pub. L. 98–573, title VI, § 612(b)(1), 98 Stat. 3034; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1888(4), 100 Stat. 2924; Sept. 28, 1988, Pub. L. 100–449, title IV, § 403(b), 102 Stat. 1884; Dec. 8, 1993, Pub. L. 103–182, title II, § 208, title IV, § 412(a), title VI, § 645, 107 Stat. 2097, 2146, 2206.)

REFERENCES IN TEXT

Section 1521 of this title, referred to in subsec. (a), was repealed by Pub. L. 103–182, title VI, § 618, Dec. 8, 1993, 107 Stat. 2180.

The customs laws, referred to in subsec. (a)(4), are classified generally to this title.

Section 1303 of this title, referred to in subsec. (b), is defined in section 1677(26) of this title to mean section 1330 as in effect on the day before Jan. 1, 1995.

CODIFICATION

Section was formerly classified to former section 579 of this title subsequent to its classification to section 784 of title 28 prior to the general revision and enactment of Title 28, Judiciary and Judicial Procedure, by act June 25, 1948, ch. 464, § 1, 62 Stat. 869.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 514, 42 Stat. 969. That section was superseded by section 514 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions that the decision of the collector as to duties, including dutiable costs and charges, and as to all fees and exactions, should be final and conclusive unless a protest was filed within 30 days after ascertainment and liquidation of duties, or within 15 days after payment of fees, charges and exactions, with further provisions as to fees, transmission of the papers to the Board of General Appraisers, etc., were contained in act Oct. 3, 1913, ch. 16, § III, N, 38 Stat. 187, the provisions of which were substituted for provisions of a similar nature in the Customs Administrative Act of June 10, 1890, ch. 407, § 14, 26 Stat. 137, as amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 100. Section III, N, of the 1913 act was repealed by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

Provisions relating to decisions of the collector, and appeals therefrom to the Secretary of the Treasury were contained in R.S. §§ 2931, 2932, prior to repeal by section 29 of the Customs Administrative Act, 26 Stat. 141.

AMENDMENTS

1993—Pub. L. 103–182, § 645(7), amended section catchline generally.

Subsec. (a). Pub. L. 103–182, §645(1), in introductory provisions, substituted ''Customs Service'' for ''appropriate customs officer'', in par. (5), inserted ''or reconciliation as to the issues contained therein,'' after ''entry,'', in par. (6), substituted ''or'' for ''and'' at end, in par. (7), substituted a semicolon for the comma at end, and in concluding provisions, substituted ''Customs Service, which'' for ''appropriate customs officer, who''.

Subsec. (b). Pub. L. 103–182, §645(2), substituted ''Customs Service'' for ''appropriate customs officer''.

Pub. L. 103–182, §412(a), inserted ''the North American Free Trade Agreement or'' before ''the United States-Canada Free-Trade Agreement''.

Subsec. (c)(1). Pub. L. 103–182, §208(1), inserted in fourth sentence '', or with respect to a determination of origin under section 3332 of this title,'' after ''with respect to any one category of merchandise''. See Construction of 1993 Amendment note below.

Pub. L. 103–182, §645(3), substituted first two sentences, including subpars. (A) to (D), for former first sentence which read as follows: ''A protest of a decision under subsection (a) of this section shall be filed in writing with the appropriate customs officer designated in regulations prescribed by the Secretary, setting forth distinctly and specifically each decision described in subsection (a) of this section as to which protest is made; each category of merchandise affected by each such decision as to which protest is made; and the nature of each objection and reasons therefor.'' See Construction of 1993 Amendment note below.

Subsec. (c)(2). Pub. L. 103–182, §208(2), added subpar. (E) and redesignated former subpar. (E) as (F) and substituted ''clauses (A) through (E)'' for ''clauses (A) through (D)''. See Construction of 1993 Amendment note below.

Pub. L. 103–182, §645(5), designated last sentence of par. (1) as par. (2). Former par. (2) redesignated (3). See Construction of 1993 Amendment note below.

Subsec. (c)(3). Pub. L. 103–182, §645(4), redesignated par. (2) as (3) and substituted ''the Customs Service'' for ''such customs officer'' in introductory provisions.

Subsec. (d). Pub. L. 103–182, §645(6), substituted ''Customs Service'' for ''customs officer''.

Subsecs. (e), (f). Pub. L. 103–182, §208(3), added subsecs. (e) and (f).

1988—Subsec. (b). Pub. L. 100–449 inserted '', or review by a binational panel of a determination to which section 1516a(g)(2) of this title applies is commenced pursuant to section 1516a(g) of this title and article 1904 of the United States-Canada Free-Trade Agreement'' before period at end.

1986—Subsec. (a). Pub. L. 99–514 struck out ''as defined in section 1677(9)(C), (D), (E), and (F) of this title'' after ''domestic interested parties''.

1984—Subsec. (a). Pub. L. 98–573 substituted ''section 1677(9)(C), (D), (E), and (F) of this title'' for ''section 1677(9)(C), (D), and (E) of this title'' in provisions preceding par. (1).

1980—Subsec. (a). Pub. L. 96–417, §§601(5), 605, redesignated the United States Customs Court as the United States Court of International Trade, inserted in item (4) provision for decisions as to a demand for redelivery to customs custody and the phrase '', except a determination appealable under section 1337 of this title'' and substituted provision for contesting denial of a protest in accordance with chapter 169 of title 28 within the time prescribed by section 2636 of that title for provision for such contest in accordance with section 2632 of title 28 within the time prescribed by section 2631 of that title.

Subsec. (b). Pub. L. 96–417, §601(5), redesignated the United States Customs Court as the United States Court of International Trade.

1979—Subsec. (a). Pub. L. 96–39, §1001(b)(3)(A), (B), inserted reference to subsection (b) of this section and substituted ''section 1516 of this title (relating to petitions by domestic interested parties as defined in section 1677(9)(C), (D), and (E) of this title)'' for ''section 1516 of this title (relating to petitions by American manufacturers, producers, and wholesalers)'' in provisions preceding par. (1).

Subsec. (b). Pub. L. 96–39, §1001(b)(3)(D), added subsec. (b). Former subsec. (b) redesignated (c).

Subsec. (c)(1). Pub. L. 96–39, §1001(b)(3)(C), (E), redesignated former subsec. (b)(1) as (c)(1) and substituted provisions that, except as provided in sections 1485(d) and 1557(b) of this title, protests may be filed by importers or consignees or their sureties, persons paying a charge or exaction, persons seeking entry or delivery, persons filing a claim for drawback, and authorized agents of such persons for provisions that, except as otherwise provided in section 1557(b) of this title, protests could be filed only by importers, consignees, or the authorized agents of persons paying any charges, or exactions, persons filing claims for drawback, or persons seeking entry or delivery.

Subsec. (c)(2). Pub. L. 96–39, §1001(b)(3)(C), (F), redesignated former subsec. (b)(2) as (c)(2) and inserted provision that a protest by a surety which has an unsatisfied legal claim under its bond may be filed within 90 days from the date of mailing of notice of demand for payment against its bond and that, if another party has not filed a timely protest, the surety's protest shall certify that it is not being filed collusively to extend another authorized person's time to protest as specified in this subsection.

Subsec. (d). Pub. L. 96–39, §1001(b)(3)(C), redesignated former subsec. (c) as (d).

1970—Pub. L. 91–271 designated existing provisions as subsec. (a), expanded references to sections excepted from application of this section, substituted decisions of the appropriate customs officer for all decisions of the collector as deemed to be final and conclusive, reorganized the categories of decisions and findings subject to such finality and conclusiveness, and revised the procedures for filing of protests, and added subsecs. (b) and (c).

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by section 208 of Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 213(b) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

Amendment by section 412(a) of Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], but not applicable to any final determination described in section 1516a(a)(1)(B) or (2)(B)(i), (ii), or (iii) of this title, notice of which is published in the Federal Register before such date, or to a determination described in section 1516a(a)(2)(B)(vi) of this title, notice of which is received by the Government of Canada or Mexico before such date, or to any binational panel review under the United States-Canada Free-Trade Agreement, or to any extraordinary challenge arising out of any such review, that was commenced before such date, see section 416 of Pub. L. 103–182, set out as an Effective Date note under section 3431 of this title.

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENT

Amendment by Pub. L. 100–449 effective on date the United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 applicable with respect to investigations initiated by petition or by the administering authority under parts I and II of subtitle IV of this chapter, and to reviews begun under section 1675 of this title, on or after Oct. 30, 1984, see section 626(b)(1) of Pub. L. 98–573, as amended, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–417 effective Nov. 1, 1980, and applicable with respect to civil actions pending on or commenced on or after such date, see section 701(a) of Pub. L. 96–417, set out as a note under section 251 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective Jan. 1, 1980, see sections 1002 and 107 of Pub. L. 96–39, set out as Effective Date notes under sections 1516a and 1671 of this title, respectively.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

CONSTRUCTION OF 1993 AMENDMENT

Amendment by section 208 of Pub. L. 103–182 to be made after amendment by section 645 of Pub. L. 103–182 is executed, see section 212 of Pub. L. 103–182, set out as a note under section 58c of this title.

TRANSFER OF FUNCTIONS

Functions of Secretary of the Treasury under this section insofar as they relate to any protest, petition, or notice of desire to contest described in section 1002(b)(1) of the Trade Agreements Act of 1979, set out as a note under section 1516a of this title, transferred to Secretary of Commerce pursuant to Reorg. Plan No. 3 of 1979, § 5(a)(1)(D), 44 F.R. 69275, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title.

EFFECT OF TERMINATION OF NAFTA COUNTRY STATUS

For provisions relating to effect of termination of NAFTA country status on the provisions of sections 401 to 416 of Pub. L. 103–182, see section 3451 of this title.

INCONSISTENT DECISIONS OF CUSTOMS OFFICERS

Pub. L. 100–690, title VII, § 7361(c), Nov. 18, 1988, 102 Stat. 4474, provided that:

''(1) The Secretary of the Treasury shall prescribe regulations that—

''(A) effect uniformity in—

''(i) decisions described in section 514(a) of the Tariff Act of 1930 (19 U.S.C. 1514(a)) that are made by customs officers with respect to the same, or substantially similar, merchandise, and

''(ii) decisions to conduct intensified inspections or examinations of merchandise at ports of entry, and

''(B) establish procedures that allow individuals described in section 514(c)(1) of the Tariff Act of 1930 (19 U.S.C. 1514(c)(1)), any port authority, and any other interested party (within the meaning of section 516(a)(2) of the Tariff Act of 1930 (19 U.S.C. 1516(a)(2))) to petition the Secretary to obtain such uniformity in an expedited and timely fashion.

''(2) The Secretary of the Treasury shall publish in the Federal Register and submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives the proposed and final form of the regulations prescribed under paragraph (1) and shall receive and consider comments from the public regarding the proposed form of such regulations during the 60-day period beginning on the date the proposed form of such regulations are published in the Federal Register.

''(3) The regulations prescribed under paragraph (1) shall take effect by no later than April 1, 1989.

''(4) By no later than September 1, 1989, the Secretary of the Treasury shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on the effectiveness of the regulations prescribed under paragraph (1) and recommendations for permanent legislation addressing uniformity.''

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1499, 1509, 1515, 1557, 1592, 1593a, 2013, 3011, 3522 of this title; title 28 sections 2631, 2638.

§ 1515. Review of protests

(a) Administrative review and modification of decisions

Unless a request for an accelerated disposition of a protest is filed in accordance with subsection (b) of this section the appropriate customs officer, within two years from the date a protest was filed in accordance with section 1514 of this title, shall review the protest and shall allow or deny such protest in whole or in part. Thereafter, any duties, charge, or exaction found to have been assessed or collected in excess shall be remitted or refunded and any drawback found due shall be paid. Upon the request of the protesting party, filed within the time allowed for the filing of a protest under section 1514 of this title, a protest may be subject to further review by another appropriate customs officer, under the circumstances and in the form and manner that may be prescribed by the Secretary in regulations, but subject to the two-year limitation prescribed in the first sentence of this subsection. Notice of the denial of any protest shall be mailed in the form and manner prescribed by the Secretary. Such notice shall include a statement of the reasons for the denial, as well as a statement informing the protesting party of his right to file a civil action contesting the denial of a protest under section 1514 of this title.

(b) Request for accelerated disposition of protest

A request for accelerated disposition of a protest filed in accordance with section 1514 of this title may be mailed by certified or registered mail to the appropriate customs officer any time after ninety days following the filing of such protest. For purposes of section 1581 of title 28, a protest which has not been allowed or denied in whole or in part within thirty days following the date of mailing by certified or registered mail of a request for accelerated disposition shall be deemed denied on the thirtieth day following mailing of such request.

(c) Request for set aside of denial of further review

If a protesting party believes that an application for further review was erroneously or improperly denied or was denied without authority for such action, it may file with the Commissioner of Customs a written request that the denial of the application for further review be set

aside. Such request must be filed within 60 days after the date of the notice of the denial. The Commissioner of Customs may review such request and, based solely on the information before the Customs Service at the time the application for further review was denied, may set aside the denial of the application for further review and void the denial of protest, if appropriate. If the Commissioner of Customs fails to act within 60 days after the date of the request, the request shall be considered denied. All denials of protests are effective from the date of original denial for purposes of section 2636 of title 28. If an action is commenced in the Court of International Trade that arises out of a protest or an application for further review, all administrative action pertaining to such protest or application shall terminate and any administrative action taken subsequent to the commencement of the action is null and void.

(d) Voiding denial of protest

If a protest is timely and properly filed, but is denied contrary to proper instructions, the Customs Service may on its own initiative, or pursuant to a written request by the protesting party filed with the appropriate district director within 90 days after the date of the protest denial, void the denial of the protest.

(June 17, 1930, ch. 497, title IV, § 515, 46 Stat. 734; June 2, 1970, Pub. L. 91–271, title II, § 208, 84 Stat. 285; July 26, 1979, Pub. L. 96–39, title X, § 1001(b)(2), 93 Stat. 304; Oct. 10, 1980, Pub. L. 96–417, title VI, § 606, 94 Stat. 1745; Dec. 8, 1993, Pub. L. 103–182, title VI, § 617, 107 Stat. 2179.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 515, 42 Stat. 970. That section was superseded by section 515 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions for transmission of the invoice, papers, and exhibits to the board of general appraisers in case of protest, and provisions concerning the conclusiveness of its determination, were contained in act Oct. 3, 1913, ch. 16, § III, N, 38 Stat. 187, the provisions of which were substituted for provisions of a similar nature in Customs Administrative Act of June 10, 1890, ch. 407, § 14, 26 Stat. 137, as amended by Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 100.

AMENDMENTS

1993—Subsecs. (c) and (d). Pub. L. 103–182 added subsecs. (c) and (d).

1980—Subsec. (b). Pub. L. 96–417 substituted reference to section ''1581'' for ''1582'' of title 28.

1979—Subsec. (a). Pub. L. 96–39 required that notice of denial include a statement of reasons for denial, as well as a statement informing protesting party of his right to file a civil action contesting denial of a protest under section 1514 of this title.

1970—Pub. L. 91–271 designating existing provisions as subsec. (a), substituted provisions authorizing review by appropriate customs officer for provisions authorizing review by collector and revised such review procedures, and added subsec. (b).

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–417 effective Nov. 1, 1980, and applicable with respect to civil actions pending on or commenced on or after such date, see section 701(a) of Pub. L. 96–417, set out as a note under section 251 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective Jan. 1, 1980, see sections 1002 and 107 of Pub. L. 96–39, set out as Effective Date notes under sections 1516a and 1671 of this title, respectively.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

Functions of Secretary of the Treasury under this section insofar as they relate to any protest, petition, or notice of desire to contest described in section 1002(b)(1) of the Trade Agreements Act of 1979, set out as a note under section 1516a of this title, transferred to Secretary of Commerce pursuant to Reorg. Plan No. 3 of 1979, § 5(a)(1)(D), 44 F.R. 69275, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title.

REVIEW OF PROTESTS IN IMPORT SURCHARGE CASES

Pub. L. 93–618, title VI, § 611, Jan. 3, 1975, 88 Stat. 2075, provided that: ''Notwithstanding the provisions of section 515(a) of the Tariff Act of 1930 (19 U.S.C. 1515(a)), in the case of any protest under section 514 of such Act [section 1514 of this title] involving the imposition of an import surcharge in the form of a supplemental duty pursuant to Presidential Proclamation 4074, dated August 17, 1971 [set out as a note preceding section 1202 of this title], the time for review and allowing or denying the protest shall not expire until five years from the date the protest was filed in accordance with such section 514 [section 1514 of this title].''

CROSS REFERENCES

Court of International Trade procedure, see section 2631 et seq. of Title 28, Judiciary and Judicial Procedure; Rules of Court, Title 28 Appendix.

Jurisdiction—

Court of Appeals for the Federal Circuit, see section 1295 of Title 28.

Court of International Trade, see section 1581 et seq. of Title 28.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1514 of this title; title 28 sections 1581, 2631, 2632, 2635, 2636, 2637, 2638, 2639, 2640, 2644.

§ 1516. Petitions by domestic interested parties

(a) Request for classification and rate of duty; petition

(1) The Secretary shall, upon written request by an interested party furnish the classification and the rate of duty imposed upon designated imported merchandise of a class or kind manufactured, produced, or sold at wholesale by such interested party. If the interested party believes that the appraised value, the classification, or rate of duty is not correct, it may file a petition with the Secretary setting forth—

(A) a description of the merchandise,

(B) the appraised value, the classification, or the rate of duty that it believes proper, and

(C) the reasons for its belief.

(2) As used in this section, the term ''interested party'' means a person who is—

(A) a manufacturer, producer, or wholesaler in the United States;

(B) a certified union or recognized union or group of workers which is representative of an

industry engaged in the manufacture, production, or wholesale in the United States; or

(C) a trade or business association a majority of whose members are manufacturers, producers, or wholesalers in the United States,

of goods of the same class or kind as the designated imported merchandise. Such term includes an association, a majority of whose members is composed of persons described in subparagraph (A), (B), or (C).

(3) Any producer of a raw agricultural product who is considered under section 1677(4)(E) of this title to be part of the industry producing a processed agricultural product of the same class or kind as the designated imported merchandise shall, for purposes of this section, be treated as an interested party producing such processed agricultural product.

(b) Determination on petition

If, after receipt and consideration of a petition filed by such an interested party, the Secretary determines that the appraised value, the classification, or rate of duty is not correct, he shall determine the proper appraised value, classification, or rate of duty and shall notify the petitioner of his determination. All such merchandise entered for consumption or withdrawn from warehouse for consumption more than thirty days after the date such notice to the petitioner is published in the weekly Customs Bulletin shall be appraised, classified, or assessed as to the rate of duty in accordance with the Secretary's determination.

(c) Contest by petitioner of appraised value, classification, or rate of duty

If the Secretary determines that the appraised value, classification, or rate of duty with respect to which a petition was filed pursuant to subsection (a) of this section is correct, he shall notify the petitioner. If dissatisfied with the determination of the Secretary, the petitioner may file with the Secretary, not later than thirty days after the date of the notification, notice that it desires to contest the appraised value, classification, or rate of duty. Upon receipt of notice from the petitioner, the Secretary shall cause publication to be made of his determination as to the proper appraised value, classification, or rate of duty and of the petitioner's desire to contest, and shall thereafter furnish the petitioner with such information as to the entries and consignees of such merchandise, entered after the publication of the determination of the Secretary, at such ports of entry designated by the petitioner in his notice of desire to contest, as will enable the petitioner to contest the appraised value, classification, or rate of duty imposed upon such merchandise in the liquidation of one such entry at such port. The Secretary shall direct the appropriate customs officer at such ports to immediately notify the petitioner by mail when the first of such entries is liquidated.

(d) Appraisal, classification, and liquidation of entries of merchandise covered by published decisions of Secretary

Notwithstanding the filing of an action pursuant to chapter 169 of title 28, merchandise of the character covered by the published decision of the Secretary (when entered for consumption or withdrawn from warehouse for consumption on or before the date of publication of a decision of the United States Court of International Trade or of the United States Court of Appeals for the Federal Circuit, not in harmony with the published decision of the Secretary) shall be appraised or classified, or both, and the entries liquidated, in accordance with the decision of the Secretary and, except as otherwise provided in this chapter, the final liquidations of these entries shall be conclusive upon all parties.

(e) Consignee or his agent as party in interest before the Court of International Trade

The consignee or his agent shall have the right to appear and to be heard as a party in interest before the United States Court of International Trade.

(f) Appraisement, classification, and assessment of duty of merchandise covered by published decision of Secretary in accordance with final judicial decision of Court of International Trade or Court of Appeals for the Federal Circuit sustaining cause of action in whole or in part; suspension of liquidation of entries; publication

If the cause of action is sustained in whole or in part by a decision of the United States Court of International Trade or of the United States Court of Appeals for the Federal Circuit, merchandise of the character covered by the published decision of the Secretary, which is entered for consumption or withdrawn from warehouse for consumption after the date of publication in the Federal Register by the Secretary or the administering authority of a notice of the court decision, shall be subject to appraisement, classification, and assessment of duty in accordance with the final judicial decision in the action, and the liquidation of entries covering the merchandise so entered or withdrawn shall be suspended until final disposition is made of the action, whereupon the entries shall be liquidated, or if necessary, reliquidated in accordance with the final decision. Such notice of the court decision shall be published within ten days from the date of the issuance of the court decision.

(g) Regulations implementing required procedures

Regulations shall be prescribed by the Secretary to implement the procedures required under this section.

(June 17, 1930, ch. 497, title IV, § 516, 46 Stat. 735; June 25, 1938, ch. 679, § 17(a), 52 Stat. 1084; June 25, 1948, ch. 646, § 39, 62 Stat. 992; June 2, 1970, Pub. L. 91–271, title II, § 209, 84 Stat. 286; Jan. 3, 1975, Pub. L. 93–618, title III, §§ 321(f)(1), 331(b), 88 Stat. 2048, 2052; July 26, 1979, Pub. L. 96–39, title X, § 1001(b)(1), 93 Stat. 303; Oct. 10, 1980, Pub. L. 96–417, title VI, §§ 601(6), 607, 94 Stat. 1744, 1745; Apr. 2, 1982, Pub. L. 97–164, title I, § 163(a)(1), 96 Stat. 49; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1888(5), 100 Stat. 2925; Aug. 23, 1988, Pub. L. 100–418, title I, § 1326(d)(3), 102 Stat. 1204.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 516, 42

Stat. 970. That section was superseded by section 516 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Application of subsection (b) of this section to complaints. Section 17(b) of act June 25, 1938, provided that: ''(b) The provisions of subsection (b) of section 516 of the Tariff Act of 1930 [this section], as amended by this Act, shall apply only in the case of complaints filed after the effective date of this Act [see section 1653a of this title]. The provisions of subsection (b) of section 516 of the Tariff Act of 1930, as in force prior to the effective date of this Act, shall continue in force with respect to any proceedings commenced by the filing of a complaint thereunder, except that upon the expiration of thirty days after the effective date of this Act, or upon the expiration of thirty days after the date of a decision of the Secretary adverse to the complainant, whichever is the later, any such proceedings in which a protest has not been duly filed shall be deemed to have been terminated unless the complainant shall have filed with the Secretary after the effective date of this Act a notice that he desires to protest the classification of, or rate of duty assessed upon, the merchandise.''

AMENDMENTS

1988—Subsec. (a)(3). Pub. L. 100–418 added par. (3).

1986—Subsec. (a)(2). Pub. L. 99–514 inserted ''Such term includes an association, a majority of whose members is composed of persons described in subparagraph (A), (B), or (C).''

1982—Subsecs. (d), (f). Pub. L. 97–164 substituted ''Court of Appeals for the Federal Circuit'' for ''Court of Customs and Patent Appeals''.

1980—Subsec. (a). Pub. L. 96–417, § 607(a), designated existing provisions as par. (1), redesignated as subpars. (A), (B), and (C), former pars. (1), (2), and (3), struck out ''(as defined in section 1677(9)(C), (D), and (E) of this title)'' after ''interested party'', covered in par. (2), and added par. (2).

Subsec. (d). Pub. L. 96–417, §§ 601(6), 607(b), redesignated the United States Customs Court as the United States Court of International Trade and substituted reference to chapter 169 for section 2632 of title 28.

Subsecs. (e), (f). Pub. L. 96–417, § 601(6), redesignated the United States Customs Court as the United States Court of International Trade.

1979—Pub. L. 96–39 completely revised the section to provide an expedited process for judicial review of an appealable determination, expanded the size of the group of parties having standing to obtain review of an appealable determination, and, in the process, revised subsecs. (a), (b), and (c), redesignated former subsecs. (e), (f), (g), and (h) as (d), (e), (f), and (g), and struck out former subsec. (d) relating to the contest of the Secretary's determination that foreign merchandise was not being sold in the United States at less than fair value or that bounty or grant was not being paid.

1975—Subsec. (a). Pub. L. 93–618, § 331(b), inserted provisions relating to additional duty described in section 1303 of this title (to be known as ''countervailing duties'') and to special duty described in section 161 of this title (to be known as ''antidumping duties'').

Subsecs. (b), (c). Pub. L. 93–618, § 331(b), inserted provisions relating to countervailing duties and antidumping duties.

Subsecs. (d) to (h). Pub. L. 93–618, § 321(f)(1), added subsec. (d) and redesignated subsecs. (d) to (g) as (e) to (h), respectively.

1970—Subsec. (a). Pub. L. 91–271 substituted provisions requiring the Secretary to furnish to the American manufacturer, producer, or wholesaler the classification, and the rate of duty, if any, imposed upon designated imported merchandise, and provisions authorizing the American manufacturer, etc., to file a protest with the Secretary if the appraised value is too low, the classification is not correct, or the proper rate of duty is not being assessed, for provisions setting forth the procedure for the determination of a protest by an American manufacturer, producer, or wholesaler that the appraised value of any imported merchandise of a class or kind manufactured, produced, or sold at wholesale by him is too low.

Subsec. (b). Pub. L. 91–271 substituted provisions authorizing the Secretary to determine the proper appraised value, classification, or rate of duty of the imported merchandise, and to notify the American manufacturer, producer, or wholesaler of his determination, for provision setting forth the procedure for the determination of a protest by an American manufacturer, producer, or wholesaler that the classification of, and the rate of duty, if any, is not proper.

Subsec. (c). Pub. L. 91–271 substituted provisions setting forth the procedure for the petitioner to contest the decisions of the Secretary with respect to a petition filed pursuant to subsec. (a) of this section, for provisions requiring the collector to mail to the consignee or his agent a copy of every appeal and every protest filed by an American manufacturer, producer, or wholesaler, and authorizing such consignee or his agent to appear and be heard as a party in interest before the Customs Court.

Subsecs. (d) to (g). Pub. L. 91–271 added subsecs. (d) to (g).

1948—Subsec. (b). Act June 25, 1948, repealed last sentence relating to procedure of proceeding over all other cases on Customs Court docket. See sections 2602 and 2638 of Title 28, Judiciary and Judicial Procedure.

Subsec. (c). Act June 25, 1948, repealed last sentence relating to finality of Customs Court's decision. See section 2637 of Title 28.

Subsec. (d). Act June 25, 1948, repealed subsec. (d) relating to inspection of documents. See section 2634 of Title 28.

1938—Subsec. (b). Act June 25, 1938, amended subsec. (b) generally.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and to reviews initiated under section 1673e(c) or 1675 of this title after Aug. 23, 1988, see section 1337(b) of Pub. L. 100–418, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97–164 effective Oct. 1, 1982, see section 402 of Pub. L. 97–164, set out as a note under section 171 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–417 effective Nov. 1, 1980, and applicable with respect to civil actions pending on or commenced on or after such date, see section 701(a) of Pub. L. 96–417, set out as a note under section 251 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective Jan. 1, 1980, see sections 1002 and 107 of Pub. L. 96–39, set out as Effective Date notes under sections 1516a and 1671 of this title, respectively.

EFFECTIVE DATE OF 1975 AMENDMENT

Section 321(g)(3) of Pub. L. 93–618 provided that: ''The amendment made by subsection (f) [amending this section and sections 2631 and 2632 of Title 28, Judiciary and Judicial Procedure] shall apply with respect to determinations under section 201 of the Antidumping Act, 1921 [section 160 of this title], resulting from questions of dumping raised or presented on or after the date of the enactment of this Act [Jan. 3, 1975].''

Amendment by section 331(b) of Pub. L. 93–618 effective Jan. 3, 1975, see section 331(d)(1) of Pub. L. 93–618, set out as a note under section 1315 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1948 AMENDMENT

Section 38 of act June 25, 1948, provided that the amendment made by that act is effective Sept. 1, 1948.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

TRANSFER OF FUNCTIONS

Functions of Secretary of the Treasury under this section insofar as they relate to any protest, petition, or notice of desire to contest described in section 1002(b)(1) of the Trade Agreements Act of 1979, set out as a note under section 1516a of this title, transferred to Secretary of Commerce pursuant to Reorg. Plan No. 3 of 1979, § 5(a)(1)(D), 44 F.R. 69275, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 11288, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

APPLICATION OF SUBSECTION (b) TO COMPLAINTS

Section 17(b), (c) of act of June 25, 1938, as amended by act June 16, 1951, ch. 141, § 9(b), 65 Stat. 75, provided that:

"(b) The provisions of subsection (b) of section 516 of the Tariff Act of 1930 [this section], as amended by this act, shall apply only in the case of complaints filed after the effective date of this act [see Effective Date of 1938 Amendment note set out under section 1401 of this title]. The provisions of subsection (b) of section 516 of the Tariff Act of 1930, as in force prior to the effective date of this act, shall continue in force with respect to any proceedings commenced by the filing of a complaint thereunder, except that upon the expiration of thirty days after the effective date of this act, or upon the expiration of thirty days after the date of a decision of the Secretary adverse to the complainant, whichever is the later, any such proceedings in which a protest has not been duly filed shall be deemed to have been terminated unless the complainant shall have filed with the Secretary after the effective date of this act a notice that he desires to protest the classification of, or rate of duty assessed upon, the merchandise.

"(c) [Repealed. June 16, 1951, ch. 141, § 9(b), 65 Stat. 75.]"

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1304, 1514, 3011 of this title; title 28 sections 1581, 2631, 2632, 2635, 2636, 2637, 2639, 2640.

§ 1516a. Judicial review in countervailing duty and antidumping duty proceedings

(a) Review of determination

(1) Review of certain determinations

Within 30 days after the date of publication in the Federal Register of—

(A) a determination by the administering authority, under 1671a(c)[1] or 1673a(c) of this title, not to initiate an investigation,

(B) a determination by the Commission, under section 1675(b) of this title, not to review a determination based upon changed circumstances,

(C) a negative determination by the Commission, under section 1671b(a) or 1673b(a) of this title, as to whether there is reasonable indication of material injury, threat of material injury, or material retardation, or

(D) a final determination by the administering authority or the Commission under section 1675(c)(3) of this title,

an interested party who is a party to the proceeding in connection with which the matter arises may commence an action in the United States Court of International Trade by filing concurrently a summons and complaint, each with the content and in the form, manner, and style prescribed by the rules of that court, contesting any factual findings or legal conclusions upon which the determination is based.

(2) Review of determinations on record

(A) In general

Within thirty days after—

(i) the date of publication in the Federal Register of—

(I) notice of any determination described in clause (ii), (iii), (iv), (v), or (viii) of subparagraph (B)[2]

(II) an antidumping or countervailing duty order based upon any determination described in clause (i) of subparagraph (B), or

(III) notice of the implementation of any determination described in clause (vii) of subparagraph (B), or

(ii) the date of mailing of a determination described in clause (vi) of subparagraph (B),

an interested party who is a party to the proceeding in connection with which the matter arises may commence an action in the United States Court of International Trade by filing a summons, and within thirty days thereafter a complaint, each with the content and in the form, manner, and style prescribed by the rules of that court, contesting any factual findings or legal conclusions upon which the determination is based.

(B) Reviewable determinations

The determinations which may be contested under subparagraph (A) are as follows:

(i) Final affirmative determinations by the administering authority and by the Commission under section 1671d or 1673d of this title, including any negative part of such a determination (other than a part referred to in clause (ii)).

(ii) A final negative determination by the administering authority or the Commission under section 1671d or 1673d of this title, including, at the option of the appellant, any part of a final affirmative determination which specifically excludes any company or product.

[1] So in original. Probably should be preceded by "section".

[2] So in original. Probably should be followed by a comma.

(iii) A final determination, other than a determination reviewable under paragraph (1), by the administering authority or the Commission under section 1675 of this title.

(iv) A determination by the administering authority, under section 1671c or 1673c of this title, to suspend an antidumping duty or a countervailing duty investigation, including any final determination resulting from a continued investigation which changes the size of the dumping margin or net countervailable subsidy calculated, or the reasoning underlying such calculations, at the time the suspension agreement was concluded.

(v) An injurious effect determination by the Commission under section 1671c(h) or 1673c(h) of this title.

(vi) A determination by the administering authority as to whether a particular type of merchandise is within the class or kind of merchandise described in an existing finding of dumping or antidumping or countervailing duty order.

(vii) A determination by the administering authority or the Commission under section 3538 of this title concerning a determination under subtitle IV of this chapter.

(viii) A determination by the Commission under section 1675b(a)(1) of this title.

(3) Exception

Notwithstanding the limitation imposed by paragraph (2)(A)(i)(II) of this subsection, a final affirmative determination by the administering authority under section 1671d or 1673d of this title may be contested by commencing an action, in accordance with the provisions of paragraph (2)(A), within thirty days after the date of publication in the Federal Register of a final negative determination by the Commission under section 1671d or 1673d of this title.

(4) Procedures and fees

The procedures and fees set forth in chapter 169 of title 28 apply to an action under this section.

(5) Time limits in cases involving merchandise from free trade area countries

Notwithstanding any other provision of this subsection, in the case of a determination to which the provisions of subsection (g) of this section apply, an action under this subsection may not be commenced, and the time limits for commencing an action under this subsection shall not begin to run, until the day specified in whichever of the following subparagraphs applies:

(A) For a determination described in paragraph (1)(B) or clause (i), (ii) or (iii) of paragraph (2)(B), the 31st day after the date on which notice of the determination is published in the Federal Register.

(B) For a determination described in clause (vi) of paragraph (2)(B), the 31st day after the date on which the government of the relevant FTA country receives notice of the determination.

(C) For a determination with respect to which binational panel review has commenced in accordance with subsection (g)(8) of this section, the day after the date as of which—

(i) the binational panel has dismissed binational panel review of the determination for lack of jurisdiction, and

(ii) any interested party seeking review of the determination under paragraph (1), (2), or (3) of this subsection has provided timely notice under subsection (g)(3)(B) of this section.

If such an interested party files a summons and complaint under this subsection after dismissal by the binational panel, and if a request for an extraordinary challenge committee is made with respect to the decision by the binational panel to dismiss—

(I) judicial review under this subsection shall be stayed during consideration by the committee of the request, and

(II) the United States Court of International Trade shall dismiss the action if the committee vacates or remands the binational panel decision to dismiss.

(D) For a determination for which review by the United States Court of International Trade is provided for—

(i) under subsection (g)(12)(B) of this section, the day after the date of publication in the Federal Register of notice that article 1904 of the NAFTA has been suspended, or

(ii) under subsection (g)(12)(D) of this section, the day after the date that notice of settlement is published in the Federal Register.

(E) For a determination described in clause (vii) of paragraph (2)(B), the 31st day after the date on which notice of the implementation of the determination is published in the Federal Register.

(b) Standards of review

(1) Remedy

The court shall hold unlawful any determination, finding, or conclusion found—

(A) in an action brought under subparagraph (A), (B), or (C) of subsection (a)(1) of this section, to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law, or

(B)(i) in an action brought under paragraph (2) of subsection (a) of this section, to be unsupported by substantial evidence on the record, or otherwise not in accordance with law, or

(ii) in an action brought under paragraph (1)(D) of subsection (a) of this section, to be arbitrary, capricious, an abuse of discretion, or otherwise not in accordance with law.

(2) Record for review

(A) In general

For the purposes of this subsection, the record, unless otherwise stipulated by the parties, shall consist of—

(i) a copy of all information presented to or obtained by the Secretary, the administering authority, or the Commission dur-

ing the course of the administrative proceeding, including all governmental memoranda pertaining to the case and the record of ex parte meetings required to be kept by section 1677f(a)(3) of this title; and

(ii) a copy of the determination, all transcripts or records of conferences or hearings, and all notices published in the Federal Register.

(B) Confidential or privileged material

The confidential or privileged status accorded to any documents, comments, or information shall be preserved in any action under this section. Notwithstanding the preceding sentence, the court may examine, in camera, the confidential or privileged material, and may disclose such material under such terms and conditions as it may order.

(3) Effect of decisions by NAFTA or United States-Canada binational panels

In making a decision in any action brought under subsection (a) of this section, a court of the United States is not bound by, but may take into consideration, a final decision of a binational panel or extraordinary challenge committee convened pursuant to article 1904 of the NAFTA or of the Agreement.

(c) Liquidation of entries

(1) Liquidation in accordance with determination

Unless such liquidation is enjoined by the court under paragraph (2) of this subsection, entries of merchandise of the character covered by a determination of the Secretary, the administering authority, or the Commission contested under subsection (a) of this section shall be liquidated in accordance with the determination of the Secretary, the administering authority, or the Commission, if they are entered, or withdrawn from warehouse, for consumption on or before the date of publication in the Federal Register by the Secretary or the administering authority of a notice of a decision of the United States Court of International Trade, or of the United States Court of Appeals for the Federal Circuit, not in harmony with that determination. Such notice of a decision shall be published within ten days from the date of the issuance of the court decision.

(2) Injunctive relief

In the case of a determination described in paragraph (2) of subsection (a) of this section by the Secretary, the administering authority, or the Commission, the United States Court of International Trade may enjoin the liquidation of some or all entries of merchandise covered by a determination of the Secretary, the administering authority, or the Commission, upon a request by an interested party for such relief and a proper showing that the requested relief should be granted under the circumstances.

(3) Remand for final disposition

If the final disposition of an action brought under this section is not in harmony with the published determination of the Secretary, the administering authority, or the Commission, the matter shall be remanded to the Secretary, the administering authority, or the Commission, as appropriate, for disposition consistent with the final disposition of the court.

(d) Standing

Any interested party who was a party to the proceeding under section 1303[3] of this title or subtitle IV of this chapter shall have the right to appear and be heard as a party in interest before the United States Court of International Trade. The party filing the action shall notify all such interested parties of the filing of an action under this section, in the form, manner, style, and within the time prescribed by rules of the court.

(e) Liquidation in accordance with final decision

If the cause of action is sustained in whole or in part by a decision of the United States Court of International Trade or of the United States Court of Appeals for the Federal Circuit—

(1) entries of merchandise of the character covered by the published determination of the Secretary, the administering authority, or the Commission, which is entered, or withdrawn from warehouse, for consumption after the date of publication in the Federal Register by the Secretary or the administering authority of a notice of the court decision, and

(2) entries, the liquidation of which was enjoined under subsection (c)(2) of this section,

shall be liquidated in accordance with the final court decision in the action. Such notice of the court decision shall be published within ten days from the date of the issuance of the court decision.

(f) Definitions

For purposes of this section—

(1) Administering authority

The term ''administering authority'' means the administering authority described in section 1677(1) of this title.

(2) Commission

The term ''Commission'' means the United States International Trade Commission.

(3) Interested party

The term ''interested party'' means any person described in section 1677(9) of this title.

(4) Secretary

The term ''Secretary'' means the Secretary of the Treasury.

(5) Agreement

The term ''Agreement'' means the United States-Canada Free-Trade Agreement.

(6) United States Secretary

The term ''United States Secretary'' means—

(A) the secretary for the United States Section referred to in article 1908 of the NAFTA, and

(B) the secretary of the United States Section provided for in article 1909 of the Agreement.

[3] See References in Text note below.

(7) Relevant FTA Secretary

The term ''relevant FTA Secretary'' means the Secretary—

(A) referred to in article 1908 of the NAFTA, or

(B) provided for in paragraph 5 of article 1909 of the Agreement,

of the relevant FTA country.

(8) NAFTA

The term ''NAFTA'' means the North American Free Trade Agreement.

(9) Relevant FTA country

The term ''relevant FTA country'' means the free trade area country to which an antidumping or countervailing duty proceeding pertains.

(10) Free trade area country

The term ''free trade area country'' means the following:

(A) Canada for such time as the NAFTA is in force with respect to, and the United States applies the NAFTA to, Canada.

(B) Mexico for such time as the NAFTA is in force with respect to, and the United States applies the NAFTA to, Mexico.

(C) Canada for such time as—

(i) it is not a free trade area country under subparagraph (A); and

(ii) the Agreement is in force with respect to, and the United States applies the Agreement to, Canada.

(g) Review of countervailing duty and antidumping duty determinations involving free trade area country merchandise

(1) "Determination" defined

For purposes of this subsection, the term ''determination'' means a determination described in—

(A) paragraph (1)(B) of subsection (a) of this section, or

(B) clause (i), (ii), (iii), or (vi) of paragraph (2)(B) of subsection (a) of this section,

if made in connection with a proceeding regarding a class or kind of free trade area country merchandise, as determined by the administering authority.

(2) Exclusive review of determination by binational panels

If binational panel review of a determination is requested pursuant to article 1904 of the NAFTA or of the Agreement, then, except as provided in paragraphs (3) and (4)—

(A) the determination is not reviewable under subsection (a) of this section, and

(B) no court of the United States has power or jurisdiction to review the determination on any question of law or fact by an action in the nature of mandamus or otherwise.

(3) Exception to exclusive binational panel review

(A) In general

A determination is reviewable under subsection (a) of this section if the determination sought to be reviewed is—

(i) a determination as to which neither the United States nor the relevant FTA country requested review by a binational panel pursuant to article 1904 of the NAFTA or of the Agreement,

(ii) a revised determination issued as a direct result of judicial review, commenced pursuant to subsection (a) of this section, if neither the United States nor the relevant FTA country requested review of the original determination,

(iii) a determination issued as a direct result of judicial review that was commenced pursuant to subsection (a) of this section prior to the entry into force of the NAFTA or of the Agreement,

(iv) a determination which a binational panel has determined is not reviewable by the binational panel,

(v) a determination as to which binational panel review has terminated pursuant to paragraph 12 of article 1905 of the NAFTA, or

(vi) a determination as to which extraordinary challenge committee review has terminated pursuant to paragraph 12 of article 1905 of the NAFTA.

(B) Special rule

A determination described in subparagraph (A)(i) or (iv) is reviewable under subsection (a) of this section only if the party seeking to commence review has provided timely notice of its intent to commence such review to—

(i) the United States Secretary and the relevant FTA Secretary;

(ii) all interested parties who were parties to the proceeding in connection with which the matter arises; and

(iii) the administering authority or the Commission, as appropriate.

Such notice is timely provided if the notice is delivered no later than the date that is 20 days after the date described in subparagraph (A) or (B) of subsection (a)(5) of this section that is applicable to such determination, except that, if the time for requesting binational panel review is suspended under paragraph (8)(A)(ii) of this subsection, any unexpired time for providing notice of intent to commence judicial review shall, during the pendency of any such suspension, also be suspended. Such notice shall contain such information, and be in such form, manner, and style, as the administering authority, in consultation with the Commission, shall prescribe by regulations.

(4) Exception to exclusive binational panel review for constitutional issues

(A) Constitutionality of binational panel review system

An action for declaratory judgment or injunctive relief, or both, regarding a determination on the grounds that any provision of, or amendment made by, the North American Free Trade Agreement Implementation Act implementing the binational dispute settlement system under chapter 19 of the NAFTA, or the United States-Canada Free-

Trade Implementation Agreement[4] Act of 1988 implementing the binational panel dispute settlement system under chapter 19 of the Agreement, violates the Constitution may be brought only in the United States Court of Appeals for the District of Columbia Circuit, which shall have jurisdiction of such action.

(B) Other constitutional review

Review is available under subsection (a) of this section with respect to a determination solely concerning a constitutional issue (other than an issue to which subparagraph (A) applies) arising under any law of the United States as enacted or applied. An action for review under this subparagraph shall be assigned to a 3-judge panel of the United States Court of International Trade.

(C) Commencement of review

Notwithstanding the time limits in subsection (a) of this section, within 30 days after the date of publication in the Federal Register of notice that binational panel review has been completed, an interested party who is a party to the proceeding in connection with which the matter arises may commence an action under subparagraph (A) or (B) by filing an action in accordance with the rules of the court.

(D) Transfer of actions to appropriate court

Whenever an action is filed in a court under subparagraph (A) or (B) and that court finds that the action should have been filed in the other court, the court in which the action was filed shall transfer the action to the other court and the action shall proceed as if it had been filed in the court to which it is transferred on the date upon which it was actually filed in the court from which it is transferred.

(E) Frivolous claims

Frivolous claims brought under subparagraph (A) or (B) are subject to dismissal and sanctions as provided under section 1927 of title 28 and the Federal Rules of Civil Procedure.

(F) Security

(i) Subparagraph (A) actions

The security requirements of rule 65(c) of the Federal Rules of Civil Procedure apply with respect to actions commenced under subparagraph (A).

(ii) Subparagraph (B) actions

No claim shall be heard, and no temporary restraining order or temporary or permanent injunction shall be issued, under an action commenced under subparagraph (B), unless the party seeking review first files an undertaking with adequate security in an amount to be fixed by the court sufficient to recompense parties affected for any loss, expense, or damage caused by the improvident or erroneous issuance of such order or injunction. If a court upholds the constitutionality of the determination in question in such action, the court shall award to a prevailing party fees and expenses, in addition to any costs incurred by that party, unless the court finds that the position of the other party was substantially justified or that special circumstances make an award unjust.

(G) Panel record

The record of proceedings before the binational panel shall not be considered part of the record for review pursuant to subparagraph (A) or (B).

(H) Appeal to Supreme Court of court orders issued in subparagraph (A) actions

Notwithstanding any other provision of law, any final judgment of the United States Court of Appeals for the District of Columbia Circuit which is issued pursuant to an action brought under subparagraph (A) shall be reviewable by appeal directly to the Supreme Court of the United States. Any such appeal shall be taken by a notice of appeal filed within 10 days after such order is entered; and the jurisdictional statement shall be filed within 30 days after such order is entered. No stay of an order issued pursuant to an action brought under subparagraph (A) may be issued by a single Justice of the Supreme Court.

(5) Liquidation of entries

(A) Application

In the case of a determination for which binational panel review is requested pursuant to article 1904 of the NAFTA or of the Agreement, the rules provided in this paragraph shall apply, notwithstanding the provisions of subsection (c) of this section.

(B) General rule

In the case of a determination for which binational panel review is requested pursuant to article 1904 of the NAFTA or of the Agreement, entries of merchandise covered by such determination shall be liquidated in accordance with the determination of the administering authority or the Commission, if they are entered, or withdrawn from warehouse, for consumption on or before the date of publication in the Federal Register by the administering authority of notice of a final decision of a binational panel, or of an extraordinary challenge committee, not in harmony with that determination. Such notice of a decision shall be published within 10 days of the date of the issuance of the panel or committee decision.

(C) Suspension of liquidation

(i) In general

Notwithstanding the provisions of subparagraph (B), in the case of a determination described in clause (iii) or (vi) of subsection (a)(2)(B) of this section for which binational panel review is requested pursuant to article 1904 of the NAFTA or of the Agreement, the administering authority, upon request of an interested party who was a party to the proceeding in connec-

[4] So in original. The word ''Agreement'' probably should precede ''Implementation''.

tion with which the matter arises and who is a participant in the binational panel review, shall order the continued suspension of liquidation of those entries of merchandise covered by the determination that are involved in the review pending the final disposition of the review.

(ii) Notice

At the same time as the interested party makes its request to the administering authority under clause (i), that party shall serve a copy of its request on the United States Secretary, the relevant FTA Secretary, and all interested parties who were parties to the proceeding in connection with which the matter arises.

(iii) Application of suspension

If the interested party requesting continued suspension of liquidation under clause (i) is a foreign manufacturer, producer, or exporter, or a United States importer, the continued suspension of liquidation shall apply only to entries of merchandise manufactured, produced, exported, or imported by that particular manufacturer, producer, exporter, or importer. If the interested party requesting the continued suspension of liquidation under clause (i) is an interested party described in subparagraph (C), (D), (E), or (F) of section 1677(9) of this title, the continued suspension of liquidation shall apply only to entries which could be affected by a decision of the binational panel convened under chapter 19 of the NAFTA or of the Agreement.

(iv) Judicial review

Any action taken by the administering authority or the United States Customs Service under this subparagraph shall not be subject to judicial review, and no court of the United States shall have power or jurisdiction to review such action on any question of law or fact by an action in the nature of mandamus or otherwise.

(6) Injunctive relief

Except for cases under paragraph (4)(B), in the case of a determination for which binational panel review is requested pursuant to article 1904 of the NAFTA or of the Agreement, the provisions of subsection (c)(2) of this section shall not apply.

(7) Implementation of international obligations under article 1904 of the NAFTA or the Agreement

(A) Action upon remand

If a determination is referred to a binational panel or extraordinary challenge committee under the NAFTA or the Agreement and the panel or committee makes a decision remanding the determination to the administering authority or the Commission, the administering authority or the Commission shall, within the period specified by the panel or committee, take action not inconsistent with the decision of the panel or committee. Any action taken by the administering authority or the Commission under this paragraph shall not be subject to judicial review, and no court of the United States shall have power or jurisdiction to review such action on any question of law or fact by an action in the nature of mandamus or otherwise.

(B) Application if subparagraph (A) held unconstitutional

In the event that the provisions of subparagraph (A) are held unconstitutional under the provisions of subparagraphs (A) and (H) of paragraph (4), the provisions of this subparagraph shall take effect. In such event, the President is authorized on behalf of the United States to accept, as a whole, the decision of a binational panel or extraordinary challenge committee remanding the determination to the administering authority or the Commission within the period specified by the panel or committee. Upon acceptance by the President of such a decision, the administering authority or the Commission shall, within the period specified by the panel or committee, take action not inconsistent with such decision. Any action taken by the President, the administering authority, or the Commission under this subparagraph shall not be subject to judicial review, and no court of the United States shall have power or jurisdiction to review such action on any question of law or fact by an action in the nature of mandamus or otherwise.

(8) Requests for binational panel review

(A) Interested party requests for binational panel review

(i) General rule

An interested party who was a party to the proceeding in which a determination is made may request binational panel review of such determination by filing a request with the United States Secretary by no later than the date that is 30 days after the date described in subparagraph (A), (B), or (E) of subsection (a)(5) of this section that is applicable to such determination. Receipt of such request by the United States Secretary shall be deemed to be a request for binational panel review within the meaning of article 1904(4) of the NAFTA or of the Agreement. Such request shall contain such information and be in such form, manner, and style as the administering authority, in consultation with the Commission, shall prescribe by regulations.

(ii) Suspension of time to request binational panel review under the NAFTA

Notwithstanding clause (i), the time for requesting binational panel review shall be suspended during the pendency of any stay of binational panel review that is issued pursuant to paragraph 11(a) of article 1905 of the NAFTA.

(B) Service of request for binational panel review

(i) Service by interested party

If a request for binational panel review of a determination is filed under subparagraph (A), the party making the request shall serve a copy, by mail or personal service, on any other interested party who was a party to the proceeding in connection with which the matter arises, and on the administering authority or the Commission, as appropriate.

(ii) Service by United States Secretary

If an interested party to the proceeding requests binational panel review of a determination by filing a request with the relevant FTA Secretary, the United States Secretary shall serve a copy of the request by mail on any other interested party who was a party to the proceeding in connection with which the matter arises, and on the administering authority or the Commission, as appropriate.

(C) Limitation on request for binational panel review

Absent a request by an interested party under subparagraph (A), the United States may not request binational panel review of a determination under article 1904 of the NAFTA or the Agreement.

(9) Representation in panel proceedings

In the case of binational panel proceedings convened under chapter 19 of the NAFTA or of the Agreement, the administering authority and the Commission shall be represented by attorneys who are employees of the administering authority or the Commission, respectively. Interested parties who were parties to the proceeding in connection with which the matter arises shall have the right to appear and be represented by counsel before the binational panel.

(10) Notification of class or kind rulings

In the case of a determination which is described in paragraph (2)(B)(vi) of subsection (a) of this section and which is subject to the provisions of paragraph (2), the administering authority, upon request, shall inform any interested person of the date on which the Government of the relevant FTA country received notice of the determination under paragraph 4 of article 1904 of the NAFTA or the Agreement.

(11) Suspension and termination of suspension of article 1904 of the NAFTA

(A) Suspension of article 1904

If a special committee established under article 1905 of the NAFTA issues an affirmative finding, the Trade Representative may, in accordance with paragraph 8(a) or 9, as appropriate, of article 1905 of the NAFTA, suspend the operation of article 1904 of the NAFTA.

(B) Termination of suspension of article 1904

If a special committee is reconvened and makes an affirmative determination described in paragraph 10(b) of article 1905 of the NAFTA, any suspension of the operation of article 1904 of the NAFTA shall terminate.

(12) Judicial review upon termination of binational panel or committee review under the NAFTA

(A) Notice of suspension or termination of suspension of article 1904

(i) Upon notification by the Trade Representative or the Government of a country described in subsection (f)(10)(A) or (B) of this section that the operation of article 1904 of the NAFTA has been suspended in accordance with paragraph 8(a) or 9 of article 1905 of the NAFTA, the United States Secretary shall publish in the Federal Register a notice of suspension of article 1904 of the NAFTA.

(ii) Upon notification by the Trade Representative or the Government of a country described in subsection (f)(10)(A) or (B) of this section that the suspension of the operation of article 1904 of the NAFTA is terminated in accordance with paragraph 10 of article 1905 of the NAFTA, the United States Secretary shall publish in the Federal Register a notice of termination of suspension of article 1904 of the NAFTA.

(B) Transfer of final determinations for judicial review upon suspension of article 1904

If the operation of article 1904 of the NAFTA is suspended in accordance with paragraph 8(a) or 9 of article 1905 of the NAFTA—

(i) upon the request of an authorized person described in subparagraph (C), any final determination that is the subject of a binational panel review or an extraordinary challenge committee review shall be transferred to the United States Court of International Trade (in accordance with rules issued by the Court) for review under subsection (a) of this section; or

(ii) in a case in which—

(I) a binational panel review was completed fewer than 30 days before the suspension, and

(II) extraordinary challenge committee review has not been requested,

upon the request of an authorized person described in subparagraph (C) which is made within 60 days after the completion of the binational panel review, the final determination that was the subject of the binational panel review shall be transferred to the United States Court of International Trade (in accordance with rules issued by the Court) for review under subsection (a) of this section.

(C) Persons authorized to request transfer of final determinations for judicial review

A request that a final determination be transferred to the Court of International Trade under subparagraph (B) may be made by—

(i) if the United States made an allegation under paragraph 1 of article 1905 of the NAFTA and the operation of article

1904 of the NAFTA was suspended pursuant to paragraph 8(a) of article 1905 of the NAFTA—

(I) the government of the relevant country described in subsection (f)(10)(A) or (B) of this section,

(II) an interested party that was a party to the panel or committee review, or

(III) an interested party that was a party to the proceeding in connection with which panel review was requested, but only if the time period for filing notices of appearance in the panel review has not expired, or

(ii) if a country described in subsection (f)(10)(A) or (B) of this section made an allegation under paragraph 1 of article 1905 of the NAFTA and the operation of article 1904 of the NAFTA was suspended pursuant to paragraph 9 of article 1905 of the NAFTA—

(I) the government of that country,

(II) an interested party that is a person of that country and that was a party to the panel or committee review, or

(III) an interested party that is a person of that country and that was a party to the proceeding in connection with which panel review was requested, but only if the time period for filing notices of appearance in the panel review has not expired.

(D) Transfer for judicial review upon settlement

(i) If the Trade Representative achieves a settlement with the government of a country described in subsection (f)(10)(A) or (B) of this section pursuant to paragraph 7 of article 1905 of the NAFTA, and referral for judicial review is among the terms of such settlement, any final determination that is the subject of a binational panel review or an extraordinary challenge committee review shall, upon a request described in clause (ii), be transferred to the United States Court of International Trade (in accordance with rules issued by the Court) for review under subsection (a) of this section.

(ii) A request referred to in clause (i) is a request made by—

(I) the country referred to in clause (i),

(II) an interested party that was a party to the panel or committee review, or

(III) an interested party that was a party to the proceeding in connection with which panel review was requested, but only if the time for filing notices of appearance in the panel review has not expired.

(June 17, 1930, ch. 497, title IV, §516A, as added July 26, 1979, Pub. L. 96–39, title X, §1001(a), 93 Stat. 300; amended Oct. 10, 1980, Pub. L. 96–417, title VI, §§601(7), 608, 94 Stat. 1744, 1745; Dec. 17, 1980, Pub. L. 96–542, §2, 94 Stat. 3210; Apr. 2, 1982, Pub. L. 97–164, title I, §163(a)(2), 96 Stat. 49; Oct. 30, 1984, Pub. L. 98–573, title VI, §623(a), 98 Stat. 3040; Oct. 22, 1986, Pub. L. 99–514, title XVIII, §1888(6), 100 Stat. 2925; Sept. 28, 1988, Pub. L. 100–449, title IV, §401, 102 Stat. 1878; Aug. 20, 1990, Pub. L. 101–382, title I, §134(a)(3), 104 Stat. 649; Dec. 8, 1993, Pub. L. 103–182, title IV, §411, 107 Stat. 2140; Dec. 8, 1994, Pub. L. 103–465, title I, §129(e), title II, §§220(b), 270(a)(1)(N), 271(b), 108 Stat. 4838, 4864, 4917, 4921.)

REFERENCES IN TEXT

Section 1303 of this title, referred to in subsec. (d), is defined in section 1677(26) of this title to mean section 1330 as in effect on the day before Jan. 1, 1995.

The North American Free Trade Agreement Implementation Act, referred to in subsec. (g)(4)(A), is Pub. L. 103–182, Dec. 8, 1993, 107 Stat. 2057. For complete classification of this Act to the Code, see Short Title note set out under section 3301 of this title and Tables.

The United States-Canada Free-Trade Agreement Implementation Act of 1988, referred to in subsec. (g)(4)(A), is Pub. L. 100–449, Sept. 28, 1988, 102 Stat. 1851, which is set out as a note under section 2112 of this title. For complete classification of this Act to the Code, see Tables.

The Federal Rules of Civil Procedure, referred to in subsec. (g)(4)(E), (F), are set out in the Appendix to Title 28, Judiciary and Judicial Procedure.

CODIFICATION

In the original, section 1001(a) of Pub. L. 96–39 directed that this section, designated as section 516A, be added to title V of the Tariff Act of 1930, however, since a title V of the Tariff Act of 1930 has not been enacted, this section was added to title IV of the Tariff Act of 1930 to reflect the probable intent of Congress.

AMENDMENTS

1994—Subsec. (a)(1)(D). Pub. L. 103–465, §220(b)(1), added subpar. (D).

Subsec. (a)(2)(A)(i)(I). Pub. L. 103–465, §271(b)(1), substituted ''(v), or (viii)'' for ''or (v)''.

Pub. L. 103–465, §129(e)(1)(A)(i), struck out '', or'' after ''(B)''.

Subsec. (a)(2)(A)(i)(III). Pub. L. 103–465, §129(e)(1)(A)(ii), added subcl. (III).

Subsec. (a)(2)(B)(iv). Pub. L. 103–465, §270(a)(1)(N), inserted ''countervailable'' before ''subsidy''.

Subsec. (a)(2)(B)(vii). Pub. L. 103–465, §129(e)(1)(B), added cl. (vii).

Subsec. (a)(2)(B)(viii). Pub. L. 103–465, §271(b)(2), added cl. (viii).

Subsec. (a)(5)(E). Pub. L. 103–465, §129(e)(2), added subpar. (E).

Subsec. (b)(1)(A). Pub. L. 103–465, §220(b)(2)(A), substituted ''under subparagraph (A), (B), or (C) of subsection (a)(1) of this section'' for ''under paragraph (1) of subsection (a) of this section''.

Subsec. (b)(1)(B). Pub. L. 103–465, §220(b)(2)(B), designated existing provisions as cl. (i), substituted '', or'' for period at end, and added cl. (ii).

Subsec. (g)(8)(A)(i). Pub. L. 103–465, §129(e)(3), substituted ''(A), (B), or (E)'' for ''(A) or (B)''.

1993—Subsec. (a)(5). Pub. L. 103–182, §411(1), amended par. (5) generally, substituting present provisions for provisions relating to time limits for commencing review in cases involving Canadian merchandise.

Subsec. (b)(3). Pub. L. 103–182, §411(2), inserted ''NAFTA or'' after ''decisions by'' in heading and ''of the NAFTA or'' after ''article 1904'' in text.

Subsec. (f)(6), (7). Pub. L. 103–182, §411(3)(A), amended pars. (6) and (7) generally, substituting present provisions for provisions which, in par. (6) defined ''United States Secretary'' as the secretary provided for in paragraph 4 of article 1909 of the United States-Canada Free-Trade Agreement, and in par. (7), defined ''Canadian Secretary'' as the secretary provided for in paragraph 5 of article 1909 of the Agreement.

Subsec. (f)(8) to (10). Pub. L. 103–182, §411(3)(B), added pars. (8) to (10).

Subsec. (g). Pub. L. 103–182, §411(4)(A), substituted ''free trade area country merchandise'' for ''Canadian merchandise'' in heading.

Subsec. (g)(1). Pub. L. 103–182, § 411(4)(B), substituted ''free trade area country merchandise'' for ''Canadian merchandise'' in concluding provisions.

Subsec. (g)(2). Pub. L. 103–182, § 411(4)(C), inserted ''of the NAFTA or'' after ''article 1904'' in introductory provisions.

Subsec. (g)(3)(A). Pub. L. 103–182, § 411(4)(D), in cl. (i), substituted ''nor the relevant FTA country'' for ''nor Canada'' and inserted ''of the NAFTA or'' before ''of the Agreement'', in cl. (ii), substituted ''nor the relevant FTA country'' for ''nor Canada'', in cl. (iii), inserted ''of the NAFTA or'' before ''of the Agreement'' and struck out ''or'' at end, in cl. (iv), struck out ''under paragraph (2)(A)'' before ''is not reviewable'' and substituted a comma for period at end, and added cls. (v) and (vi).

Subsec. (g)(3)(B). Pub. L. 103–182, § 411(4)(E), substituted first two sentences for former sentences which read as follows: ''A determination described in subparagraph (A)(i) or (iv) is reviewable under subsection (a) of this section only if the party seeking to commence review has provided timely notice of its intent to commence such review to the United States Secretary, the Canadian Secretary, all interested parties who were parties to the proceeding in connection with which the matter arises, and the administering authority or the Commission, as appropriate. Such notice is provided timely if the notice is delivered by no later than the date that is 20 days after the date described in subparagraph (A) or (B) of subsection (a)(5) of this section that is applicable to such determination.''

Subsec. (g)(4)(A). Pub. L. 103–182, § 411(4)(F), inserted ''the North American Free Trade Agreement Implementation Act implementing the binational dispute settlement system under chapter 19 of the NAFTA, or'' after ''or amendment made by,'', a comma before ''violates'', ''only'' after ''may be brought'', and '', which shall have jurisdiction of such action'' after ''Circuit'' and struck out at end ''Any action brought under this subparagraph shall be heard and determined by a 3-judge court in accordance with section 2284 of title 28.''

Subsec. (g)(5). Pub. L. 103–182, § 411(4)(G), inserted ''of the NAFTA or'' after ''article 1904'' in subpars. (A), (B), and (C)(i), substituted '', the relevant FTA Secretary,'' for '', the Canadian Secretary,'' in subpar. (C)(ii), and inserted ''of the NAFTA or'' after ''chapter 19'' in subpar. (C)(iii).

Subsec. (g)(6). Pub. L. 103–182, § 411(4)(H), inserted ''of the NAFTA or'' after ''article 1904''.

Subsec. (g)(7). Pub. L. 103–182, § 411(4)(I)(i), inserted ''of the NAFTA or the Agreement'' in heading.

Subsec. (g)(7)(A). Pub. L. 103–182, § 411(4)(I)(ii), (iii), substituted heading for one which read ''In general'' and inserted ''the NAFTA or'' before ''the Agreement''.

Subsec. (g)(8)(A). Pub. L. 103–182, § 411(4)(J), designated existing provisions as cl. (i), inserted cl. heading, realigned margin, inserted ''of the NAFTA or'' after ''article 1904(4)'', and added cl. (ii).

Subsec. (g)(8)(B)(ii). Pub. L. 103–182, § 411(4)(K), substituted ''relevant FTA Secretary'' for ''Canadian Secretary''.

Subsec. (g)(8)(C). Pub. L. 103–182, § 411(4)(L), substituted ''of a determination under article 1904 of the NAFTA or the Agreement'' for ''under article 1904 of the Agreement of a determination''.

Subsec. (g)(9). Pub. L. 103–182, § 411(4)(M), inserted ''of the NAFTA or'' after ''chapter 19''.

Subsec. (g)(10). Pub. L. 103–182, § 411(4)(N), substituted ''Government of the relevant FTA country received notice of the determination under paragraph 4 of article 1904 of the NAFTA or the Agreement'' for ''Government of Canada received notice of the determination under article 1904(4) of the Agreement''.

Subsec. (g)(11), (12). Pub. L. 103–182, § 411(4)(O), added pars. (11) and (12).

1990—Subsec. (a)(5)(A). Pub. L. 101–382, § 134(a)(3)(A)(i), added subpar. (A) and struck out former subpar. (A) which read as follows: ''the date of publication in the Federal Register of—

''(i) notice of any determination described in paragraph (1)(B) or a determination described in clause (ii) or (iii) of paragraph (2)(B), or

''(ii) an antidumping or countervailing duty order based upon any determination described in clause (i) of paragraph (2)(B), or''.

Subsec. (a)(5)(C). Pub. L. 101–382, § 134(a)(3)(A)(ii), added subpar. (C).

Subsec. (g)(3)(A)(iv). Pub. L. 101–382, § 134(a)(3)(B)(i), added cl. (iv).

Subsec. (g)(3)(B). Pub. L. 101–382, § 134(a)(3)(B)(ii), inserted ''or (iv)'' after ''subparagraph (A)(i)''.

1988—Subsec. (a)(5). Pub. L. 100–449, § 401(a), added par. (5).

Subsec. (b)(3). Pub. L. 100–449, § 401(d), added par. (3).

Subsec. (f)(5) to (7). Pub. L. 100–449, § 401(b), added pars. (5) to (7).

Subsec. (g). Pub. L. 100–449, § 401(c), added subsec. (g).

1986—Subsec. (a)(3). Pub. L. 99–514 substituted ''(2)(A)(i)(II)'' for ''(2)(A)(ii)''.

1984—Subsec. (a)(1). Pub. L. 98–573, § 623(a)(1), amended par. (1) generally, and thereby struck out the designation ''(A)'' before ''Within 30 days'', redesignated former cls. (i) to (iii) as subpars. (A) to (C), respectively, in subpar. (A) as so redesignated struck out references to the Secretary and to section 1303(a)(3) of this title, in subpar. (B) as so redesignated struck out reference to the administering authority and to review of agreements based on changed circumstances, and struck out former subpar. (B), relating to a right of judicial review of certain determinations of the administering authority within 10 days after publication of notice of the determination in the Federal Register.

Subsec. (a)(2)(A). Pub. L. 98–573, § 623(a)(2), inserted the designation ''(i)'' before ''the date of publication in the Federal Register of'', redesignated cls. (i) and (ii) as subcls. (I) and (II), respectively, and added cl. (ii).

Subsec. (a)(2)(B)(i). Pub. L. 98–573, § 623(a)(3), amended cl. (i) generally and thereby struck out provisions referring to final affirmative determinations by the Secretary and by the Commission under section 1303 of this title, and inserted reference to any negative part of decisions under section 1671d or 1673d of this title.

Subsec. (a)(2)(B)(ii). Pub. L. 98–573, § 623(a)(3), amended cl. (ii) generally and thereby struck out references to the Secretary and to section 1303 of this title and inserted provision relating to any part of a final affirmative determination which specifically excludes any company or product.

Subsec. (a)(2)(B)(iii). Pub. L. 98–573, § 623(a)(3), amended cl. (iii) generally and thereby substituted provisions relating to final determinations by the administering authority or the Commission for provisions relating to determinations by the Secretary, the administering authority, or the Commission.

Subsec. (a)(2)(B)(iv). Pub. L. 98–573, § 623(a)(3), amended cl. (iv) generally and thereby inserted provision relating to any final determination resulting from a continued investigation which changes the size of the dumping margin or net subsidy calculated, or the reasoning underlying such calculations, at the time the suspension agreement was concluded.

Subsec. (a)(2)(B)(vi). Pub. L. 98–573, § 623(a)(3), added cl. (vi).

Subsec. (a)(3), (4). Pub. L. 98–573, § 623(a)(4), added par. (3) and redesignated former par. (3) as (4).

1982—Subsecs. (c)(1), (e). Pub. L. 97–164 substituted ''Court of Appeals for the Federal Circuit'' for ''Court of Customs and Patent Appeals''.

1980—Subsec. (a)(1). Pub. L. 96–417, § 608(a), inserted subpar. ''(A) Thirty-day review'' heading; redesignated as cls. (i), (ii), and (iii) of subpar. (A) provisions formerly designated as subpars. (A), (C), and (D) of par. (1); inserted subpar. ''(B) Ten-day review'' heading and its introductory text; redesignated as cls. (i) and (ii) of subpar. (B) provisions formerly designated as subpars. (B) and (E) of par. (1), thus substituting ten-day for thirty-day review for such clauses; enacted provision respecting commencement of action by an interested party following subpars. (A) and (B), formerly enacted following only par. (1); and redesignated the United States Customs Court as the United States Court of International Trade in the latter provisions.

Subsec. (a)(2)(A). Pub. L. 96–417, §601(7), redesignated the United States Customs Court as the United States Court of International Trade.

Subsec. (a)(3). Pub. L. 96–542 substituted ''chapter 169 of title 28'' for ''subsections (b), (c), and (e) of chapter 169 of title 28''.

Pub. L. 96–417, §608(b), substituted ''chapter 169 of title 28'' for ''section 2632 of title 28''.

Subsec. (c)(1), (2). Pub. L. 96–417, §§601(7), 608(c), redesignated in pars. (1) and (2) the United States Customs Court as the United States Court of International Trade and deleted from par. (2) the criteria to be considered in ruling on an injunction, namely, the party likely to prevail, irreparable harm, public interest, and greater harm.

Subsec. (d). Pub. L. 96–417, §§601(7), 608(d), redesignated the United States Customs Court as the United States Court of International Trade and substituted requirement for notification of ''all such interested parties of the filing of an action under this section, in the form, manner, style, and within the time prescribed by rules of the court'' for prior notice requirement to ''all interested parties of the filing of an action pursuant to this section''.

Subsec. (e). Pub. L. 96–417, §601(7), redesignated the United States Customs Court as the United States Court of International Trade.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by section 129(e) of Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 130 of Pub. L. 103–465, set out as an Effective Date note under section 3531 of this title.

Amendment by sections 220(b), 270(a)(1)(N), and 271(b) of Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], but not applicable to any final determination described in section 1516a(a)(1)(B) or (2)(B)(i), (ii), or (iii) of this title, notice of which is published in the Federal Register before such date, or to a determination described in section 1516a(a)(2)(B)(vi) of this title, notice of which is received by the Government of Canada or Mexico before such date, or to any binational panel review under the United States-Canada Free-Trade Agreement, or to any extraordinary challenge arising out of any such review, that was commenced before such date, see section 416 of Pub. L. 103–182, set out as an Effective Date note under section 3431 of this title.

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENT

Amendment by Pub. L. 100–449 effective on date United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 applicable with respect to civil actions pending on, or filed on or after, Oct. 30, 1984, see section 626(b)(2) of Pub. L. 98–573, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97–164 effective Oct. 1, 1982, see section 402 of Pub. L. 97–164, set out as a note under section 171 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1980 AMENDMENTS

Section 3 of Pub. L. 96–542 provided that: ''The amendments made by this Act [amending this section and provisions set out as a note under section 251 of Title 28, Judiciary and Judicial Procedure] shall be effective as of November 1, 1980.''

Amendment by Pub. L. 96–417 effective Nov. 1, 1980, and applicable with respect to civil actions pending on or commenced on or after such date, see section 701(a) of Pub. L. 96–417, set out as a note under section 251 of title 28.

EFFECTIVE DATE; TRANSITIONAL RULES

Section 1002 of title X of Pub. L. 96–39 provided that:

''(a) EFFECTIVE DATE.—The amendments made by this title [enacting this section and amending sections 1514, 1515, and 1516 of this title and sections 1541, 1582, 2632, 2633, and 2637 of Title 28, Judiciary and Judicial Procedure] shall take effect on that date (hereinafter in this section referred to as the 'effective date') on which title VII of the Tariff Act of 1930 [subtitle IV of this chapter] (as added by title I of this Act) takes effect [Jan. 1, 1980]; and section 515(a) of such Act of 1930 [section 1515(a) of this title] (as amended by section 1001(b)(2)) shall apply with respect to any denial, in whole or in part, of a protest filed under section 514 of such Act of 1930 [section 1514 of this title] on or after the effective date.

''(b) TRANSITIONAL RULES.—

''(1) CERTAIN PROTESTS, PETITIONS, ACTIONS, ETC.—The amendments made by this title [enacting this section and amending sections 1514, 1515, and 1516 of this title and sections 1541, 1582, 2632, 2633, and 2637 of Title 28, Judiciary and Judicial Procedure] shall not apply with respect to—

''(A) any protest, petition, or notice of desire to contest filed before the effective date [Jan. 1, 1980] under section 514, 516(a), or 516(d), respectively, of the Tariff Act of 1930 [section 1514, 1516(a), or 1516(d) of this title];

''(B) any civil action commenced before the effective date [Jan. 1, 1980] under section 2632 of title 28 of the United States Code; or

''(C) any civil action commenced after the effective date [Jan. 1, 1980] under such section 2632 if the protest, petition, or notice of desire to contest (under section 514, 516(a), or 516(d), respectively, of the Tariff Act of 1930) on which such action is based was filed before such effective date.

''(2) LAW TO BE APPLIED FOR PURPOSES OF SUCH ACTIONS.—Notwithstanding the repeal of the Antidumping Act, 1921 [sections 160 to 171 of this title], by section 106(a) of this Act, and the amendment of section 303 of the Tariff Act of 1930 [section 1303 of this title] by section 103 of this Act, the law in effect on the date of any finding or determination contested in a civil action described in subparagraph (A), (B), or (C) of paragraph (1) shall be applied for purposes of that action.

''(3) CERTAIN COUNTERVAILING AND ANTIDUMPING DUTY ASSESSMENTS.—The amendments made by this title [enacting this section and amending sections 1514, 1515, and 1516 of this title and sections 1541, 1582, 2632, 2633, and 2637 of Title 28, Judiciary and Judicial Procedure] shall apply with respect to the review of the assessment of, or failure to assess, any countervailing duty or antidumping duty on entries subject to a countervailing duty order or antidumping finding if the assessment is made after the effective date. If no assessment of such duty had been made before the effective date that could serve the party seeking review as the basis of a review of the underlying determination, made by the Secretary of the Treasury or the International Trade Commission before the effective date, on which such order, finding, or lack thereof is based, then the underlying determination

shall be subject to review in accordance with the law in effect on the day before the effective date.

''(4) CERTAIN COUNTERVAILING AND ANTIDUMPING DUTY DETERMINATIONS.—With respect to any preliminary determination or final determination of the Secretary of the Treasury under section 303 of the Tariff Act of 1930 [section 1303 of this title] or the Antidumping Act, 1921 [sections 160 to 171 of this title], which is treated under section 102 of this Act [set out as a note under section 1671 of this title] as if made under section 703(b), 705(a), 733(b), or 735(a) of the Tariff Act of 1930 [section 1671b(b), 1671d(a), 1673b(b), or 1673d(a) of this title] (as added by title I of this Act) such determinations shall be subject to judicial review in the same manner and to the same extent as if made on the day before the effective date.''

EFFECT OF TERMINATION OF NAFTA COUNTRY STATUS

For provisions relating to effect of termination of NAFTA country status on the provisions of sections 401 to 416 of Pub. L. 103–182, see section 3451 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

ACCEPTANCE BY PRESIDENT OF PANEL AND COMMITTEE DECISIONS

For acceptance by President of decisions of binational panels and extraordinary challenge committees in event that subsec. (b)(7)(B) of this section takes effect, see section 2 of Ex. Ord. No. 12889, Dec. 27, 1993, 58 F.R. 69681, set out as a note under section 3311 of this title.

For provision that in the event that subsec. (g)(7)(B) of this section takes effect, the President accepts, as a whole, all decisions of binational panels and extraordinary challenge committees, see section 3 of Ex. Ord. No. 12662, Dec. 31, 1988, 54 F.R. 785, set out as a note under section 2112 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1514, 1675, 1675b, 1676a, 1677f, 1677n, 3451 of this title; title 28 sections 1581, 2201, 2631, 2632, 2635, 2636, 2639, 2640, 2643.

§§ 1517 to 1519. Repealed. June 25, 1948, ch. 646, § 39, 62 Stat. 992, eff. Sept. 1, 1948

Section 1517, act June 17, 1930, ch. 497, title IV, § 517, 46 Stat. 737, related to frivolous protest or appeal. See section 2641 of Title 28, Judiciary and Judicial Procedure.

Section 1518, acts June 10, 1890, ch. 407, § 12, 26 Stat. 136; May 27, 1908, ch. 205, § 3, 35 Stat. 406; Aug. 5, 1909, ch. 6, § 28, 36 Stat. 98; May 28, 1926, ch. 411, § 1, 44 Stat. 669; June 17, 1930, ch. 497, title IV, § 518, 46 Stat. 737, related to the judges of the United States Customs Court: their appointment, salary, retirement, vacancies, and powers; the control of the fiscal affairs and of the clerical force of the court; and the division of the court. See sections 251 to 254, 456, 1581, 2071, 2639, and 2640 of Title 28, Judiciary and Judicial Procedure. Last sentence of section, relating to the transfer of unexpended appropriations for salaries to be available for expenditures for the same purposes, was omitted as executed.

Section 1519, act June 17, 1930, ch. 497, title IV, § 519, 46 Stat. 739, related to publication of Customs Court's decisions. See section 255 of Title 28, Judiciary and Judicial Procedure.

§ 1520. Refunds and errors

(a) Cases in which refunds authorized

The Secretary of the Treasury is authorized to refund duties or other receipts in the following cases:

(1) *Excess deposits.*—Whenever it is ascertained on liquidation or reliquidation of an entry or reconciliation that more money has been deposited or paid as duties than was required by law to be so deposited or paid;

(2) *Fees, charges, and exactions.*—Whenever it is determined in the manner required by law that any fees, charges, or exactions, other than duties and taxes, have been erroneously or excessively collected; and

(3) *Fines, penalties, and forfeitures.*—Whenever money has been deposited in the Treasury on account of a fine, penalty, or forfeiture which did not accrue, or which is finally determined to have accrued in an amount less than that so deposited, or which is mitigated to an amount less than that so deposited or is remitted.

(4) *Prior to liquidation.*—Prior to the liquidation of an entry or reconciliation, whenever it is ascertained that excess duties, fees, charges, or exactions have been deposited or paid by reason of clerical error.

(b) Authorization of appropriations

The necessary moneys to make such refunds are authorized to be appropriated annually from the general fund of the Treasury.

(c) Reliquidation of entry or reconciliation

Notwithstanding a valid protest was not filed, the Customs Service may, in accordance with regulations prescribed by the Secretary, reliquidate an entry or reconciliation to correct—

(1) a clerical error, mistake of fact, or other inadvertence, whether or not resulting from or contained in electronic transmission, not amounting to an error in the construction of a law, adverse to the importer and manifest from the record or established by documentary evidence, in any entry, liquidation, or other customs transaction, when the error, mistake, or inadvertence is brought to the attention of the Customs Service within one year after the date of liquidation or exaction; or

(2) any assessment of duty on household or personal effects in respect of which an application for refund has been filed, with such employee as the Secretary of the Treasury shall designate, within one year after the date of entry.

(d) Goods qualifying under NAFTA rules of origin

Notwithstanding the fact that a valid protest was not filed, the Customs Service may, in accordance with regulations prescribed by the Secretary, reliquidate an entry to refund any excess duties paid on a good qualifying under the rules of origin set out in section 3332 of this title for which no claim for preferential tariff treatment was made at the time of importation if the importer, within 1 year after the date of importation, files, in accordance with those regulations, a claim that includes—

(1) a written declaration that the good qualified under those rules at the time of importation;

(2) copies of all applicable NAFTA Certificates of Origin (as defined in section 1508(b)(1) of this title); and

(3) such other documentation relating to the importation of the goods as the Customs Service may require.

(June 17, 1930, ch. 497, title IV, § 520, 46 Stat. 739; June 26, 1934, ch. 756, § 2, 48 Stat. 1225; June 25, 1938, ch. 679, § 18, 52 Stat. 1086; Aug. 8, 1953, ch. 397, § 20, 67 Stat. 519; June 2, 1970, Pub. L. 91–271, title II, § 210, 84 Stat. 287; Oct. 3, 1978, Pub. L. 95–410, title II, § 210, 92 Stat. 903; Oct. 30, 1984, Pub. L. 98–573, title II, §§ 210(b), 212(c)(B), formerly § 212(b)(7)(B), 98 Stat. 2977, 2984, renumbered Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1889(3), 100 Stat. 2925; Dec. 8, 1993, Pub. L. 103–182, title II, § 206, title VI, §§ 642(b), 646, 107 Stat. 2095, 2205, 2207.)

CODIFICATION

Act June 26, 1934, effective July 1, 1935, provided for repeal of certain permanent appropriations authorizing, in lieu thereof, an annual appropriation from the general fund of the Treasury.

PRIOR PROVISIONS

This section, as originally enacted, contained a paragraph (b) making a permanent appropriation of the moneys necessary to make refunds. Effective July 1, 1935, paragraph (b) was repealed by act June 26, 1934, ch. 756, § 2, 48 Stat. 1225, such act authorizing, in lieu thereof, an annual appropriation from the general fund of the Treasury.

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 520, 42 Stat. 973. That section was superseded by section 520 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions somewhat similar to those of subdivisions (1) and (3) of paragraph (a) for refund of moneys paid on account of unascertained or estimated duties or payments on appeal, and for correction of clerical errors within one year, with further provisions making an appropriation and requiring reports to Congress of moneys refunded, were contained in act Oct. 3, 1913, ch. 16, § III, Y, 38 Stat. 191, which reenacted the provisions of Customs Administrative Act June 10, 1890, ch. 407, § 24, 26 Stat. 140, as renumbered and reenacted by Payne-Aldrich Tariff Act of August 5, 1909, ch. 6, § 28, 36 Stat. 103. Said section III, Y, of the 1913 act was repealed by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

Provisions concerning the refund of moneys collected as duties in accordance with any decision, etc., of the Secretary of the Treasury, with provisos concerning reliquidations, correction of errors, household effects and other articles exempt from duty, were contained in act March 3, 1875, ch. 136, 18 Stat. 469, which was also repealed by section 643 of the act of Sept. 21, 1922.

R.S. § 3011 (as amended by act Feb. 27, 1877, ch. 69, § 1, 19 Stat. 247, and act Feb. 1, 1888, ch. 4, 25 Stat. 6) and section 3012, relative to actions to recover duties paid under protest, and sections 3012½ and 3013, relative to refunds, were repealed by the Customs Administrative Act of June 10, 1890, ch. 407, § 29. 26 Stat. 141.

Act June 7, 1924, ch. 357, 43 Stat. 660, authorizing the remission of unpaid customs duties on material belonging to the United States and theretofore imported by the War Department, was omitted from the Code as temporary.

AMENDMENTS

1993—Subsec. (a)(1), (4). Pub. L. 103–182, § 646(1), inserted ''or reconciliation'' after ''entry''.

Subsec. (c). Pub. L. 103–182, § 646(2)(A), (B), substituted ''Customs Service'' for ''appropriate customs officer'' and inserted ''or reconciliation'' after ''entry'' in introductory provisions.

Subsec. (c)(1). Pub. L. 103–182, § 646(2)(A), (C), inserted '', whether or not resulting from or contained in electronic transmission,'' before ''not amounting to'', and substituted ''Customs Service'' for ''appropriate customs officer''.

Subsec. (d). Pub. L. 103–182, § 206, added subsec. (d). See Construction of 1993 Amendment note below.

Pub. L. 103–182, § 642(b), struck out subsec. (d) which read as follows: ''If a determination is made to reliquidate an entry as a result of a protest filed under section 1514 of this title or an application for relief made under subsection (c)(1) of this section, or if reliquidation is ordered by an appropriate court, interest shall be allowed on any amount paid as increased or additional duties under section 1505(c) of this title at the annual rate established pursuant to that section and determined as of the 15th day after the date of liquidation or reliquidation. The interest shall be calculated from the date of payment to the date of (1) the refund, or (2) the filing of a summons under section 2632 of title 28, whichever occurs first.'' See Construction of 1993 Amendment note below.

1984—Subsec. (a)(4). Pub. L. 98–573, § 212(b)(7)(B), added par. (4).

Subsec. (d). Pub. L. 98–573, § 210(b), added subsec. (d).

1978—Subsec. (c)(1). Pub. L. 95–410 substituted ''appropriate customs officer within one year after the date of liquidation or exaction'' for ''customs service within one year after the date of entry, or transaction, or within ninety days after liquidation or exaction when the liquidation or exaction is made more than nine months after the date of the entry, or transaction''.

1970—Subsec. (c). Pub. L. 91–271 in introductory material substituted ''the appropriate customs officer may, in accordance with regulations prescribed by the Secretary,'' for ''the Secretary of the Treasury may authorize a collector to'', and in par. (1) struck out ''appraisement'' wherever appearing and substituted ''ninety'' and ''nine'' for ''sixty'' and ''ten'', respectively.

1953—Subsec. (c)(1). Act Aug. 8, 1953, extended the relief provision to situations involving clerical errors, mistakes of fact, or any other inadvertence not amounting to an error in the construction of a law, in any entry, liquidation, appraisement or other customs transaction, when such error, mistake or other inadvertence is adverse to the record or established by written evidence.

Subsec. (c)(2). Act Aug. 8, 1953, permitted correction of assessments of duty on household or personal effects which are subject to duty.

1938—Subsecs. (b), (c). Act June 25, 1938, added subsecs. (b) and (c).

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by section 206 of Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 213(b) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by section 210(b) of Pub. L. 98–573 applicable with respect to determinations made or ordered on or after Oct. 30, 1984, see section 214(c)(5)(B) of Pub. L. 98–573, set out as a note under section 1304 of this title.

Amendment by section 212 of Pub. L. 98–573 effective on close of 180th day after Oct. 30, 1984, see section 214(d) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

CONSTRUCTION OF 1993 AMENDMENT

Amendment by section 206 of Pub. L. 103–182 to be made after amendment by section 642(b) of Pub. L. 103–182 is executed, see section 212 of Pub. L. 103–182, set out as a note under section 58c of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

AVAILABILITY OF TRANSPORTATION AND STORAGE FACILITIES FOR MILITARY PURPOSES

Act Sept. 29, 1942, ch. 567, 56 Stat. 761, authorized removal of merchandise in bond or customs custody from transportation and storage facilities needed for military purposes, prior to repeal by act July 25, 1947, ch. 327, § 1, 61 Stat. 449.

CROSS REFERENCES

Appropriation account covering ''Refunding moneys erroneously received and covered (Customs)'' abolished and unobligated balances transferred to surplus fund of Treasury, see section 1322 of Title 31, Money and Finance.

Provisions for abatement and refund of duties in case of injury to goods while in any public or private warehouse under bond, see section 1563 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1503, 1509, 1514 of this title.

§ 1521. Repealed. Pub. L. 103–182, title VI, § 618, Dec. 8, 1993, 107 Stat. 2180

Section, acts June 17, 1930, ch. 497, title IV, § 521, 46 Stat. 739; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287, provided for reliquidation of entry on account of fraud.

§ 1522. Omitted

CODIFICATION

Section, act June 17, 1930, ch. 497, title IV, § 522, 46 Stat. 739, amended section 372 of former Title 31. See section 5151 of Title 31, Money and Finance.

§ 1523. Examination of accounts

The Secretary of the Treasury or such officer or employee as he shall designate, shall, under regulations and instructions prescribed by the Secretary—

(1) examine the customs officers' accounts of receipts and disbursements of money and receipts and disposition of merchandise; and

(2) verify, to such extent as the Secretary of the Treasury shall direct, assessments of duties and taxes and allowances of drawback.

(June 17, 1930, ch. 497, title IV, § 523, 46 Stat. 740; Aug. 8, 1953, ch. 397, § 2(d), 67 Stat. 508; June 2, 1970, Pub. L. 91–271, title III, § 301(s), 84 Stat. 290.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 523, 42 Stat. 974. That section was superseded by section 523 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to customs officers for reference to collectors.

1953—Act Aug. 8, 1953, amended section generally by eliminating the provision continuing ''naval officers of customs'' as ''Comptrollers of Customs''; by substituting the reference to ''The Secretary of the Treasury or such officer or employee as he shall designate'' for references to the comptrollers of customs; and, among other changes, substituting the provision that the verification of assessments of duties and allowances of drawbacks should be to such extent as the Secretary of the Treasury directs, for the former provision requiring such verification in all cases.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

§ 1524. Deposit of reimbursable charges

Receipts for any reimbursable charges or expenses which have been paid for out of any appropriation for collecting the revenue from customs shall be deposited as a refund to such appropriation instead of being covered into the Treasury as miscellaneous receipts, as provided by section 527 of this title.

(June 17, 1930, ch. 497, title IV, § 524, 46 Stat. 741; June 25, 1938, ch. 679, § 19(b), 52 Stat. 1087.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 524, 42 Stat. 975. That section was superseded by section 524 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1938—Act June 25, 1938, amended section generally.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 58c, 1613b, 1755 of this title.

§ 1525. Repealed. Pub. L. 89–762, § 2, Nov. 5, 1966, 80 Stat. 1312

Section, act June 17, 1930, ch. 497, title IV, § 525, 46 Stat. 741, authorized the Secretary of the Treasury to employ not more than ten persons in the District of Columbia who have been detailed from the field force of the Customs Service.

§ 1526. Merchandise bearing American trademark

(a) Importation prohibited

Except as provided in subsection (d) of this section, it shall be unlawful to import into the United States any merchandise of foreign manufacture if such merchandise, or the label, sign, print, package, wrapper, or receptacle, bears a trademark owned by a citizen of, or by a corporation or association created or organized within, the United States, and registered in the Patent and Trademark Office by a person domiciled in the United States, under the provisions of sections 81 to 109 of title 15, and if a copy of the certificate of registration of such trademark is filed with the Secretary of the Treasury, in the manner provided in section 106 of said title 15, unless written consent of the owner of such trademark is produced at the time of making entry.

(b) Seizure and forfeiture

Any such merchandise imported into the United States in violation of the provisions of this section shall be subject to seizure and forfeiture for violation of the customs laws.

(c) Injunction and damages

Any person dealing in any such merchandise may be enjoined from dealing therein within the United States or may be required to export or destroy such merchandise or to remove or obliterate such trademark and shall be liable for the same damages and profits provided for wrongful use of a trade-mark, under the provisions of sections 81 to 109 of title 15.

(d) Exemptions; publication in Federal Register; forfeitures; rules and regulations

(1) The trademark provisions of this section and section 1124 of title 15, do not apply to the importation of articles accompanying any person arriving in the United States when such articles are for his personal use and not for sale if (A) such articles are within the limits of types and quantities determined by the Secretary pursuant to paragraph (2) of this subsection, and (B) such person has not been granted an exemption under this subsection within thirty days immediately preceding his arrival.

(2) The Secretary shall determine and publish in the Federal Register lists of the types of articles and the quantities of each which shall be entitled to the exemption provided by this subsection. In determining such quantities of particular types of trade-marked articles, the Secretary shall give such consideration as he deems necessary to the numbers of such articles usually purchased at retail for personal use.

(3) If any article which has been exempted from the restrictions on importation of the trade-mark laws under this subsection is sold within one year after the date of importation, such article, or its value (to be recovered from the importer), is subject to forfeiture. A sale pursuant to a judicial order or in liquidation of the estate of a decedent is not subject to the provisions of this paragraph.

(4) The Secretary may prescribe such rules and regulations as may be necessary to carry out the provisions of this subsection.

(e) Merchandise bearing counterfeit mark; seizure and forfeiture; disposition of seized goods

Any such merchandise bearing a counterfeit mark (within the meaning of section 1127 of title 15) imported into the United States in violation of the provisions of section 1124 of title 15, shall be seized and, in the absence of the written consent of the trademark owner, forfeited for violations of the customs laws. Upon seizure of such merchandise, the Secretary shall notify the owner of the trademark, and shall, after forfeiture, obliterate the trademark where feasible and dispose of the goods seized—

(1) by delivery to such Federal, State, and local government agencies as in the opinion of the Secretary have a need for such merchandise,

(2) by gift to such eleemosynary institutions as in the opinion of the Secretary have a need for such merchandise,

(3) more than 90 days after the date of forfeiture, by sale by the Customs Service at public auction under such regulations as the Secretary prescribes, except that before making any such sale the Secretary shall determine that no Federal, State, or local government agency or eleemosynary institution has established a need for such merchandise under paragraph (1) or (2), or

(4) if the merchandise is unsafe or a hazard to health, by destruction.

(June 17, 1930, ch. 497, title IV, § 526, 46 Stat. 741; Jan. 2, 1975, Pub. L. 93–596, § 3, 88 Stat. 1949; Oct. 3, 1978, Pub. L. 95–410, title II, § 211(a), (c), 92 Stat. 903; Dec. 8, 1993, Pub. L. 103–182, title VI, § 663, 107 Stat. 2214.)

References in Text

Sections 81 to 109 of title 15, referred to in subsecs. (a) and (c), were repealed by act July 5, 1946, ch. 540, § 46(a), 61 Stat. 444. See sections 1051 to 1127, respectively, of Title 15, Commerce and Trade.

Section 106 of title 15, referred to in subsec. (a), was repealed by act July 15, 1946, ch. 540, § 46(a), 60 Stat. 444. See section 1124 of Title 15.

The customs laws, referred to in subsec. (b), are classified generally to this title.

Prior Provisions

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 526, 42 Stat. 975. That section was superseded by section 526 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Amendments

1993—Subsec. (e)(3). Pub. L. 103–182 substituted ''90 days'' for ''1 year'' and ''the Customs Service'' for ''appropriate customs officers''.

1978—Subsec. (a). Pub. L. 95–410, § 211(a)(1), substituted ''Except as provided in subsection (d) of this section, it'' for ''It''.

Subsec. (d). Pub. L. 95–410, § 211(a)(2), added subsec. (d).

Subsec. (e). Pub. L. 95–410, § 211(c), added subsec. (e).

Change of Name

''Patent and Trademark Office'' substituted for ''Patent Office'' in subsec. (a) pursuant to Pub. L. 93–596, § 3, Jan. 2, 1975, 88 Stat. 1949, set out as a note under section 1 of Title 35, Patents.

CROSS REFERENCES

False designations of origin and false descriptions forbidden, see section 1125 of Title 15, Commerce and Trade.

Importation of goods bearing infringing marks or names forbidden, see section 1124 of Title 15.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 15 section 1124; title 48 section 1643.

§ 1527. Importation of wild mammals and birds in violation of foreign law

(a) Importation prohibited

If the laws or regulations of any country, dependency, province, or other subdivision of government restrict the taking, killing, possession, or exportation to the United States, of any wild mammal or bird, alive or dead, or restrict the exportation to the United States of any part or product of any wild mammal or bird, whether raw or manufactured, no such mammal or bird, or part or product thereof, shall, after the expiration of ninety days after June 17, 1930, be imported into the United States from such country, dependency, province, or other subdivision of government, directly or indirectly, unless accompanied by a certification of the United States consul, for the consular district in which is located the port or place from which such mammal or bird, or part or product thereof, was exported from such country, dependency, province, or other subdivision of government, that such mammal or bird, or part or product thereof, has not been acquired or exported in violation of the laws or regulations of such country, dependency, province, or other subdivision of government.

(b) Forfeiture

Any mammal or bird, alive or dead, or any part or product thereof, whether raw or manufactured, imported into the United States in violation of the provisions of the preceding subdivision shall be subject to seizure and forfeiture under the customs laws. Any such article so forfeited may, in the discretion of the Secretary of the Treasury and under such regulations as he may prescribe, be placed with the departments or bureaus of the Federal or State Governments, or with societies or museums, for exhibition or scientific or educational purposes, or destroyed, or (except in the case of heads or horns of wild mammals) sold in the manner provided by law.

(c) Section not to apply in certain cases

The provisions of this section shall not apply in the case of—

(1) Prohibited importations

Articles the importation of which is prohibited under the provisions of this chapter, or of section 42(a) of title 18, or of any other law;

(2) Scientific or educational purposes

Wild mammals or birds, alive or dead, or parts or products thereof, whether raw or manufactured, imported for scientific or educational purposes;

(3) Certain migratory game birds

Migratory game birds (for which an open season is provided by the laws of the United States and any foreign country which is a party to a treaty with the United States, in effect on the date of importation, relating to the protection of such migratory game birds) brought into the United States by bona fide sportsmen returning from hunting trips in such country, if at the time of importation the possession of such birds is not prohibited by the laws of such country or of the United States.

(June 17, 1930, ch. 497, title IV, § 527, 46 Stat. 741.)

REFERENCES IN TEXT

The customs laws, referred to in subsec. (b), are classified generally to this title.

CODIFICATION

In subsec. (c)(1), ''section 42(a) of title 18'' substituted for ''section 241 of the Criminal Code [18 U.S.C. 391]'' on authority of act June 25, 1948, ch. 645, 62 Stat. 683, the first section of which enacted Title 18, Crimes and Criminal Procedure.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 16 section 1540.

§ 1528. Taxes not to be construed as duties

No tax or other charge imposed by or pursuant to any law of the United States shall be construed to be a customs duty for the purpose of any statute relating to the customs revenue, unless the law imposing such tax or charge designates it as a customs duty or contains a provision to the effect that it shall be treated as a duty imposed under the customs laws. Nothing in this section shall be construed to limit or restrict the jurisdiction of the United States Court of International Trade or the United States Court of Appeals for the Federal Circuit.

(June 17, 1930, ch. 497, title IV, § 528, as added June 25, 1938, ch. 679, § 20, 52 Stat. 1087; amended Oct. 10, 1980, Pub. L. 96–417, title VI, § 601(8), 94 Stat. 1744; Apr. 2, 1982, Pub. L. 97–164, title I, § 163(a)(3), 96 Stat. 49.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

AMENDMENTS

1982—Pub. L. 97–164 substituted ''Court of Appeals for the Federal Circuit'' for ''Court of Customs and Patent Appeals''.

1980—Pub. L. 96–417 redesignated the United States Customs Court as the United States Court of International Trade.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97–164 effective Oct. 1, 1982, see section 402 of Pub. L. 97–164, set out as a note under section 171 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–417 effective Nov. 1, 1980, and applicable with respect to civil actions pending on or commenced on or after such date, see section 701(a) of Pub. L. 96–417, set out as a note under section 251 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE

Section effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see sec-

tion 37 of act June 25, 1938, set out as an Effective Date of 1938 Amendment note under section 1401 of this title.

§ 1529. Collection of fees on behalf of other agencies

The Customs Service shall be reimbursed from the fees collected for the cost and expense, administrative and otherwise, incurred in collecting any fees on behalf of any government[1] agency for any reason.

(June 17, 1930, ch. 497, title IV, § 529, as added Dec. 8, 1993, Pub. L. 103–182, title VI, § 669, 107 Stat. 2216.)

PART IV—TRANSPORTATION IN BOND AND WAREHOUSING OF MERCHANDISE

§ 1551. Designation as carrier of bonded merchandise

Under such regulations and subject to such terms and conditions as the Secretary of the Treasury shall prescribe—

(1) any common carrier of merchandise owning or operating a railroad, steamship, or other transportation line or route for the transportation of merchandise in the United States,

(2) any contract carrier authorized to operate as such by any agency of the United States, and

(3) any freight forwarder authorized to operate as such by any agency of the United States,

upon application, may, in the discretion of the Secretary, be designated as a carrier of bonded merchandise for the final release of which from customs custody a permit has not been issued. A private carrier, upon application, may, in the discretion of the Secretary, be designated under the preceding sentence as a carrier of bonded merchandise, subject to such regulations and, in the case of each applicant, to such special terms and conditions as the Secretary may prescribe to safeguard the revenues of the United States with respect to the transportation of bonded merchandise by such applicant.

(June 17, 1930, ch. 497, title IV, § 551, 46 Stat. 742; Dec. 28, 1945, ch. 605, 59 Stat. 667; Aug. 24, 1962, Pub. L. 87–598, 76 Stat. 400; Oct. 23, 1962, Pub. L. 87–854, 76 Stat. 1130; Jan. 2, 1968, Pub. L. 90–240, § 3, 81 Stat. 776.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 551, 42 Stat. 975. That section was superseded by section 551 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions concerning transportation of merchandise in bond without appraisement to another port of entry were contained in the Immediate Transportation Act of June 10, 1880, ch. 190, 21 Stat. 173, as amended, section 3 of which required the merchandise to be transported by carriers designated by the Secretary of the Treasury, and required them to give bonds as the Secretary should require. That act was repealed by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

AMENDMENTS

1968—Pub. L. 90–240 provided that a private carrier, upon application, could, in the discretion of the Secretary, be designated as a carrier of bonded merchandise, subject to regulations, terms, and conditions prescribed by the Secretary, safeguard the revenues of the United States with respect to the transportation of bonded merchandise by such applicant.

1962—Pub. L. 87–854 included any contract carrier authorized to operate as such by any agency of the United States.

Pub. L. 87–598 substituted ''authorized to operate as such by any agency of the United States,'' for '', as defined in section 1002(5) of title 49.''

1945—Act Dec. 28, 1945, substituted ''Under such regulations and subject to such terms and conditions as the Secretary of the Treasury shall prescribe, any common carrier of merchandise owning or operating a railroad, steamship, or other transportation line or route for the transportation of merchandise in the United States, or any freight forwarder, as defined in section 1002(5) of title 49, upon application, may, in the discretion of the Secretary'' for ''Any common carrier of merchandise owning or operating railroad, steamship, or other transportation lines or routes for the transportation of merchandise in the United States, upon application and the filing of a bond in a form and penalty and with such sureties as may be approved by the Secretary of the Treasury, may''.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1565 of this title.

§ 1551a. Bonded cartmen or lightermen

The Secretary of the Treasury be, and he is, authorized, when it appears to him to be in the interest of commerce, and notwithstanding any provision of law or regulation requiring that the transportation of imported merchandise be by a bonded common carrier, to permit such merchandise which has been entered and examined for customs purposes to be transported by bonded cartmen or bonded lightermen between the ports of New York, Newark, and Perth Amboy, which are all included in Customs Collection District Numbered 10 (New York): *Provided*, That this resolution shall not be construed to deprive any of the ports affected of its rights and privileges as a port of entry.

(June 19, 1936, ch. 611, 49 Stat. 1538.)

CODIFICATION

Section was not enacted as part of Tariff Act of 1930 which comprises this chapter.

§ 1552. Entry for immediate transportation

Any merchandise, other than explosives and merchandise the importation of which is prohibited, arriving at a port of entry in the United States may be entered, under such rules and regulations as the Secretary of the Treasury may prescribe, for transportation in bond without appraisement to any other port of entry designated by the consignee, or his agent, and by such bonded carrier as he designates, there to be entered in accordance with the provisions of this chapter.

(June 17, 1930, ch. 497, title IV, § 552, 46 Stat. 742.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 552, 42 Stat. 975. That section was superseded by section 552 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions for transportation in bond without appraisement of merchandise with certain exceptions,

[1] So in original. Probably should be capitalized.

when imported at certain named ports and destined for certain ports, were contained in act June 10, 1880, ch. 190, §§1 (as amended by act June 14, 1880, ch. 214, and act June 20, 1884, ch. 103) 2, 7, and 9, 21 Stat. 173, 174, 175. Sections 5 (as amended by act July 2, 1884, ch. 142, and act Feb. 23, 1887, ch. 215, and act Feb. 2, 1899, ch. 84) and 6 (as amended by act July 2, 1884, ch. 142), regulated the transportation and transfer of the merchandise. The act of June 10, 1880 was amended by act Feb. 23, 1887, ch. 218, 24 Stat. 414, and its provisions were extended by various acts to ports other than those originally named. The act of June 10, 1880, ch. 190, as amended, and the acts of Feb. 23, 1887, ch. 218, and Feb. 2, 1899, ch. 84, were all repealed by act Sept. 21, 1922, ch. 356, title IV, §643, 42 Stat. 989, and the various acts extending the provisions of the act of June 10, 1880, thereupon became inoperative.

R.S. §§2990–2997, as amended by act Feb. 18, 1875, ch. 80, 18 Stat. 319, and as extended by act Mar. 14, 1876, ch. 23, 19 Stat. 7, and act Aug. 14, 1876, ch. 270, 19 Stat. 139, contained provisions somewhat similar to those of the act of June 10, 1880, ch. 190, and were repealed by section 8 of the 1880 act.

R.S. §2581, relative to the transshipment of merchandise transported in bond to the port of Brownsville, by Brazos Harbor; R.S. §§2816–2831, as amended by act Feb. 27, 1877, ch. 69, §1, 19 Stat. 246, 247, and act June 16, 1880, ch. 239, 21 Stat. 283, relative to transportation of merchandise intended to be imported into certain ports of delivery; and R.S. §2998, prescribing a penalty for breaking or entering any car, etc., containing merchandise transported under sections 2990–2997, or defacing any lock or seal, etc.—were all repealed by act Sept. 21, 1922, ch. 356, title IV, §642, 42 Stat. 989.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1315, 1484 of this title.

§ 1553. Entry for transportation and exportation; lottery material from Canada

(a) Any merchandise, other than explosives and merchandise the importation of which is prohibited, shown by the manifest, bill of lading, shipping receipt, or other document to be destined to a foreign country, may be entered for transportation in bond through the United States by a bonded carrier without appraisement or the payment of duties and exported under such regulations as the Secretary of the Treasury shall prescribe; and any baggage or personal effects not containing merchandise the importation of which is prohibited arriving in the United States destined to a foreign country may, upon the request of the owner or carrier having the same in possession for transportation, be entered for transportation in bond through the United States by a bonded carrier without appraisement or the payment of duty, under such regulations as the Secretary of the Treasury may prescribe. In places where no bonded common-carrier facilities are reasonably available, such merchandise may be so transported otherwise than by a bonded common carrier under such regulations as the Secretary of the Treasury shall prescribe.

(b) Notwithstanding subsection (a) of this section, the entry for transportation in bond through the United States of any lottery ticket, printed paper that may be used as a lottery ticket, or any advertisement of any lottery, that is printed in Canada, shall be permitted without appraisement or the payment of duties under such regulations as the Secretary of the Treasury may prescribe, except that such regulations shall not permit the transportation of lottery materials in the personal baggage of a traveler.

(June 17, 1930, ch. 497, title IV, §553, 46 Stat. 742; June 25, 1938, ch. 679, §21, 52 Stat. 1087; Aug. 20, 1990, Pub. L. 101–382, title III, §484H(a), 104 Stat. 711.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, §553, 42 Stat. 976. That section was superseded by section 553 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

A prior provision that merchandise destined for a foreign country might be entered and conveyed through the territory of the United States without payment of duties under regulations to be prescribed by the Secretary of the Treasury was contained in R.S. §3005, as amended by act Feb. 27, 1877, ch. 69, §1, 19 Stat. 247, and act May 21, 1900, ch. 487, §1, 31 Stat. 181. Res. March 1, 1895, No. 23, 28 Stat. 973, partially suspending the operation of that section, was repealed by act May 21, 1900, ch. 487, §2, 31 Stat. 181, and the section was itself repealed by act Sept. 21, 1922, ch. 356, title IV, §642, 42 Stat. 989.

A provision that baggage or personal effects in transit to a foreign country might be delivered to the collector for retention without payment of duty, or forwarding to the collector of the port of departure, was contained in act Oct. 3, 1913, ch. 16, §III, CC, 38 Stat. 192, which reenacted Customs Administrative Act June 10, 1890, ch. 407, §28, 26 Stat. 141, as reenacted by Payne-Aldrich Tariff Act Aug. 5, 1909, ch. 6, §28, 36 Stat. 104. Said section III, CC, of the 1913 act was repealed by act Sept. 21, 1922, ch. 356, title IV, §643, 42 Stat. 989.

R.S. §2803, on the same subject, was superseded by section 28 of the Customs Administrative Act of June 10, 1890, and repealed by section 642 of the act of Sept. 21, 1922.

R.S. §2866, provided for the entry and conveyance in transit, without payment of duties, of merchandise arriving at certain ports in the United States destined for the British possessions in North America, and for conveyance in transit from such possessions for export from said ports, in pursuance of provisions of the treaty with Great Britain of May 8, 1871. It was repealed on the termination of articles 18–25, 30, of that treaty, pursuant to the Joint Resolution of Mar. 3, 1883, No. 22, 22 Stat. 641.

AMENDMENTS

1990—Pub. L. 101–382 designated existing provisions as subsec. (a) and added subsec. (b).

1938—Act June 25, 1938, inserted sentence providing for transportation otherwise than by bonded carrier where no bonded common-carrier facilities are reasonably available.

EFFECTIVE DATE OF 1990 AMENDMENT

Section 484H(b) of Pub. L. 101–382 provided that: ''The amendments made by this section [amending this section] shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of enactment of this Act [Aug. 20, 1990].''

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1484 of this title.

§ 1553a. Recordkeeping for merchandise transported by pipeline

Merchandise in Customs[1] custody that is transported by pipeline may be accounted for on a quantitative basis, based on the bill of lading, or equivalent document of receipt, issued by the pipeline carrier. Unless the Customs Service has reasonable cause to suspect fraud, the Customs Service may accept the bill of lading, or equivalent document of receipt, issued by the pipeline carrier to the shipper and accepted by the consignee to maintain identity. The shipper, pipeline operator, and consignee shall be subject to the recordkeeping requirements of sections 1508 and 1509 of this title.

(June 17, 1930, ch. 497, title IV, § 553A, as added Dec. 8, 1993, Pub. L. 103–182, title VI, § 664, 107 Stat. 2215.)

§ 1554. Transportation through contiguous countries

With the consent of the proper authorities, imported merchandise, in bond or duty-paid, and products and manufactures of the United States may be transported from one port to another in the United States through contiguous countries, under such regulations as the Secretary of the Treasury shall prescribe, unless such transportation is in violation of section 4347 of the Revised Statutes, as amended, section 883 of title 46, Appendix, or section 1588 of this title.

(June 17, 1930, ch. 497, title IV, § 554, 46 Stat. 743.)

REFERENCES IN TEXT

Section 4347 of the Revised Statutes, as amended, referred to in text, was not classified to this Code. It was superseded by act Feb. 17, 1898, ch. 26, § 1, 30 Stat. 248, which was classified to section 290 of former Title 46, Shipping. See section 883 of Title 46, Appendix.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 554, 42 Stat. 976. That section was superseded by section 554 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions the same in effect as those of this section, except that they did not contain the provision commencing with the words ''unless such transportation,'' were contained in R.S. § 3006, which also provided that the merchandise transported should be treated as if transported entirely within the United States. R.S. § 3007 exempted cars and vehicles from the payment of fees for receiving or certifying manifests. Both sections were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

§ 1555. Bonded warehouses

(a) Designation; preconditions; bonding requirements; supervision

Subject to subsection (b) of this section, buildings or parts of buildings and other enclosures may be designated by the Secretary of the Treasury as bonded warehouses for the storage of imported merchandise entered for warehousing, or taken possession of by the appropriate customs officer, or under seizure, or for the manufacture of merchandise in bond, or for the repacking, sorting, or cleaning of imported merchandise. Such warehouses may be bonded for the storing of such merchandise only as shall belong or be consigned to the owners or proprietors thereof and be known as private bonded warehouses, or for the storage of imported merchandise generally and be known as public bonded warehouses. Before any imported merchandise not finally released from customs custody shall be stored in any such premises, the owner or lessee thereof shall give a bond in such sum and with such sureties as may be approved by the Secretary of the Treasury to secure the Government against any loss or expense connected with or arising from the deposit, storage, or manipulation of merchandise in such warehouse. Except as otherwise provided in this chapter, bonded warehouses shall be used solely for the storage of imported merchandise and shall be placed in charge of a proper officer of the customs, who, together with the proprietor thereof, shall have joint custody of all merchandise stored in the warehouse; and all labor on the merchandise so stored shall be performed by the owner or proprietor of the warehouse, under supervision of the officer of the customs in charge of the same, at the expense of the owner or proprietor. The compensation of such officer of the customs and other customs employees appointed to supervise the receipt of merchandise into any such warehouse and deliveries therefrom shall be reimbursed to the Government by the proprietor of such warehouse.

(b) Duty-free sales enterprises

(1) Duty-free sales enterprises may sell and deliver for export from the customs territory duty-free merchandise in accordance with this subsection and such regulations as the Secretary may prescribe to carry out this subsection.

(2) A duty-free sales enterprise may be located anywhere within—

(A) the same port of entry, as established under section 1 of the Act of August 24, 1912 (37 Stat. 434), from which a purchaser of duty-free merchandise departs the customs territory; or

(B) 25 statute miles from the exit point through which the purchaser of duty-free merchandise will depart the customs territory.

(3) Each duty-free sales enterprise—

(A) shall establish procedures to provide reasonable assurance that duty-free merchandise sold by the enterprise will be exported from the customs territory;

(B) if the duty-free sales enterprise is an airport store, shall establish and enforce, in accordance with such regulations as the Secretary may prescribe, restrictions on the sale of duty-free merchandise to any one individual to personal use quantities;

(C) shall display in prominent places within its place of business notices which state clearly that any duty-free merchandise purchased from the enterprise—

(i) has not been subject to any Federal duty or tax,

(ii) if brought back into the customs territory, must be declared and is subject to Federal duty and tax, and

(iii) is subject to the customs laws and regulation of any foreign country to which it is taken;

[1] So in original. Probably should not be capitalized.

(D) shall not be required to mark or otherwise place a distinguishing identifier on individual items of merchandise to indicate that the items were sold by a duty-free sales enterprise, unless the Secretary finds a pattern in which such items are being brought back into the customs territory without declaration;

(E) may unpack merchandise into saleable units after it has been entered for warehouse and placed in a duty-free sales enterprise, without requirement of further permits; and

(F) shall deliver duty-free merchandise—

(i) in the case of a duty-free sales enterprise that is an airport store—

(I) to the purchaser (or a family member or companion traveling with the purchaser) in an area that is within the airport and to which access to passengers is restricted to those departing from the customs territory;

(II) to the purchaser (or a family member or companion traveling with the purchaser) at the exit point of a specific departing flight;

(III) by placing the merchandise within the aircraft on which the purchaser will depart for carriage as passenger baggage; or

(IV) if the duty-free sales enterprise has made a good faith effort to effect delivery for exportation through one of the methods described in subclause (I), (II), or (III) but is unable to do so, by any other reasonable method to effect delivery; or

(ii) in the case of a duty-free sales enterprise that is a border store—

(I) at a merchandise storage location at or beyond the exit point; or

(II) at any location approved by the Secretary before the date of enactment of the Omnibus Trade Act of 1987.

(4) If a State or local or other governmental authority, incident to its jurisdiction over any airport, seaport, or other exit point facility, requires that a concession or other form of approval be obtained from that authority with respect to the operation of a duty-free sales enterprise under which merchandise is delivered to or through such facility for exportation, merchandise incident to such operation may not be withdrawn from a bonded warehouse and transferred to or through such facility unless the operator of the duty-free sales enterprise demonstrates to the Secretary that the concession or approval required for the enterprise has been obtained.

(5) This subsection does not prohibit a duty-free sales enterprise from offering for sale and delivering to, or on behalf of, individuals departing from the customs territory merchandise other than duty-free merchandise, except that such other merchandise may not be stored in a bonded warehouse facility other than a bonded facility used for retail sales.

(6) Merchandise that is purchased in a duty-free sales enterprise is not eligible for exemption from duty under subchapter IV of chapter 98 of the Harmonized Tariff Schedule of the United States if such merchandise is brought back to the customs territory.

(7) The Secretary shall by regulation establish a separate class of bonded warehouses for duty-free sales enterprises. Regulations issued to carry out this paragraph shall take into account the unique characteristics of the different types of duty-free sales enterprises.

(8) For purposes of this subsection—

(A) The term ''airport store'' means a duty-free sales enterprise which delivers merchandise to, or on behalf of, individuals departing from the customs territory from an international airport located within the customs territory.

(B) The term ''border store'' means a duty-free sales enterprise which delivers merchandise to, or on behalf of, individuals departing from the customs territory through a land or water border by a means of conveyance other than an aircraft.

(C) The term ''customs territory'' means the customs territory of the United States and foreign trade zones.

(D) The term ''duty-free sales enterprise'' means a person that sells, for use outside the customs territory, duty-free merchandise that is delivered from a bonded warehouse to an airport or other exit point for exportation by, or on behalf of, individuals departing from the customs territory.

(E) The term ''duty-free merchandise'' means merchandise sold by a duty-free sales enterprise on which neither Federal duty nor Federal tax has been assessed pending exportation from the customs territory.

(F) The term ''exit point'' means the area in close proximity to an actual exit for departing from the customs territory, including the gate holding area in the case of an airport, but only if there is reasonable assurance that duty-free merchandise delivered in the gate holding area will be exported from the customs territory.

(G) The term ''personal use quantities'' means quantities that are only suitable for uses other than resale, and includes reasonable quantities for household or family consumption as well as for gifts to others.

(June 17, 1930, ch. 497, title IV, § 555, 46 Stat. 743; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Oct. 30, 1984, Pub. L. 98–573, title II, § 211, 98 Stat. 2977; Aug. 23, 1988, Pub. L. 100–418, title I, § 1908(b), 102 Stat. 1315; Aug. 20, 1990, Pub. L. 101–382, title I, § 139(a)(1), 104 Stat. 653.)

REFERENCES IN TEXT

For provisions relating to ports of entry established under section 1 of the Act of August 24, 1912 (37 Stat. 434), referred to in subsec. (b)(2)(A), see Prior Provisions note under section 1 of this title.

The date of enactment of the Omnibus Trade Act of 1987, referred to in subsec. (b)(3)(F)(ii)(II), probably means the date of enactment of the Omnibus Trade and Competitiveness Act of 1988, Pub. L. 100–418, which was approved Aug. 23, 1988.

The Harmonized Tariff Schedule of the United States, referred to in subsec. (b)(6), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 555, 42 Stat. 976. That section was superseded by section 555 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions dealing with the subject matter of this section were contained in R.S. § 2958, authorizing

cellars and vaults of stores for storage of wines and distilled spirits, and yards for storage of coal, etc., to be constituted bonded warehouses; section 2959, authorizing parts of buildings to be bonded for the storage of grain; section 2960, requiring private warehouses to be used solely for the storage of warehoused merchandise, and be approved by the Secretary of the Treasury, and be in charge of a proper officer of the customs, etc.; section 2961 requiring bonds to hold the United States harmless, and providing that imports deposited in warehouses should be at the risk and expense of the owner or importer; section 2968, authorizing the extension of warehouse privileges to the port of Albany; and section 2988, as amended by act Feb. 27, 1877, ch. 69, § 1, 19 Stat. 247, requiring collectors to make reports of merchandise in warehouses. All of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1990—Subsec. (b)(6). Pub. L. 101–382, which directed substitution of ''subchapter IV of chapter 98 of the Harmonized Tariff Schedule of the United States'' for ''subpart A of part 2 of schedule 8 of the Tariff schedules of the United States'', was executed by making the substitution for ''subpart A of part 2 of schedule 8 of the Tariff Schedules of the United States'' to reflect the probable intent of Congress.

1988—Subsec. (b). Pub. L. 100–418 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: ''If a State or local governmental authority, incident to its jurisdiction over any airport, seaport, or other exit point facility, requires that a concession or other form of approval be obtained from that authority with respect to the operation of a duty-free sales enterprise under which merchandise is delivered to such facility for exportation, merchandise incident to such operation may not be withdrawn from a bonded warehouse and transferred to such facility unless the operator of the duty-free sales enterprise demonstrates to the Secretary of the Treasury that the concession or approval required for the enterprise has been obtained. For purposes of this subsection, the term 'duty-free sales enterprise' means an entity that sells, in less than wholesale quantities, duty-free or tax-free merchandise that is delivered from a bonded warehouse to an airport, seaport, or point of exit from the United States for exportation by, or on behalf of, individuals departing from the United States.''

1984—Pub. L. 98–573 designated existing provisions as subsec. (a), substituted ''Subject to subsection (b) of this section, buildings'' for ''Buildings'', and added subsec. (b).

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

EFFECTIVE DATE OF 1988 AMENDMENT

Section 1908(c) of Pub. L. 100–418 provided that: ''The amendment made by this section [amending this section] shall take effect on the date that is 15 days after the date of enactment of this Act [Aug. 23, 1988].''

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective on 15th day after Oct. 30, 1984, see section 214(a), (b) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

DUTY-FREE SALES ENTERPRISES; FINDINGS

Section 1908(a) of Pub. L. 100–418 provided that: ''The Congress finds that—

''(1) duty-free sales enterprises play a significant role in attracting international passengers to the United States and thereby their operations favorably affect our balance of payments;

''(2) concession fees derived from the operations of authorized duty-free sales enterprises constitute an important source of revenue for the State, local and other governmental authorities that collect such fees;

''(3) there is inadequate statutory and regulatory recognition of, and guidelines for the operation of, duty-free sales enterprises; and

''(4) there is a need to encourage uniformity and consistency of regulation of duty-free sales enterprises.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 58c of this title; title 18 section 2341; title 49 section 47107.

§ 1556. Bonded warehouses; regulations for establishing

The Secretary of the Treasury shall from time to time establish such rules and regulations as may be necessary for the establishment of bonded warehouses and to protect the interests of the Government in the conduct, management, and operation of such warehouses and in the withdrawal of and accounting for merchandise deposited therein.

(June 17, 1930, ch. 497, title IV, § 556, 46 Stat. 743.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 556, 42 Stat. 976. That section was superseded by section 556 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions on the subject matter of this section were contained in R.S. § 2989, as amended by act Feb. 27, 1877, ch. 69, § 1, 19 Stat. 247, authorizing the Secretary of the Treasury to establish rules and regulations for the execution of the provisions of that chapter (chapter 7 of Title 34 of the Revised Statutes, The Bond and Warehouse System); and in act June 22, 1874, ch. 391, § 24, 18 Stat. 191, authorizing the Secretary to make regulations for the conduct and management of bonded warehouses, general order stores and other depositories, and to revise, alter or revoke regulations or orders, issued by collectors, prohibiting the bonding of warehouses or the establishment of general order stores without his authority and approval, and making it his duty to require warehouses to be located contiguous, or as near as might be, to landing places of vessels. These sections were repealed by act Sept. 21, 1922, ch. 356, title IV, §§ 642, 643, 42 Stat. 989.

§ 1557. Entry for warehouse

(a) Withdrawal of merchandise; time; payment of charges

(1) Any merchandise subject to duty, with the exception of perishable articles and explosive substances other than firecrackers, may be entered for warehousing and be deposited in a bonded warehouse at the expense and risk of the owner[1] purchaser, importer, or consignee. Such merchandise may be withdrawn, at any time within 5 years from the date of importation, for consumption upon payment of the duties and charges accruing thereon at the rate of duty imposed by law upon such merchandise at the date of withdrawal; or may be withdrawn for exportation or for transportation and exportation to a foreign country, or for shipment or for transportation and shipment to the Virgin Islands,

[1] So in original. Probably should be followed by a comma.

American Samoa, Wake Island, Midway Islands, Kingman Reef, Johnston Island, or the island of Guam, without the payment of duties thereon, or for transportation and rewarehousing at another port or elsewhere, or for transfer to another bonded warehouse at the same port; except that—

(A) the total period of time for which such merchandise may remain in bonded warehouse shall not exceed 5 years from the date of importation; and

(B) turbine fuel may be withdrawn for use under section 1309 of this title without the payment of duty if an amount equal to the quantity of fuel withdrawn is shown to be used within 30 days after the day of withdrawal, but duties (together with interest payable from the date of the withdrawal at the rate of interest established under section 6621 of title 26) shall be deposited by the 40th day after the day of withdrawal on fuel that was withdrawn in excess of the quantity shown to have been so used during such 30-day period.

(2) Merchandise upon which the duties have been paid and which shall have remained continuously in bonded warehouse or otherwise in the custody and under the control of customs officers, may be entered or withdrawn at any time within 5 years after the date of importation for exportation or for transportation and exportation to a foreign country, or for shipment or for transportation and shipment to the Virgin Islands, American Samoa, Wake Island, Midway Islands, Kingman Reef, Johnston Island, or the island of Guam, under such regulations as the Secretary of the Treasury shall prescribe, and upon such entry or withdrawal, and exportation or shipment, the duties thereon shall be refunded.

(b) Transferal of right of withdrawal

The right to withdraw any merchandise entered in accordance with subsection (a) of this section for the purposes specified in such subsection may be transferred upon compliance with regulations prescribed by the Secretary of the Treasury and upon the filing by the transferee of a bond in such amount and containing such conditions as the Secretary of the Treasury shall prescribe. The bond shall include an obligation to pay, with respect to the merchandise the subject of the transfer, all unpaid regular, increased, and additional duties, all unpaid taxes imposed upon or by reason of importation, and all unpaid charges and exactions. Such transfers shall be irrevocable, shall relieve the transferor from all customs liability with respect to obligations assumed by the transferee under the bond herein provided for, and shall confer upon the transferee all rights to the privileges provided for in this section and in sections 1562 and 1563 of this title which were vested in the transferor prior to the transfer. The transferee shall also have the right to receive all lawful refunds of money paid by him to the United States with respect to the merchandise the subject of the transfer, and shall have the right to file a protest under section 1514 of this title to the same extent that such right would have been available to the transferor. Notice of liquidation shall be given to the transferee in the form and manner prescribed by the Secretary of the Treasury. A transferee may further transfer the right to withdraw merchandise, subject to the provisions of this subsection relating to original transfers.

(c) Destruction of merchandise at request of consignee

Merchandise entered under bond, under any provision of law, may, upon payment of all charges other than duty on the merchandise, be destroyed, at the request and at the expense of the consignee, within the bonded period under customs supervision, in lieu of exportation, and upon such destruction the entry of such merchandise shall be liquidated without payment of duty and any duties collected shall be refunded.

(d) Withdrawal before payment

Merchandise may be withdrawn for consumption without the payment of the duty thereon if the importer of record or transferee is permitted to pay duty at a later time pursuant to regulations prescribed by the Secretary under section 1505 of this title.

(June 17, 1930, ch. 497, title IV, § 557, 46 Stat. 744; June 25, 1938, ch. 679, §§ 2, 22(a), 23(a), 52 Stat. 1077, 1087, 1088; Aug. 8, 1953, ch. 397, § 21(a), 67 Stat. 519; June 30, 1955, ch. 258, § 2(a) (4), 69 Stat. 242; June 2, 1970, Pub. L. 91–271, title III, § 301(t), 84 Stat. 290; Jan. 12, 1971, Pub. L. 91–685, § 1, 84 Stat. 2069; Oct. 3, 1978, Pub. L. 95–410, title I, § 108(a), (b)(1), 92 Stat. 892; Jan. 12, 1983, Pub. L. 97–446, title II, § 201(f), 96 Stat. 2350; Dec. 8, 1993, Pub. L. 103–182, title VI, § 665, 107 Stat. 2215.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 557, 42 Stat. 977. That section was superseded by section 557 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions dealing with the subject matter of this section were contained in the following statutes, all of which were repealed by act Sept. 21, 1922, ch. 356, title IV, §§ 642, 643, 42 Stat. 989:

Act Oct. 3, 1913, ch. 16, § III, S, 38 Stat. 189, reenacting the provisions of Customs Administrative Act of June 10, 1890, ch. 407, § 20, 26 Stat. 140, as amended by act Oct. 1, 1890, ch. 1244, § 54, 26 Stat. 624, and act Dec. 15, 1902, ch. 1, 32 Stat. 753, and as reenacted by Payne-Aldrich Tariff Act, Aug. 5, 1909, ch. 6, § 28, 36 Stat. 101, and authorizing the withdrawal for consumption of merchandise deposited in any public or private bonded warehouse within three years from date of importation, on payment of duties and charges to which it might be subject at the time of such withdrawal;

Res. Sept. 5, 1916, ch. 441, 39 Stat. 725, extending the time for which merchandise for exportation to Mexico might remain in bonded warehouse;

R.S. § 2962, authorizing the deposit of merchandise, with specified exceptions, when duly entered and bonded for warehousing, in any public warehouse owned or leased by the United States, the private warehouse of the importer used exclusively for the storage of the importer's warehoused merchandise, or a warehouse used as a general warehouse for the storage of warehoused merchandise; section 2964, providing that when the owner, etc., should make entry for warehousing, the collector should take possession and deposit the merchandise in the public stores, or in stores to be agreed on, there to be kept at the risk of the owner, importer, etc., and subject to their order, on payment of duties and expenses to be ascertained on entry, and secured by bond with surety; section 2970 (superseded by Customs

Administrative Act of June 10, 1890, ch. 407, § 20, 26 Stat. 140), relative to the withdrawal of merchandise; section 2971, authorizing withdrawal for exportation, or transshipment to the Pacific Coast, and providing for exclusion of periods when exportation or transshipment should be prevented in computing the three years; section 2977 relative to return of duties on merchandise upon which duties had been paid; section 3000 authorizing withdrawal and transportation to a bonded warehouse in another district and rewarehousing thereat; section 3001, as amended by act Feb. 27, 1877, ch. 69, § 1, 19 Stat. 247, authorizing the Secretary of the Treasury to prescribe the form of bond to be given for transportation under the preceding section, and the time for delivery, and imposing a penalty and providing for forfeiture for failure to transport and deliver within the time limited; sections 3002 and 3003, as amended by act Feb. 27, 1877, ch. 69, § 1, 19 Stat. 247, and section 3004, as amended by act Sept. 25, 1890, ch. 917, § 2, 26 Stat. 470, authorizing withdrawal for exportation to Mexico by certain routes, and through certain ports;

R.S. § 2967, which provided that merchandise imported into the port of Louisville, and destined for Jeffersonville, might be landed and warehoused at Jeffersonville, was superseded by the Plan of Reorganization of the Customs Service set out in a note to section 1 of this title, and repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182 designated first two sentences as par. (1), substituted "; except that—" along with subpars. (A) and (B) for ": *Provided*, That the total period of time for which such merchandise may remain in bonded warehouse shall not exceed 5 years from the date of importation.", and designated remaining portion of subsec. (a) as par. (2).

1983—Subsec. (a). Pub. L. 97–446, § 201(f)(1), inserted "purchaser" after "risk of the owner".

Subsec. (d). Pub. L. 97–446, § 201(f)(2), substituted "importer of record" for "consignee" before "or transferee".

1978—Subsec. (a). Pub. L. 95–410, § 108(b)(1), substituted "5 years" for "three years" wherever appearing.

Subsec. (d). Pub. L. 95–410, § 108(a), added subsec. (d).

1971—Subsec. (b). Pub. L. 91–685 substituted provisions which granted the transferee the right to file a protest under section 1514 of this title to the same extent that such right would have been available to the transferor and required notice of liquidation to be given the transferee in the form and manner prescribed by the Secretary of the Treasury for former provisions which denied the transferee the right to file any protest under section 1514 of this title except as to decisions with respect to his rights under subsec. (c) of this section or under section 1562 or 1563 of this title or against a decision as to the rate or amount of duty, tax, charge, or exaction when such rate or amount has been changed by statute or proclamation on or after the date of the transfer, or the right to file an appeal for reappraisement under section 1501 of this title, except when subsequent to the transfer and before a withdrawal for consumption has been deposited for the merchandise, it has been charge changed in condition pursuant to section 1311 or 1562 of this title in a manner which necessitates that it be appraised in its changed condition in order that the correct amount of duties may be assessed, and prohibited any new or separate liquidation, reliquidation, or determination to be made in name of, or on behalf of, a transferee, except with regard to any matter which may arise under subsec. (c) of this section or section 1562 or 1563 of this title when the transferee has invoked either of these sections, and in the case of a statutory or proclaimed change in the rate of duty, tax, charge, or exaction applicable to the merchandise the subject of the transfer and effective on or after the date of the transfer.

1970—Subsec. (b). Pub. L. 91–271 substituted "a protest contesting an appraisement decision in accordance with section 1514 of this title" for "an appeal for reappraisement under section 1501 of this title".

1955—Subsec. (a). Act June 30, 1955, inserted "Johnston Island" in two places.

1953—Subsec. (b). Act Aug. 8, 1953, provided that all transfers shall be irrevocable; that in the case of each transfer the transferee shall file a bond undertaking to pay all unpaid duties, taxes, charges, and exactions on the merchandise the subject of the transfer; and that a transferee shall have no right to file a protest under section 1514 of this title, or to a separate liquidation in his behalf, unless the rate of duty, tax, charge, or exaction has been changed pursuant to statute or proclamation after the right to withdraw the merchandise was transferred to him.

1938—Act June 25, 1938, amended section generally, and among other changes, inserted "Wake Island, Midway Islands, Kingman Reef" before "or the island of Guam," and struck out "(or ten months in the case of grain)" wherever appearing.

EFFECTIVE DATE OF 1983 AMENDMENT

Amendment by Pub. L. 97–446 applicable with respect to merchandise entered on and after 30th day after Jan. 12, 1983, see section 201(g) of Pub. L. 97–446, set out as a note under section 1484 of this title.

EFFECTIVE DATE OF 1978 AMENDMENT

Section 108(b)(2) of Pub. L. 95–410 provided that: "For purposes of applying the amendments made by paragraph (1) [amending this section and section 1559 of this title] to merchandise remaining in a bonded warehouse on the date of enactment of this Act [Oct. 3, 1978], any period of time the merchandise was in the bonded warehouse before that date shall be disregarded."

EFFECTIVE DATE OF 1971 AMENDMENT

Section 2 of Pub. L. 91–685 provided that: "The amendment made by the first section of this Act [amending this section] shall apply with respect to articles entered for warehousing on or after the date of the enactment of this Act [Jan. 12, 1971]."

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1955 AMENDMENT

Amendment by act June 30, 1955, effective July 1, 1955, see note set out under section 1401 of this title.

EFFECTIVE DATE OF 1953 AMENDMENT

Section 21(b) of act Aug. 8, 1953, provided that: "Notwithstanding any other provision of this Act [amending this section and sections 258, 1001, 1201, 1304, 1308, 1309, 1313, 1315, 1317, 1321, 1431, 1439, 1440, 1482, 1484, 1486, 1487, 1489, 1498, 1501, 1503, 1508, 1520, 1523, and 1562 of this title, enacting sections 1322 and 1646a of this title, and repealing sections 33 to 35, 39, 42 to 45, 273, 274, 472 to 475, 1320, and 1503a of this title], the foregoing subsection (a) shall be effective with respect to merchandise entered after the date of the enactment of this Act [Aug. 8, 1953] and to merchandise which has been entered before that date and is the subject of a transfer within the purview of section 557(b) of the Tariff Act [subsec. (b) of this section], as amended by this Act, and made after the date of the enactment of this Act."

EFFECTIVE DATE OF 1938 AMENDMENT

Section 22(b) of act June 25, 1938, provided that: "On and after the effective date of this Act [see note set out under section 1401 of this title], this section [amending this section] shall be effective with respect to merchandise entered for warehouse prior to, as well as after, such date."

Section 23(b) of act June 25, 1938, provided that: "The amendments made by subsection (a) of this section

[amending this section] shall apply in the case of grain imported prior to the effective date of this act [see note set out under section 1401 of this title] which, on such date, has not become abandoned to the Government under section 491 or 559 of the Tariff Act of 1930 [section 1491 or 1559 of this title], and which has remained in the custody of customs officers.''

SAVINGS PROVISION

Savings provision of act Aug. 8, 1953, which amended subsec. (b) of this section, see note set out under section 1304 of this title.

EXTENSION OF THREE-YEAR PERIOD

For extension of three year period prescribed in this section, see Proc. No. 2948, Oct. 12, 1951, 16 F.R. 10589, 65 Stat. c41, set out as a note under section 1318 of this title.

Proc. No. 2599, Nov. 6, 1943, 8 F.R. 15359, 57 Stat. 758, as amended by Proc. No. 2712, Dec. 4, 1946, 11 F.R. 14133, 61 Stat. 1047, superseded by Proc. No. 2948, Oct. 12, 1951, 16 F.R. 10589, 65 Stat. c41.

APPROPRIATIONS

Section 2 of act June 26, 1934, ch. 756, 48 Stat. 1225, which was classified to section 725a of former Title 31, Money and Finance, repealed the permanent appropriation under the title ''Debentures or drawbacks, bounties, or allowances (Customs) (2x321)'' effective July 1, 1935, and provided that such portions of any Acts as make permanent appropriations to be expended under such account are amended so as to authorize, in lieu thereof, annual appropriations from the general fund of the Treasury in identical terms and in such amounts as now provided by the laws providing such permanent appropriations.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1491, 1514, 1558 of this title.

§ 1558. No remission or refund after release of merchandise

(a) Exceptions

No remission, abatement, refund, or drawback of estimated or liquidated duty shall be allowed because of the exportation or destruction of any merchandise after its release from the custody of the Government, except in the following cases:

(1) When articles are exported with respect to which a drawback of duties is expressly provided for by law;

(2) When prohibited articles have been regularly entered in good faith and are subsequently exported or destroyed pursuant to a law of the United States and under such regulations as the Secretary of the Treasury may prescribe; and

(3) When articles entered under bond, under any provision of law, are destroyed within the bonded period as provided for in section 1557 of this title, or are destroyed within the bonded period by death, accidental fire, or other casualty, and proof of such destruction is furnished which shall be satisfactory to the Secretary of the Treasury, in which case any accrued duties shall be remitted or refunded and any condition in the bond that the articles shall be exported shall be deemed to have been satisfied.

(b) Payment of duties required notwithstanding export or destruction of articles; exception

When articles are exported or destroyed under customs supervision after once having been released from customs custody, as provided for in subsection (c)[1] of section 1304 of this title, such exportation or destruction shall not exempt such articles from the payment of duties other than the marking duty provided for in such subsection (c).

(June 17, 1930, ch. 497, title IV, § 558, 46 Stat. 744; June 25, 1938, ch. 679, § 24, 52 Stat. 1088.)

REFERENCES IN TEXT

Subsection (c) of section 1304 of this title, referred to in subsec. (b), was redesignated subsection (f) and a new subsection (c) of section 1304 was added by Pub. L. 98–573, title II, § 207(1), (2), Oct. 30, 1984, 98 Stat. 2976.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in R.S. § 2978, as amended by act Feb. 27, 1877, ch. 69, § 1, 19 Stat. 247, and in R.S. § 3025, both of which were superseded by act Sept. 21, 1922, ch. 356, title IV, § 558, 42 Stat. 977, and were repealed by section 642 thereof. Section 558 of the 1922 act was superseded by section 558 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1938—Act June 25, 1938, designated existing provisions as subsecs. (a) and (b).

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

§ 1559. Warehouse goods deemed abandoned after 5 years

Merchandise upon which any duties or charges are unpaid, remaining in bonded warehouse beyond 5 years from the date of importation, shall be regarded as abandoned to the Government and shall be sold under such regulations as the Secretary of the Treasury shall prescribe, and the proceeds of sale paid into the Treasury, as in the case of unclaimed merchandise covered by section 1493 of this title, subject to the payment to the owner or consignee of such amount, if any, as shall remain after deduction of duties, charges, and expenses. Merchandise upon which all duties and charges have been paid, remaining in bonded warehouse beyond 5 years from the date of importation, shall be held to be no longer in the custody or control of the officers of the customs.

(June 17, 1930, ch. 497, title IV, § 559, 46 Stat. 744; June 25, 1938, ch. 679, § 23(a), 52 Stat. 1088; Oct. 3, 1978, Pub. L. 95–410, title I, § 108(b)(1), 92 Stat. 892.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 559, 42 Stat. 977. That section was superseded by section 559 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions that goods, remaining in public store or bonded warehouse beyond three years, should be regarded as abandoned and sold, and the proceeds paid into the Treasury, and that the Secretary might pay the proceeds to the owner, etc., after deducting duties, charges and expenses, were contained in R.S. §§ 2971 and

[1] See References in Text note below.

2972, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1978—Pub. L. 95–410 substituted ''5 years'' for ''three years'' wherever appearing.

1938—Act June 25, 1938, struck out ''(or ten months in the case of grain)'' wherever appearing.

EFFECTIVE DATE OF 1978 AMENDMENT

Period of time prior to Oct. 3, 1978, disregarded in application of amendment to merchandise in bonded warehouse, see section 108(b)(1) of Pub. L. 95–410, set out as a note under section 1557 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Section 23(b) of act June 25, 1938, provided as follows: ''The amendments made by subsection (a) of this section [amending this section] shall apply in the case of grain imported prior to the effective date of this act [see note set out under section 1401 of this title] which, on such date, has not become abandoned to the Government under section 491 or 559 of the Tariff Act of 1930 [section 1491 or 1559 of this title], and which has remained in the custody of customs officers.''

EXTENSION OF THREE-YEAR PERIOD

For extension of three year period prescribed in this section, see Proc. No. 2948, Oct. 12, 1951, 16 F.R. 10589, 65 Stat. c41, set out as a note under section 1318 of this title.

Proc. No. 2599, Nov. 6, 1943, 8 F.R. 15359, 57 Stat. 758, as amended by Proc. No. 2712, Dec. 4, 1946, 11 F.R. 14133, 61 Stat. 1047, was superseded by Proc. No. 2948, Oct. 12, 1951, 16 F.R. 10589, 65 Stat. c41.

APPROPRIATIONS

Section 2 of act June 26, 1934, ch. 756, 48 Stat. 1225, which was classified to section 725a of former Title 31, Money and Finance, repealed the permanent appropriation under the title ''Refunding proceeds of unclaimed merchandise (Customs) (2x326)'' effective July 1, 1935, and provided that such portions of any Acts as make permanent appropriations to be expended under such account are amended so as to authorize, in lieu thereof, annual appropriations from the general fund of the Treasury in identical terms and in such amounts as now provided by the laws providing such permanent appropriations.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1491 of this title.

§ 1560. Leasing of warehouses

The Secretary of the Treasury may cause to be set aside any available space in a building used as a customhouse for the storage of bonded merchandise or may lease premises for the storage of unclaimed merchandise or other imported merchandise required to be stored by the Government, and set aside a portion of such leased premises for the storage of bonded merchandise: *Provided*, That no part of any premises owned or leased by the Government may be used for the storage of bonded merchandise at any port at which a public bonded warehouse has been established and is in operation. All the premises so leased shall be leased on public account and the storage and other charges shall be deposited and accounted for as customs receipts, and the rates therefor shall not be less than the charges for storage and similar services made at such port of entry by commercial concerns for the storage and handling of merchandise. No officer of the customs shall own, in whole or in part, any bonded warehouse or enter into any contract or agreement for the lease or use of any building to be thereafter erected as a public store or warehouse. No lease of any building to be so used shall be taken for a longer period than three years, nor shall rent for any such premises be paid, in whole or in part, in advance.

(June 17, 1930, ch. 497, title IV, § 560, 46 Stat. 745; June 2, 1970, Pub. L. 91–271, title III, § 301(u), 84 Stat. 290.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 560, 42 Stat. 977. That section was superseded by section 560 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions on the subject matter of this section were contained in R.S. § 2953, providing that nothing therein contained should be construed to prevent the leasing or hiring of buildings for use of appraisers, or for short periods, of stores required for customhouse purposes at the smaller ports; section 2954, authorizing the leasing of warehouses for storage of unclaimed goods or goods required to be stored; section 2955, prohibiting the leasing of warehouses at ports at which there was any private bonded warehouse, but excepting buildings for use of appraisers, etc.; section 2956, providing that warehouses hired should be on public account, and be appropriated exclusively to receipt of foreign merchandise, subject, as to rates of storage, to regulation by the Secretary of the Treasury; and section 2957, prohibiting leases for more than three years, or the payment of rent in advance. All of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

A prior provision that no officer of the customs should have any personal ownership of, or interest in, any bonded warehouse or general order store, was contained in act June 22, 1874, ch. 391, § 24, 18 Stat. 191; and a provision prohibiting agreements for the use of any building to be erected was contained in R.S. § 2957. Both of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, §§ 642, 643, 42 Stat. 989.

AMENDMENTS

1970—Pub. L. 91–271 substituted ''officer of the customs'' for ''collector or other officer of the customs''.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§ 1561. Public stores

Any premises owned or leased by the Government and used for the storage of merchandise for the final release of which from customs custody a permit has not been issued shall be known as a ''public store.''

(June 17, 1930, ch. 497, title IV, § 561, 46 Stat. 745.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 561, 42 Stat. 978. That section was superseded by section 561 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

§ 1562. Manipulation in warehouse

Unless by special authority of the Secretary of the Treasury, no merchandise shall be withdrawn from bonded warehouse in less quantity

than an entire bale, cask, box, or other package; or, if in bulk, in the entire quantity imported or in a quantity not less than one ton weight. All merchandise so withdrawn shall be withdrawn in the original packages in which imported unless, upon the application of the importer, it appears to be the appropriate customs officer that it is necessary to the safety or preservation of the merchandise to repack or transfer the same; except that upon permission therefor being granted by the Secretary of the Treasury, and under customs supervision, at the expense of the proprietor, merchandise may be cleaned, sorted, repacked, or otherwise changed in condition, but not manufactured, in bonded warehouses established for that purpose and be withdrawn therefrom—

(1) without payment of duties for exportation to a NAFTA country, as defined in section 3301(4) of this title, if the merchandise is of a kind described in any of paragraphs (1) through (8) of section 3333(a) of this title;

(2) for exportation to a NAFTA country if the merchandise consists of goods subject to NAFTA drawback, as defined in section 3333(a) of this title, except that—

(A) the merchandise may not be withdrawn from warehouse without assessment of a duty on the merchandise in its condition and quantity, and at its weight, at the time of withdrawal from the warehouse with such additions to or deductions from the final appraised value as may be necessary by reason of change in condition, and

(B) duty shall be paid on the merchandise before the 61st day after the date of exportation, but upon the presentation, before such 61st day, of satisfactory evidence of the amount of any customs duties paid to the NAFTA country on the merchandise, the customs duty may be waived or reduced (subject to section 1508(b)(2)(B) of this title) in an amount that does not exceed the lesser of—

(i) the total amount of customs duties paid or owed on the merchandise on importation into the United States, or

(ii) the total amount of customs duties paid on the merchandise to the NAFTA country;

(3) without payment of duties for exportation to any foreign country other than to a NAFTA country or to Canada when exports to that country are subject to paragraph (4);

(4) without payment of duties for exportation to Canada (if that country ceases to be a NAFTA country and the suspension of the operation of the United States-Canada Free-Trade Agreement thereafter terminates), but the exemption from the payment of duties under this paragraph applies only in the case of an exportation during the period such Agreement is in operation of merchandise that—

(A) is only cleaned, sorted, or repacked in a bonded warehouse, or

(B) is a drawback eligible good under section 204(a) of the United States-Canada Free-Trade Agreement Implementation Act of 1988; and

(5) without payment of duties for shipment to the Virgin Islands, American Samoa, Wake Island, Midway Island, Kingman Reef, Johnston Island or the island of Guam.

Merchandise may be withdrawn from bonded warehouse for consumption, or for exportation to Canada if the duty exemption under paragraph (4) of the preceding sentence does not apply, upon the payment of duties accruing thereon, in its condition and quantity, and at its weight, at the time of withdrawal from warehouse, with such additions to or deductions from the final appraised value as may be necessary by reason of change in condition. The basis for the assessment of duties on such merchandise so withdrawn for consumption shall be the adjusted final appraised value, and if the rate of duty is based upon or regulated in any manner by the value of the merchandise, such rate shall be based upon or regulated by such adjusted final appraised value. The scouring or carbonizing of wool shall not be considered a process of manufacture within the provisions of this section. Under such regulations as the Secretary of the Treasury shall prescribe, imported merchandise which has been entered and which has remained in continuous customs custody may be manipulated in accordance with the provisions of this section under customs supervision and at the risk and expense of the consignee, but elsewhere than in a bonded warehouse, in cases where neither the protection of the revenue nor the proper conduct of customs business requires that such manipulation be done in bonded warehouse.

(June 17, 1930, ch. 497, title IV, § 562, 46 Stat. 745; June 25, 1938, ch. 679, §§ 2, 25, 52 Stat. 1077, 1088; Aug. 8, 1953, ch. 397, § 18(f), 67 Stat. 518; June 30, 1955, ch. 258, § 2(a)(5), 69 Stat. 242; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Sept. 28, 1988, Pub. L. 100–449, title II, § 204(c)(4), 102 Stat. 1863; Dec. 8, 1993, Pub. L. 103–182, title II, § 203(b)(4), 107 Stat. 2090.)

REFERENCES IN TEXT

Section 204 of the United States-Canada Free-Trade Agreement Implementation Act of 1988, referred to in par. (4)(B), is section 204 of Pub. L. 100–449, which is set out in a note under section 2112 of this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 562, 42 Stat. 978. That section was superseded by section 562 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions substantially the same, in effect, as those of this section with respect to the quantity of merchandise which might be withdrawn, were contained in R.S. § 2980, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Pub. L. 103–182 substituted ''be withdrawn therefrom—'' for ''be withdrawn therefrom without payment of duties—'' in second sentence, substituted ''paragraph (4) of the preceding sentence'' for ''paragraph (1) of the preceding sentence'' in third sentence, added pars. (1) to (5), and struck out former pars. (1) to (3) which read as follows:

''(1) for exportation to Canada, but on or after January 1, 1994, or such later date as may be proclaimed by the President under section 204(b)(2)(B) of the United

States-Canada Free-Trade Agreement Implementation Act of 1988, such exemption from the payment of duties applies only in the case of the exportation to Canada of merchandise that—

''(A) is only cleaned, sorted, or repacked in a bonded warehouse, or

''(B) is a drawback eligible good under section 204(a) of such Act of 1988;

''(2) for exportation to any foreign country except Canada; and

''(3) for shipment to the Virgin Islands, American Samoa, Wake Island, Midway Island, Kingman Reef, Johnston Island or the island of Guam.''

1988—Pub. L. 100–449 substituted the except clause and following sentence for proviso at end of second section which read as follows: '': *Provided,* That upon permission therefor being granted by the Secretary of the Treasury, and under customs supervision, at the expense of the proprietor, merchandise may be cleaned, sorted, repacked, or otherwise changed in condition, but not manufactured, in bonded warehouses established for that purpose and be withdrawn therefrom for exportation to a foreign country or for shipment to the Virgin Islands, American Samoa, Wake Island, Midway Islands, Kingman Reef, Johnston Island, or the island of Guam, without payment of the duties, or for consumption, upon payment of the duties accruing thereon, in its condition and quantity, and at its weight, at the time of withdrawal from warehouse, with such additions to or deductions from the final appraised value as may be necessary by reason of change in condition.''

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

1955—Act June 30, 1955, inserted ''Johnston Island''.

1953—Act Aug. 8, 1953, in third sentence struck out ''the entered value or'' after ''consumption shall be'', ''whichever is higher,'' after ''the adjusted final appraised value,'', and ''; but for the purpose of the ascertainment and assessment of additional duties under section 1489 of this chapter adjustments of the final appraised value shall be disregarded'' after ''such adjusted final appraised value''.

1938—Act June 25, 1938, inserted sentence providing for manipulation of imported merchandise entering and remaining in continuous customs custody in cases where neither the protection of the revenue nor proper conduct of business requires such manipulation be done in a bonded warehouse, and inserted ''Wake Island, Midway Islands, Kingman Reef'' before ''or the island of Guam''.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 applicable (1) with respect to exports from the United States to Canada on Jan. 1, 1996, if Canada is a NAFTA country on that date and after such date for so long as Canada continues to be a NAFTA country and (2) with respect to exports from the United States to Mexico on Jan. 1, 2001, if Mexico is a NAFTA country on that date and after such date for so long as Mexico continues to be a NAFTA country, see section 213(c) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENT

Amendment by Pub. L. 100–449 effective on date the United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1955 AMENDMENT

Amendment by act June 30, 1955, effective July 1, 1955, see note set out under section 1401 of this title.

EFFECTIVE DATE OF 1953 AMENDMENT; SAVINGS PROVISION

Amendment by act Aug. 8, 1953, effective on and after thirtieth day following Aug. 8, 1953, and savings provision, see notes set out under section 1304 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1503, 1508 of this title.

§ 1563. Allowance for loss, abandonment of warehouse goods

(a) Abatement or allowance for deterioration, loss or damage to merchandise in customs custody; exception

In no case shall there be any abatement or allowance made in the duties for any injury, deterioration, loss, or damage sustained by any merchandise while remaining in customs custody, except that the Secretary of the Treasury is authorized, upon production of proof satisfactory to him of the loss or theft of any merchandise while in the appraiser's stores, or of the actual injury or destruction, in whole or in part, of any merchandise by accidental fire or other casualty, while in bonded warehouse, or in the appraiser's stores, or while in transportation under bond, or while in the custody of the officers of the customs, although not in bond, or while within the limits of any port of entry and before having been landed under the supervision of the officers of the customs, to abate or refund, as the case may be, the duties upon such merchandise, in whole or in part, and to pay any such refund out of any moneys in the Treasury not otherwise appropriated, and to cancel any warehouse bond or bonds, or enter satisfaction thereon in whole or in part, as the case may be, but no abatement or refund shall be made in respect of injury or destruction of any merchandise in bonded warehouse occurring after the expiration of three years from the date of importation. The decision of the Secretary of the Treasury as to the abatement or refund of the duties on any such merchandise shall be final and conclusive upon all persons.

The Secretary of the Treasury is authorized to prescribe such regulations as he may deem necessary to carry out the provisions of this subdivision and he may by such regulations limit the time within which proof of loss, theft, injury, or destruction shall be submitted, and may provide for the abatement or refund of duties, as authorized herein, by appropriate customs officers in cases in which the amount of the abatement or refund claimed is less than $25 and in which the importer has agreed to abide by the decision of the customs officer. The decision of the customs officer in any such case shall be final and conclusive upon all persons.

(b) Abandonment of merchandise to Government; remittal or refund of duties paid

Under such regulations as the Secretary of the Treasury may prescribe and subject to any con-

ditions imposed thereby the consignee may at any time within three years from the date of original importation, abandon to the Government any merchandise in bonded warehouse, whereupon any duties on such merchandise may be remitted or refunded as the case may be, but any merchandise so abandoned shall not be less than an entire package and shall be abandoned in the original package without having been repacked while in a bonded warehouse (other than a bonded manipulating warehouse).

(June 17, 1930, ch. 497, title IV, § 563, 46 Stat. 746; June 25, 1938, ch. 679, § 23(a), 52 Stat. 1088; June 2, 1970, Pub. L. 91–271, title III, § 301(v), 84 Stat. 290.)

CODIFICATION

Provisions of this section authorizing transfer of cases before the United States Customs Court on June 18, 1930, to the Secretary of the Treasury, or to the collector, for consideration and determination, were omitted.

PRIOR PROVISIONS

Prior provisions somewhat similar to those of this section, were contained in R.S. § 2983, and section 2984 as amended by act Feb. 27, 1877, ch. 69, § 1, 19 Stat. 247, which contained a further provision for cancellation or satisfaction of warehouse bonds. Both of these sections were superseded by act Sept. 21, 1922, ch. 356, title IV, § 563, 42 Stat. 978, and repealed by section 642 thereof. Section 563 of the 1922 act was superseded and enlarged by section 563 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1970—Subsec. (a). Pub. L. 91–271 substituted ''appropriate customs officers'' for ''collectors of customs'', and ''customs officer'' for ''collector'' wherever appearing.

1938—Act June 25, 1938, struck out ''(or ten months in the case of grain)'' wherever appearing.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Section 23(b) of act June 25, 1938, provided as follows: ''The amendments made by subsection (a) of this section [amending this section] shall apply in the case of grain imported prior to the effective date of this act [see note set out under section 1401 of this title] which, on such date, has not become abandoned to the Government under section 491 or 559 of the Tariff Act of 1930 [section 1491 or 1559 of this title], and which has remained in the custody of customs officers.''

APPROPRIATIONS

Section 2 of act June 26, 1934, ch. 756, 48 Stat. 1225, which was classified to section 725a of former Title 31, Money and Finance, repealed the permanent appropriation under the title ''Refunding duties on goods destroyed (Customs) (2x330)'' effective July 1, 1935, and provided that such portions of any Acts as make permanent appropriations to be expended under such account are amended so as to authorize, in lieu thereof, annual appropriations from the general fund of the Treasury in identical terms and in such amounts as now provided by the laws providing such permanent appropriations.

§ 1564. Liens

Whenever a customs officer shall be notified in writing of the existence of a lien for freight, charges, or contribution in general average upon any imported merchandise sent to the appraiser's store for examination, entered for warehousing or taken possession of by him, he shall refuse to permit delivery thereof from public store or bonded warehouse until proof shall be produced that the said lien has been satisfied or discharged. The rights of the United States shall not be prejudiced or affected by the filing of such lien, nor shall the United States or its officers be liable for losses or damages consequent upon such refusal to permit delivery. If merchandise, regarding which such notice of lien has been filed, shall be forfeited or abandoned and sold, the freight, charges, or contribution in general average due thereon shall be paid from the proceeds of such sale in the same manner as other lawful charges and expenses are paid therefrom. The provisions of this section shall apply to licensed customs brokers who otherwise possess a lien for the purposes stated above upon the merchandise under the statutes or common law, or by order of any court of competent jurisdiction, of any State.

(June 17, 1930, ch. 497, title IV, § 564, 46 Stat. 747; June 2, 1970, Pub. L. 91–271, title III, § 301(w), 84 Stat. 290; Oct. 30, 1984, Pub. L. 98–573, title II, § 212(c)(A), formerly § 212(b)(7)(A), 98 Stat. 2984, renumbered Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1889(3), 100 Stat. 2925.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 564, 42 Stat. 978. That section was superseded by section 564 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions somewhat similar to those of this section were contained in R.S. § 2981, as amended by act June 10, 1880, ch. 190, § 10, 21 Stat. 175, and act May 21, 1896, ch. 217, 29 Stat. 129, which also required notice to be given the party claiming the lien before delivery of the goods, and provided that possession by officers of the customs should not affect the discharge of the lien. That section was repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1984—Pub. L. 98–573 inserted provision making this section applicable to licensed customs brokers who otherwise possess a lien for the purposes stated above upon the merchandise under the statutes or common law, or by order of any court of competent jurisdiction, of any State.

1970—Pub. L. 91–271 substituted reference to customs officer for reference to collector of customs.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective on close of 180th day following Oct. 30, 1984, see section 214(d) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan

amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

§ 1565. Cartage

The cartage of merchandise entered for warehouse shall be done by—

(1) cartmen appointed and licensed by the Customs Service; or

(2) carriers designated under section 1551 of this title to carry bonded merchandise;

who shall give bond, in a penal sum to be fixed by the Customs Service, for the protection of the Government against any loss of, or damage to, the merchandise while being so carted. The cartage of merchandise designated for examination at the appraiser's stores and of merchandise taken into custody by the customs officer as unclaimed shall be performed by such persons as may be designated, under contract or otherwise, by the Secretary of the Treasury, and under such regulations for the protection of the owners thereof and of the revenue as the Secretary of the Treasury shall prescribe.

(June 17, 1930, ch. 497, title IV, § 565, 46 Stat. 747; June 2, 1970, Pub. L. 91–271, title III, § 301(x), 84 Stat. 290; Dec. 8, 1993, Pub. L. 103–182, title VI, § 666, 107 Stat. 2215.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 565, 42 Stat. 979. That section was superseded by section 565 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Act June 22, 1874, ch. 391, § 25, 18 Stat. 191, required cartage of merchandise in the custody of the government to be let to the lowest responsible bidder, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

AMENDMENTS

1993—Pub. L. 103–182 amended first sentence generally. Prior to amendment, first sentence read as follows: "The cartage of merchandise entered for warehouse shall be done by cartmen to be appointed and licensed by the appropriate customs officer and who shall give a bond in a penal sum to be fixed by such customs officer, for the protection of the Government against any loss of, or damage to, such merchandise while being so carted."

1970—Pub. L. 91–271 substituted references to appropriate customs officer of customs officer for references to collector of customs or collector wherever appearing.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

PART V—ENFORCEMENT PROVISIONS

§ 1581. Boarding vessels

(a) Customs officers

Any officer of the customs may at any time go on board of any vessel or vehicle at any place in the United States or within the customs waters or, as he may be authorized, within a customs-enforcement area established under the Anti-Smuggling Act [19 U.S.C. 1701 et seq.], or at any other authorized place, without as well as within his district, and examine the manifest and other documents and papers and examine, inspect, and search the vessel or vehicle and every part thereof and any person, trunk, package, or cargo on board, and to this end may hail and stop such vessel or vehicle, and use all necessary force to compel compliance.

(b) Officers of Department of the Treasury

Officers of the Department of the Treasury and other persons authorized by such department may go on board of any vessel at any place in the United States or within the customs waters and hail, stop, and board such vessel in the enforcement of the navigation laws and arrest or, in case of escape or attempted escape, pursue and arrest any person engaged in the breach or violation of the navigation laws.

(c) Penalty for presenting forged, altered, or false documents

Any master of a vessel being examined as herein provided, who presents any forged, altered, or false document or paper to the examining officer, knowing the same to be forged, altered, or false and without revealing the fact shall, in addition to any forfeiture to which in consequence the vessel may be subject, be liable to a fine of not more than $5,000 nor less than $500.

(d) Penalty for failure to stop at command

Any vessel or vehicle which, at any authorized place, is directed to come to a stop by any officer of the customs, or is directed to come to a stop by signal made by any vessel employed in the service of the customs and displaying proper insignia, shall come to a stop, and upon failure to comply a vessel or vehicle so directed to come to a stop shall become subject to pursuit and the master, owner, operator, or person in charge thereof shall be liable to a penalty of not more than $5,000 nor less than $1,000.

(e) Seizure of vessel or merchandise

If upon the examination of any vessel or vehicle it shall appear that a breach of the laws of the United States is being or has been committed so as to render such vessel or vehicle, or the merchandise, or any part thereof, on board of, or brought into the United States by, such vessel or vehicle, liable to forfeiture or to secure any fine or penalty, the same shall be seized and any person who has engaged in such breach shall be arrested.

(f) Duty of customs officers to seize vessel

It shall be the duty of the several officers of the customs to seize and secure any vessel, vehicle, or merchandise which shall become liable to seizure, and to arrest any person who shall become liable to arrest, by virtue of any law respecting the revenue, as well without as within their respective districts, and to use all necessary force to seize or arrest the same.

(g) Vessels deemed employed within United States

Any vessel, within or without the customs waters, from which any merchandise is being, or has been, unlawfully introduced into the United States by means of any boat belonging to, or

owned, controlled, or managed in common with, said vessel, shall be deemed to be employed within the United States and, as such, subject to the provisions of this section.

(h) Application of section to treaties of United States

The provisions of this section shall not be construed to authorize or require any officer of the United States to enforce any law of the United States upon the high seas upon a foreign vessel in contravention of any treaty with a foreign government enabling or permitting the authorities of the United States to board, examine, search, seize, or otherwise to enforce upon said vessel upon the high seas the laws of the United States except as such authorities are or may otherwise be enabled or permitted under special arrangement with such foreign government.

(June 17, 1930, ch. 497, title IV, § 581, 46 Stat. 747; Aug. 5, 1935, ch. 438, title II, § 203, 49 Stat. 521; 1946 Reorg. Plan No. 3, §§ 101–104, eff. July 16, 1946, 11 F.R. 7875, 60 Stat. 1097; Sept. 1, 1954, ch. 1213, title V, § 504, 68 Stat. 1141.)

REFERENCES IN TEXT

The Anti-Smuggling Act, referred to in subsec. (a), is act Aug. 5, 1935, ch. 438, 49 Stat. 517, as amended, which is classified principally to chapter 5 (§ 1701 et seq.) of this title. For complete classification of this Act to the Code, see section 1711 of this title and Tables.

The navigation laws, referred to in subsec. (b), are classified generally to Title 33, Navigation and Navigable Waters.

For definition of officer of the customs used in text, see section 1401 of this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 581, 42 Stat. 979. That section was superseded by section 581 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions dealing with the subject matter of this section were contained in R.S. § 3059, conferring powers similar in most respects to those conferred by this section, so far as it relates to vessels, on any officer of the customs, including inspectors and occasional inspectors, or of a revenue cutter, or authorized agent of the Treasury Department, or other persons specially appointed in writing; section 3060, requiring appointments under the preceding section to be filed in the custom house; section 3067, authorizing collectors, etc., and officers of revenue cutters to go on board vessels in port or within four leagues of the coast, for the purpose of demanding manifests, and examining and searching vessels; and section 3069, relative to noting and sealing, if necessary, packages found separate from the residue of the cargo. All of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1954—Subsec. (d). Act Sept. 1, 1954, provided a penalty against the owner, operator or person in charge, as well as the master, of a vessel failing to come to a required stop and struck out provisions relating to the duty of the customs officers to pursue such vessels.

1935—Act Aug. 5, 1935, amended section generally among which changes it subdivided the section into subsecs. (a) to (h), inclusive.

TRANSFER OF FUNCTIONS

Word ''Treasury'' was substituted for ''Commerce'' in subsection (b) upon authority of Reorg. Plan No. 3 of 1946. See note set out under section 1613 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1587, 1703 of this title.

§ 1582. Search of persons and baggage; regulations

The Secretary of the Treasury may prescribe regulations for the search of persons and baggage and he is authorized to employ female inspectors for the examination and search of persons of their own sex; and all persons coming into the United States from foreign countries shall be liable to detention and search by authorized officers or agents of the Government under such regulations.

(June 17, 1930, ch. 497, title IV, § 582, 46 Stat. 748.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in R.S. § 3064, which was superseded by act Sept. 21, 1922, ch. 356, title IV, § 582, 42 Stat. 979, and was repealed by section 642 thereof. Section 582 of the 1922 act was superseded by section 582 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

§ 1583. Repealed. Pub. L. 103–182, title VI, § 690(b)(9), Dec. 8, 1993, 107 Stat. 2223

Section, acts June 17, 1930, ch. 497, title IV, § 583, 46 Stat. 748; Aug. 2, 1956, ch. 887, § 4(c), 70 Stat. 948, related to delivery and certification of manifest.

§ 1584. Falsity or lack of manifest; penalties

(a) General rule

(1) Any master of any vessel and any person in charge of any vehicle bound to the United States who does not produce the manifest to the officer (whether of the Customs Service or the Coast Guard) demanding the same shall be liable to a penalty of $1,000, and if any merchandise, including sea stores, is found on board of or after having been unladen from such vessel or vehicle which is not included or described in said manifest or does not agree therewith, the master of such vessel or the person in charge of such vehicle or the owner of such vessel or vehicle or any person directly or indirectly responsible for any discrepancy between the merchandise and said manifest shall be liable to a penalty equal to the lesser of $10,000 or the domestic value of the merchandise so found or unladen, and any such merchandise belonging or consigned to the master or other officer or to any of the crew of such vessel, or to the owner or person in charge of such vehicle, shall be subject to forfeiture, and if any merchandise described in such manifest is not found on board the vessel or vehicle the master or other person in charge or the owner of such vessel or vehicle or any person directly or indirectly responsible for any discrepancy between the merchandise and said manifest shall be subject to a penalty of $1,000: *Provided*, That if the Customs Service shall be satisfied that the manifest was lost or mislaid without intentional fraud, or was defaced by accident, or is incorrect by reason of clerical error or other mistake and that no part of the merchandise not found on board was unshipped or discharged except as specified in the report of the master, said penalties shall not be incurred.

For purposes of this subsection, the term ''clerical error'' means a nonnegligent, inadvertent, or typographical mistake in the preparation, assembly, or submission (electronically or otherwise) of the manifest.

(2) If any of such merchandise so found consists of heroin, morphine, cocaine, isonipecaine, or opiate, the master of such vessel or person in charge of such vehicle or the owner of such vessel or vehicle or any person directly or indirectly responsible for heroin, morphine, cocaine, isonipecaine, or opiate being in such merchandise shall be liable to a penalty of $1,000 for each ounce thereof so found. If any of such merchandise so found consists of smoking opium, opium prepared for smoking, or marihuana, the master of such vessel or person in charge of such vehicle or the owner of such vessel or vehicle or any person directly or indirectly responsible for smoking opium, opium prepared for smoking, or marihuana being in such merchandise shall be liable to a penalty of $500 for each ounce thereof so found. If any of such merchandise so found consists of crude opium, the master of such vessel or person in charge of such vehicle or the owner of such vessel or vehicle or any person directly or indirectly responsible for crude opium being in such merchandise shall be liable to a penalty of $200 for each ounce thereof so found. Such penalties shall, notwithstanding the proviso in section 1594 of this title (relating to the immunity of vessels or vehicles used as common carriers), constitute a lien upon such vessel which may be enforced by a libel in rem; except that the master or owner of a vessel used by any person as a common carrier in the transaction of business as such common carrier shall not be liable to such penalties and the vessel shall not be held subject to the lien, if it appears to the satisfaction of the court that neither the master nor any of the officers (including licensed and unlicensed officers and petty officers) nor the owner of the vessel knew, and could not, by the exercise of the highest degree of care and diligence, have known, that such narcotic drugs were on board. Clearance of any such vessel may be withheld until such penalties are paid or until a bond, satisfactory to the Customs Service, is given for the payment thereof. The provisions of this paragraph shall not prevent the forfeiture of any such vessel or vehicle under any other provision of law. As used in this paragraph, the terms ''opiate'' and ''marihuana'' shall have the same meaning given those terms by sections 802(17) and 802(15),[1] respectively, of title 21.

(3) If any of such merchandise (sea stores excepted), the importation of which into the United States is prohibited, or which consists of any spirits, wines, or other alcoholic liquors for the importation of which into the United States a certificate is required under section 1707 of this title and the required certificate be not shown, be so found upon any vessel not exceeding five hundred net tons, the vessel shall, in addition to any other penalties herein or by law provided, be seized and forfeited, and, if any manifested merchandise (sea stores excepted) consisting of any such spirits, wines, or other alcoholic liquors be found upon any such vessel and the required certificate be not shown, the master of the vessel shall be liable to the penalty herein provided in the case of merchandise not duly manifested: *Provided,* That if the Customs Service shall be satisfied that the certificate required for the importation of any spirits, wines, or other alcoholic liquors was issued and was lost or mislaid without intentional fraud, or was defaced by accident, or is incorrect by reason of clerical error or other mistake, said penalties shall not be incurred.

(b) Procedures

(1) If the Customs Service has reasonable cause to believe that there has been a violation of subsection (a)(1) of this section and determines that further proceedings are warranted, the Customs Service shall issue or electronically transmit to the person concerned a notice of intent to issue or electronically transmit a claim for a monetary penalty. Such notice shall—

(A) describe the merchandise;

(B) set forth the details of the error in the manifest;

(C) specify all laws and regulations allegedly violated;

(D) disclose all the material facts which establish the alleged violation;

(E) state the estimated loss of lawful duties, if any, and, taking into account all of the circumstances, the amount of the proposed monetary penalty; and

(F) inform such person that he will have a reasonable opportunity to make representations, both oral and written, as to why such penalty claim should not be issued.

No notice is required under this subsection for any violation of subsection (a)(1) of this section for which the proposed penalty is $1,000 or less.

(2) After considering representations, if any, made by the person concerned pursuant to the notice issued under paragraph (1), the Customs Service shall determine whether any violation of subsection (a)(1) of this section, as alleged in the notice, has occurred. If the Customs Service determines that there was no violation, the Customs Service shall promptly issue or electronically transmit a statement of the determination to the person to whom the notice was sent. If the Customs Service determines that there was a violation, the Customs Service shall issue or electronically transmit a penalty claim to such person. The penalty claim shall specify all changes in the information provided under subparagraphs (A) through (E) of paragraph (1).

(June 17, 1930, ch. 497, title IV, § 584, 46 Stat. 748; Aug. 5, 1935, ch. 438, title II, § 204, 49 Stat. 523; July 1, 1944, ch. 377, § 10, 58 Stat. 722; Mar. 8, 1946, ch. 81, § 9, 60 Stat. 39; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Oct. 27, 1970, Pub. L. 91–513, title III, § 1102(m), 84 Stat. 1293; Oct. 3, 1978, Pub. L. 95–410, title I, § 109, 92 Stat. 892; Oct. 27, 1986, Pub. L. 99–570, title III, § 3118, 100 Stat. 3207–84; Dec. 8, 1993, Pub. L. 103–182, title VI, § 619, 107 Stat. 2180.)

REFERENCES IN TEXT

Sections 802(17) and 802(15) of title 21, referred to in subsec. (a)(2), were redesignated sections 802(18) and 802(16) of title 21, respectively, by Pub. L. 98–473, title II, § 507(a), Oct. 12, 1984, 98 Stat. 2071.

[1] See References in Text note below.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 584, 42 Stat. 980. Section 584 of the 1922 act was superseded by section 584 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions dealing with the subject matter of this section were contained in R.S. § 2809, imposing a penalty and providing for forfeiture for bringing in merchandise not included in the manifest, or without a manifest; section 2810, as amended by act Feb. 27, 1877, ch. 69, § 1, 19 Stat. 246, making an exception in case of mistake or accident, etc.; section 2814, imposing penalties for failing to produce, or deliver copies of the manifests, etc.; section 2815, requiring officers to report violations; section 2887, imposing a penalty if any package reported was not found, or if the merchandise did not agree with the report or manifest, etc. All of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Subsec. (a)(1). Pub. L. 103–182, § 619(1), substituted ''officer (whether of the Customs Service or the Coast Guard) demanding the same'' for ''officer demanding the same'' and ''Customs Service shall be satisfied'' for ''appropriate customs officer shall be satisfied'' and inserted ''(electronically or otherwise)'' after ''submission'' in last sentence.

Subsec. (a)(2), (3). Pub. L. 103–182, § 619(1)(A), substituted ''Customs Service'' for ''appropriate customs officer'' wherever appearing.

Subsec. (b)(1). Pub. L. 103–182, § 619(2), substituted ''If the Customs Service'' for ''If the appropriate customs officer'' and ''the Customs Service shall issue or electronically transmit to the person concerned a notice of intent to issue or electronically transmit a claim'' for ''he shall issue to the person concerned a written notice of his intention to issue a claim''.

Subsec. (b)(2). Pub. L. 103–182, § 619(2)(A)–(C), substituted ''the Customs Service shall determine'' for ''the appropriate customs officer shall determine'', ''the Customs Service determines that there was no violation, the Customs Service shall promptly issue or electronically transmit a statement'' for ''such officer determines that there was no violation, he shall promptly issue a written statement'', ''the Customs Service determines that there was a violation, the Customs Service shall issue or electronically transmit a penalty claim'' for ''such officer determines that there was a violation, he shall issue a written penalty claim'' and ''The penalty claim shall specify'' for ''The written penalty claim shall specify''.

1986—Subsec. (a)(1). Pub. L. 99–570, § 3118(1), substituted ''$1,000'' for ''$500'' in two places.

Subsec. (a)(2). Pub. L. 99–570, § 3118(2)–(4), substituted ''$1,000'' for ''$50'', ''$500'' for ''$25'', and ''$200'' for ''$10''.

Subsec. (b)(1). Pub. L. 99–570, § 3118(1), substituted ''$1,000'' for ''$500''.

1978—Subsec. (a)(1). Pub. L. 95–410, § 109(1)(A), (2)–(4), inserted introductory heading ''(a) GENERAL RULE.—'', designated unnumbered first par. as par. (1), substituted for merchandise found or unladen but not included or described in the manifest a penalty the lesser of $10,000 or the domestic value of the merchandise for prior penalty equal to the value of the merchandise so found or unladen, made the above penalty and penalty of $500 for describing merchandise in the manifest without being found aboard the vessel or vehicle applicable to any person directly or indirectly responsible for any discrepancy between the merchandise and the manifest, and defined the term ''clerical error''.

Subsec. (a)(2). Pub. L. 95–410, § 109(1)(B), (5)–(7), designated unnumbered second par. as par. (2) and made the penalties of $50, $25, and $10 applicable to any person directly or indirectly responsible, respectively, for: heroin, morphine, cocaine, isonipecaine, or opiate being in the merchandise; smoking opium, opium prepared for smoking, or marihuana being in the merchandise; and crude opium being in the merchandise.

Subsec. (a)(3). Pub. L. 95–410, § 109(1)(C), designated unnumbered third par. as par. (3).

Subsec. (b). Pub. L. 95–410, § 109(8), added subsec. (b).

1970—Pub. L. 91–271 substituted references to appropriate customs officer for references to collector wherever appearing.

Par. (2). Pub. L. 91–513 struck out ''isonipecaine'' from list of defined substances and substituted sections 802(17) and 802(15) of title 21 for sections 3228(e), 3228(f), and 3238(b) of title 26 as the sections where definitions referred to are to be found.

1946—Par. (2). Act Mar. 8, 1946, struck out ''or'' before ''isonipecaine'' and inserted ''or opiate'', after ''isonipecaine'' in first sentence, inserted ''opiate'' after ''isonipecaine'' and inserted ''3228(f)'' in last sentence.

1944—Par. (2). Act July 1, 1944, struck out ''or'' before ''cocaine,'' and inserted ''or isonipecaine'' after ''cocaine'' in first sentence, struck ''or'' before ''or opium prepared'' and inserted a comma in lieu thereof, inserted ''or Marihuana'' after ''prepared for smoking'' in second sentence, and inserted last sentence.

1935—Act Aug. 5, 1935, amended second par. and inserted last par.

EFFECTIVE DATE OF 1970 AMENDMENTS

Amendment by Pub. L. 91–513 effective on first day of the seventh calendar month that begins after Oct. 26, 1970, see section 1105(a) of Pub. L. 91–513, set out as an Effective Date note under section 951 of Title 21, Food and Drugs.

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

SAVINGS PROVISION

Prosecutions for any violation of law occurring, and civil seizures or forfeitures and injunctive proceedings commenced, prior to the effective date of amendment of this section by section 1102 of Pub. L. 91–513 not to be affected or abated by reason thereof, see section 1103 of Pub. L. 91–513, set out as a note under section 171 of Title 21, Food and Drugs.

STANDARDS OF CARE IN DISCOVERING CONTRABAND

Pub. L. 100–690, title VII, § 7369, Nov. 18, 1988, 102 Stat. 4481, directed Secretary of the Treasury, no later than 120 days after Nov. 18, 1988, and after an opportunity for public comment, to prescribe regulations which set forth criteria for use by the owner, master, pilot, operator, or officer of, or other employee in charge of, any common carrier in meeting the standards under sections 1584(a)(2) and 1594(c) of this title for the exercise of the highest degree of care and diligence to know whether controlled substances imported into the United States are on board the common carrier and, within 6 months after Nov. 18, 1988, to issue controlled substances regulations for a 2-year demonstration program to establish procedures for air carrier development and Customs Service approval of foreign and domestic security and inspection practices by permitting air carriers to request the Secretary of the Treasury to permit air carriers, the Customs Service, or an approved agent of the Customs Service to inspect at United States airports of entry, and aircraft arriving from foreign locations.

FEDERAL RULES OF CIVIL PROCEDURE

Admiralty and maritime rules of practice (which included libel procedures) were superseded, and civil and admiralty procedures in United States district courts were unified, effective July 1, 1966, see rule 1 and Supplemental Rules for Certain Admiralty and Maritime Claims, Title 28, Appendix, Judiciary and Judicial Procedure.

CROSS REFERENCES

Contraband articles, seizure and forfeiture of vessels carrying, see section 80301 et seq. of Title 49, Transportation.

Entry of goods by means of false statements, punishment, see section 542 of Title 18, Crimes and Criminal Procedure.

Narcotic drugs—

Seizure and forfeiture in connection with violation of revenue laws, see section 7301 of Title 26, Internal Revenue Code.

Smuggling goods into the United States, punishment, see section 545 of Title 18, Crimes and Criminal Procedure.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1436, 1644a of this title.

§ 1585. Repealed. Pub. L. 103–182, title VI, § 690(b)(10), Dec. 8, 1993, 107 Stat. 2223

Section, acts June 17, 1930, ch. 497, title IV, § 585, 46 Stat. 749; Aug. 5, 1935, ch. 438, title III, § 303, 49 Stat. 527; Oct. 27, 1986, Pub. L. 99–570, title III, § 3113(b), 100 Stat. 3207–82, set forth penalties assessed when vessel or vehicle from foreign port or place departed or unloaded merchandise before making report or entry.

§ 1586. Unlawful unlading or transshipment

(a) Penalty for unlading prior to grant of permission

The master of any vessel from a foreign port or place, or of a hovering vessel which has received or delivered merchandise while outside the territorial sea, who allows any merchandise (including sea stores) to be unladen from such vessel at any time after its arrival within the customs waters and before such vessel has come to the proper place for the discharge of such merchandise, and before he has received a permit to unlade, shall be liable to a penalty equal to twice the value of the merchandise but not less than $10,000, and such vessel and its cargo and the merchandise so unladen shall be seized and forfeited.

(b) Penalty for transshipment to any vessel for purpose of unlawful entry

The master of any vessel from a foreign port or place, or of a hovering vessel which has received or delivered merchandise while outside the territorial sea, who allows any merchandise (including sea stores), the importation of which into the United States is prohibited, or which consists of any spirits, wines, or other alcoholic liquors, to be unladen from his vessel at any place upon the high seas adjacent to the customs waters of the United States to be transshipped to or placed in or received on any vessel of any description, with knowledge, or under circumstances indicating the purpose to render it possible, that such merchandise, or any part thereof, may be introduced, or attempted to be introduced, into the United States in violation of law, shall be liable to a penalty equal to twice the value of the merchandise but not less than $10,000, and the vessel from which the merchandise is so unladen, and its cargo and such merchandise, shall be seized and forfeited.

(c) Penalty for unlawful transshipment to any vessel of United States

The master of any vessel from a foreign port or place, or of a hovering vessel which has received or delivered merchandise while outside the territorial sea, who allows any merchandise (including sea stores) destined to the United States, the importation of which into the United States is prohibited, or which consists of any spirits, wines, or other alcoholic liquors, to be unladen, without permit to unlade, at any place upon the high seas adjacent to the customs waters of the United States, to be transshipped to or placed in or received on any vessel of the United States or any other vessel which is owned by any person a citizen of, or domiciled in, the United States, or any corporation incorporated in the United States, shall be liable to a penalty equal to twice the value of the merchandise but not less than $10,000, and the vessel from which the merchandise is so unladen, and its cargo and such merchandise, shall be seized and forfeited.

(d) Liability of master of receiving vessel in unlawful transshipment

If any merchandise (including sea stores) unladen in violation of the provisions of this section is transshipped to or placed in or received on any other vessel, the master of the vessel on which such merchandise is placed, and any person aiding or assisting therein, shall be liable to a penalty equal to twice the value of the merchandise, but not less than $10,000, and such vessel, and its cargo and such merchandise, shall be seized and forfeited.

(e) Imprisonment of persons aiding in unlawful unlading or transshipment

Whoever, at any place, if a citizen of the United States, or at any place in the United States or within customs waters, if a foreign national, shall engage or aid or assist in any unlading or transshipment of any merchandise in consequence of which any vessel becomes subject to forfeiture under the provisions of this section shall, in addition to any other penalties provided by law, be liable to imprisonment for not more than 15 years.

(f) Unlading or transshipment because of accident, stress of weather, etc.

Whenever any part of the cargo or stores of a vessel has been unladen or transshipped because of accident, stress of weather, or other necessity, the master of such vessel and the master of any vessel to which such cargo or stores has been transshipped shall, as soon as possible thereafter, notify the Customs Service at the district within which such unlading or transshipment has occurred, or the Customs Service at the district at which such vessel shall first arrive thereafter, and shall furnish proof that such unlading or transshipment was made necessary by accident, stress of weather, or other unavoidable cause, and if the Customs Service is satisfied that the unlading or transshipment was in fact due to accident, stress of weather, or other necessity, the penalties described in this section shall not be incurred.

(June 17, 1930, ch. 497, title IV, § 586, 46 Stat. 749; Aug. 5, 1935, ch. 438, title II, § 205, 49 Stat. 524; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Oct. 27, 1986, Pub. L. 99–570, title III, § 3119, 100 Stat. 3207–84; Dec. 8, 1993, Pub. L. 103–182, title VI, § 620, 107 Stat. 2180.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, §§ 586, 587,

42 Stat. 980, 981. These sections were superseded by section 586 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions somewhat similar to those of this section, but applicable only to vessels ''bound to the United States'' were contained in R.S. § 2867, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

Provisions substantially the same in effect as those contained in the act of 1922, § 587, except that the penalty was treble the value of the merchandise, and the provision for forfeiture applied only to the vessel was contained in R.S. § 2868, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Subsecs. (a) to (c). Pub. L. 103–182, § 620(1), inserted '', or of a hovering vessel which has received or delivered merchandise while outside the territorial sea,'' after ''from a foreign port or place''.

Subsec. (f). Pub. L. 103–182, § 620(2), substituted ''the Customs Service at the district'' for ''the appropriate customs officer of the district'' and ''the appropriate customs officer within the district'' and ''the Customs Service is satisfied'' for ''the appropriate customs officer is satisfied''.

1986—Subsecs. (a) to (d). Pub. L. 99–570, § 3119(1), substituted ''$10,000'' for ''$1,000'' wherever appearing.

Subsec. (e). Pub. L. 99–570, § 3119(2)(A), substituted ''customs waters'' for ''one league of the coast of the United States''.

Pub. L. 99–570, § 3119(2)(B), which directed that ''15 years'' be substituted for ''2 years'' was executed by making the substitution for ''two years'' as the probable intent of Congress.

1970—Subsec. (f). Pub. L. 91–271 substituted references to appropriate customs officer for references to collector wherever appearing.

1935—Act Aug. 5, 1935, redesignated existing provisions as subsecs. (a) and (f) and added subsecs. (b) to (e).

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§ 1587. Examination of hovering vessels

(a) Boarding and examination

Any hovering vessel, or any vessel which fails (except for unavoidable cause), at any place within the customs waters or within a customs-enforcement area established under the Anti-Smuggling Act [19 U.S.C. 1701 et seq.], to display lights as required by law, or which has become subject to pursuit as provided in section 1581 of this title, or which, being a foreign vessel to which subsection (h) of section 1581 of this title applies, is permitted by special arrangement with a foreign government to be so examined without the customs waters of the United States, may at any time be boarded and examined by any officer of the customs, and the provisions of said section 1581 shall apply thereto, as well without as within his district, and in examining the same, any such officer may also examine the master upon oath respecting the cargo and voyage of the vessel, and may also bring the vessel into the most convenient port of the United States to examine the cargo, and if the master of said vessel refuses to comply with the lawful directions of such officer or does not truly answer such questions as are put to him respecting the vessel, its cargo, or voyage, he shall be liable to a penalty of not more than $5,000 nor less than $500. If, upon the examination of any such vessel or its cargo by any officer of the customs, any dutiable merchandise destined to the United States is found, or discovered to have been, on board thereof, the vessel and its cargo shall be seized and forfeited. It shall be presumed that any merchandise (sea stores excepted), the importation of which into the United States is prohibited, or which consists of any spirits, wines, or other alcoholic liquors, so found, or discovered to have been, on board thereof, is destined to the United States.

(b) Unexplained lightness of vessel or discharge of cargo

If any vessel laden with cargo be found at any place in the United States or within the customs waters or within a customs-enforcement area established under the Anti-Smuggling Act [19 U.S.C. 1701 et seq.] and such vessel afterwards is found light or in ballast or having discharged its cargo or any part thereof, and the master is unable to give a due account of the port or place at which the cargo, or any part thereof, consisting of any merchandise the importation of which into the United States is prohibited or any spirits, wines, or other alcoholic liquors, was lawfully discharged, the vessel shall be seized and forfeited.

(c) Vessel bona fide bound from one foreign port to another foreign port

Nothing contained in this section shall be construed to render any vessel liable to forfeiture which is bona fide bound from one foreign port to another foreign port, and which is pursuing her course, wind and weather permitting.

(June 17, 1930, ch. 497, title IV, § 587, 46 Stat. 749; Aug. 5, 1935, ch. 438, title II, § 206, 49 Stat. 525.)

REFERENCES IN TEXT

The Anti-Smuggling Act, referred to in subsecs. (a) and (b), is act Aug. 5, 1935, ch. 438, 49 Stat. 517, as amended, which is classified principally to chapter 5 (§ 1701 et seq.) of this title. For complete classification of this Act to the Code, see section 1711 of this title and Tables.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 588, 42 Stat. 981. That section was superseded by section 588 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions substantially the same as those of this section, except that they applied only to ports on the northern, northeastern and northwestern frontiers, were contained in R.S. § 3110, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1937—Act Aug. 5, 1935, amended section generally.

§ 1588. Transportation between American ports via foreign ports

If any merchandise is laden at any port or place in the United States upon any vessel belonging wholly or in part to a subject of a foreign country, and is taken thence to a foreign port or place to be reladen and reshipped to any other port in the United States, either by the same or by another vessel, foreign or American, with intent to evade the provisions relating to the transportation of merchandise from one port or place of the United States to another port or

place of the United States in a vessel belonging wholly or in part to a subject of any foreign power, the merchandise shall, on its arrival at such last-named port or place, be seized and forfeited to the United States, and the vessel shall pay a tonnage duty of 50 cents per net ton.

(June 17, 1930, ch. 497, title IV, § 588, 46 Stat. 749.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1554 of this title.

§ 1589. Repealed. Pub. L. 100–690, title VII, § 7367(c)(5), Nov. 18, 1988, 102 Stat. 4480

Section, act June 17, 1930, ch. 497, title IV, § 589, as added Oct. 12, 1984, Pub. L. 98–473, title II, § 320, 98 Stat. 2056, set forth arrest authority of customs officers.

CODIFICATION

Another section 589 of act June 17, 1930, was added by Pub. L. 98–573, title II, § 213(a)(17), Oct. 30, 1984, 98 Stat. 2988, and is classified to section 1589a of this title.

A prior section 589 of act June 17, 1930, ch. 497, title IV, 46 Stat. 750, related to unlawful relanding and was classified to this section, prior to repeal by act June 25, 1948, ch. 645, § 21, 62 Stat. 862, eff. Sept. 1, 1948. See section 544 of Title 18, Crimes and Criminal Procedure.

§ 1589a. Enforcement authority of customs officers

Subject to the direction of the Secretary of the Treasury, an officer of the customs may—

(1) carry a firearm;

(2) execute and serve any order, warrant, subpena, summons, or other process issued under the authority of the United States;

(3) make an arrest without a warrant for any offense against the United States committed in the officer's presence or for a felony, cognizable under the laws of the United States committed outside the officer's presence if the officer has reasonable grounds to believe that the person to be arrested has committed or is committing a felony; and

(4) perform any other law enforcement duty that the Secretary of the Treasury may designate.

(June 17, 1930, ch. 497, title IV, § 589, as added Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(17), 98 Stat. 2988.)

CODIFICATION

Another section 589 of act June 17, 1930, as added by Pub. L. 98–473, title II, § 320, Oct. 12, 1984, 98 Stat. 2056, was classified to section 1589 of this title, prior to repeal by Pub. L. 100–690.

PRIOR PROVISIONS

A prior section 589 of act June 17, 1930, ch. 497, title IV, 46 Stat. 750, related to unlawful relanding and was classified to this section, prior to repeal by act June 25, 1948, ch. 645, § 21, 62 Stat. 862, eff. Sept. 1, 1948. See section 544 of Title 18, Crimes and Criminal Procedure.

EFFECTIVE DATE

Section effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as an Effective Date of 1984 Amendment note under section 1304 of this title.

§ 1590. Aviation smuggling

(a) In general

It is unlawful for the pilot of any aircraft to transport, or for any individual on board any aircraft to possess, merchandise knowing, or intending, that the merchandise will be introduced into the United States contrary to law.

(b) Sea transfers

It is unlawful for any person to transfer merchandise between an aircraft and a vessel on the high seas or in the customs waters of the United States if such person has not been authorized by the Secretary to make such transfer and—

(1) either—

(A) the aircraft is owned by a citizen of the United States or is registered in the United States, or

(B) the vessel is a vessel of the United States (within the meaning of section 1703(b) of this title), or

(2) regardless of the nationality of the vessel or aircraft, such transfer is made under circumstances indicating the intent to make it possible for such merchandise, or any part thereof, to be introduced into the United States unlawfully.

(c) Civil penalties

Any person who violates any provision of this section is liable for a civil penalty equal to twice the value of the merchandise involved in the violation, but not less than $10,000. The value of any controlled substance included in the merchandise shall be determined in accordance with section 1497(b) of this title.

(d) Criminal penalties

In addition to being liable for a civil penalty under subsection (c) of this section, any person who intentionally commits a violation of any provision of this section is, upon conviction—

(1) liable for a fine of not more than $10,000 or imprisonment for not more than 5 years, or both, if none of the merchandise involved was a controlled substance; or

(2) liable for a fine of not more than $250,000 or imprisonment for not more than 20 years, or both, if any of the merchandise involved was a controlled substance.

(e) Seizure and forfeiture

(1) Except as provided in paragraph (2), a vessel or aircraft used in connection with, or in aiding or facilitating, any violation of this section, whether or not any person is charged in connection with such violation, may be seized and forfeited in accordance with the customs laws.

(2) Paragraph (1) does not apply to a vessel or aircraft operated as a common carrier.

(f) "Merchandise" defined

As used in this section, the term ''merchandise'' means only merchandise the importation of which into the United States is prohibited or restricted.

(g) Intent of transfer of merchandise

For purposes of imposing civil penalties under this section, any of the following acts, when performed within 250 miles of the territorial sea of the United States, shall be prima facie evidence that the transportation or possession of merchandise was unlawful and shall be presumed to constitute circumstances indicating that the purpose of the transfer is to make it possible for such merchandise, or any part thereof, to be in-

troduced into the United States unlawfully, and for purposes of subsection (e) of this section or section 1595a of this title, shall be prima facie evidence that an aircraft or vessel was used in connection with, or to aid or facilitate, a violation of this section:

(1) The operation of an aircraft or a vessel without lights during such times as lights are required to be displayed under applicable law.

(2) The presence on an aircraft of an auxiliary fuel tank which is not installed in accordance with applicable law.

(3) The failure to identify correctly—

(A) the vessel by name or country of registration, or

(B) the aircraft by registration number and country of registration,

when requested to do so by a customs officer or other government authority.

(4) The external display of false registration numbers, false country of registration, or, in the case of a vessel, false vessel name.

(5) The presence on board of unmanifested merchandise, the importation of which is prohibited or restricted.

(6) The presence on board of controlled substances which are not manifested or which are not accompanied by the permits or licenses required under Single Convention on Narcotic Drugs or other international treaty.

(7) The presence of any compartment or equipment which is built or fitted out for smuggling.

(8) The failure of a vessel to stop when hailed by a customs officer or other government authority.

(June 17, 1930, ch. 497, title IV, § 590, as added Oct. 27, 1986, Pub. L. 99–570, title III, § 3120, 100 Stat. 3207–84.)

REFERENCES IN TEXT

The customs laws, referred to in subsec. (e)(1), are classified generally to this title.

PRIOR PROVISIONS

A prior section 1590, act June 17, 1930, ch. 497, title IV, § 590, 46 Stat. 750, related to false drawback claims, prior to repeal by act June 25, 1948, ch. 645, § 21, 62 Stat. 862, eff. Sept. 1, 1948. See section 550 of Title 18, Crimes and Criminal Procedure.

TERRITORIAL SEA OF UNITED STATES

For extension of territorial sea of United States, see Proc. No. 5928, set out as a note under section 1331 of Title 43, Public Lands.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 18 section 1956.

§ 1591. Repealed. June 25, 1948, ch. 645, § 21, 62 Stat. 862, eff. Sept. 1, 1948

Section, acts June 17, 1930, ch. 497, title IV, § 591, 46 Stat. 750; Aug. 5, 1935, ch. 438, title III, § 304(a), 49 Stat. 527, related to fraud and personal penalties. See section 542 of Title 18, Crimes and Criminal Procedure.

§ 1592. Penalties for fraud, gross negligence, and negligence

(a) Prohibition

(1) General rule

Without regard to whether the United States is or may be deprived of all or a portion of any lawful duty thereby, no person, by fraud, gross negligence, or negligence—

(A) may enter, introduce, or attempt to enter or introduce any merchandise into the commerce of the United States by means of—

(i) any document or electronically transmitted data or information, written or oral statement, or act which is material and false, or

(ii) any omission which is material, or

(B) may aid or abet any other person to violate subparagraph (A).

(2) Exception

Clerical errors or mistakes of fact are not violations of paragraph (1) unless they are part of a pattern of negligent conduct. The mere nonintentional repetition by an electronic system of an initial clerical error does not constitute a pattern of negligent conduct.

(b) Procedures

(1) Pre-penalty notice

(A) In general

If the Customs Service has reasonable cause to believe that there has been a violation of subsection (a) of this section and determines that further proceedings are warranted, it shall issue to the person concerned a written notice of its intention to issue a claim for a monetary penalty. Such notice shall—

(i) describe the merchandise;

(ii) set forth the details of the entry or introduction, the attempted entry or introduction, or the aiding or procuring of the entry or introduction;

(iii) specify all laws and regulations allegedly violated;

(iv) disclose all the material facts which establish the alleged violation;

(v) state whether the alleged violation occurred as a result of fraud, gross negligence, or negligence;

(vi) state the estimated loss of lawful duties, if any, and, taking into account all circumstances, the amount of the proposed monetary penalty; and

(vii) inform such person that he shall have a reasonable opportunity to make representations, both oral and written, as to why a claim for a monetary penalty should not be issued in the amount stated.

(B) Exceptions

The preceding subparagraph shall not apply if—

(i) the importation with respect to which the violation of subsection (a) of this section occurs is noncommercial in nature, or

(ii) the amount of the penalty in the penalty claim issued under paragraph (2) is $1,000 or less.

(2) Penalty claim

After considering representations, if any, made by the person concerned pursuant to the notice issued under paragraph (1), the Customs Service shall determine whether any violation of subsection (a) of this section, as alleged in

the notice, has occurred. If the Customs Service determines that there was no violation, it shall promptly issue a written statement of the determination to the person to whom the notice was sent. If the Customs Service determines that there was a violation, it shall issue a written penalty claim to such person. The written penalty claim shall specify all changes in the information provided under clauses (i) through (vi) of paragraph (1)(A). Such person shall have a reasonable opportunity under section 1618 of this title to make representations, both oral and written, seeking remission or mitigation of the monetary penalty. At the conclusion of any proceeding under such section 1618, the Customs Service shall provide to the person concerned a written statement which sets forth the final determination and the findings of fact and conclusions of law on which such determination is based.

(c) Maximum penalties

(1) Fraud

A fraudulent violation of subsection (a) of this section is punishable by a civil penalty in an amount not to exceed the domestic value of the merchandise.

(2) Gross negligence

A grossly negligent violation of subsection (a) of this section is punishable by a civil penalty in an amount not to exceed—

(A) the lesser of—

(i) the domestic value of the merchandise, or

(ii) four times the lawful duties of which the United States is or may be deprived, or

(B) if the violation did not affect the assessment of duties, 40 percent of the dutiable value of the merchandise.

(3) Negligence

A negligent violation of subsection (a) of this section is punishable by a civil penalty in an amount not to exceed—

(A) the lesser of—

(i) the domestic value of the merchandise, or

(ii) two times the lawful duties of which the United States is or may be deprived, or

(B) if the violation did not affect the assessment of duties, 20 percent of the dutiable value of the merchandise.

(4) Prior disclosure

If the person concerned discloses the circumstances of a violation of subsection (a) of this section before, or without knowledge of, the commencement of a formal investigation of such violation, with respect to such violation, merchandise shall not be seized and any monetary penalty to be assessed under subsection (c) of this section shall not exceed—

(A) if the violation resulted from fraud—

(i) an amount equal to 100 percent of the lawful duties of which the United States is or may be deprived, so long as such person tenders the unpaid amount of the lawful duties at the time of disclosure, or within 30 days (or such longer period as the Customs Service may provide) after notice by the Customs Service of its calculation of such unpaid amount, or

(ii) if such violation did not affect the assessment of duties, 10 percent of the dutiable value; or

(B) if such violation resulted from negligence or gross negligence, the interest (computed from the date of liquidation at the prevailing rate of interest applied under section 6621 of title 26) on the amount of lawful duties of which the United States is or may be deprived so long as such person tenders the unpaid amount of the lawful duties at the time of disclosure, or within 30 days (or such longer period as the Customs Service may provide) after notice by the Customs Service of its calculation of such unpaid amount.

The person asserting lack of knowledge of the commencement of a formal investigation has the burden of proof in establishing such lack of knowledge. For purposes of this section, a formal investigation of a violation is considered to be commenced with regard to the disclosing party and the disclosed information on the date recorded in writing by the Customs Service as the date on which facts and circumstances were discovered or information was received which caused the Customs Service to believe that a possibility of a violation of subsection (a) of this section existed.

(5) Prior disclosure regarding NAFTA claims

An importer shall not be subject to penalties under subsection (a) of this section for making an incorrect claim for preferential tariff treatment under section 3332 of this title if the importer—

(A) has reason to believe that the NAFTA Certificate of Origin (as defined in section 1508(b)(1) of this title) on which the claim was based contains incorrect information; and

(B) in accordance with regulations issued by the Secretary, voluntarily and promptly makes a corrected declaration and pays any duties owing.

(6) Seizure

If the Secretary has reasonable cause to believe that a person has violated the provisions of subsection (a) of this section and that such person is insolvent or beyond the jurisdiction of the United States or that seizure is otherwise essential to protect the revenue of the United States or to prevent the introduction of prohibited or restricted merchandise into the customs territory of the United States, then such merchandise may be seized and, upon assessment of a monetary penalty, forfeited unless the monetary penalty is paid within the time specified by law. Within a reasonable time after any such seizure is made, the Secretary shall issue to the person concerned a written statement containing the reasons for the seizure. After seizure of merchandise under this subsection, the Secretary may, in the case of restricted merchandise, and shall, in the case of any other merchandise (other than prohibited merchandise), return such merchandise upon the deposit of se-

curity not to exceed the maximum monetary penalty which may be assessed under subsection (c) of this section.

(d) Deprivation of lawful duties, taxes, or fees

Notwithstanding section 1514 of this title, if the United States has been deprived of lawful duties, taxes, or fees as a result of a violation of subsection (a) of this section, the Customs Service shall require that such lawful duties, taxes, or fees be restored, whether or not a monetary penalty is assessed.

(e) Court of International Trade proceedings

Notwithstanding any other provision of law, in any proceeding commenced by the United States in the Court of International Trade for the recovery of any monetary penalty claimed under this section—

(1) all issues, including the amount of the penalty, shall be tried de novo;

(2) if the monetary penalty is based on fraud, the United States shall have the burden of proof to establish the alleged violation by clear and convincing evidence;

(3) if the monetary penalty is based on gross negligence, the United States shall have the burden of proof to establish all the elements of the alleged violation; and

(4) if the monetary penalty is based on negligence, the United States shall have the burden of proof to establish the act or omission constituting the violation, and the alleged violator shall have the burden of proof that the act or omission did not occur as a result of negligence.

(f) False certifications regarding exports to NAFTA countries

(1) In general

Subject to paragraph (3), it is unlawful for any person to certify falsely, by fraud, gross negligence, or negligence, in a NAFTA Certificate of Origin (as defined in section 1508(b)(1) of this title) that a good to be exported to a NAFTA country (as defined in section 3301(4) of this title) qualifies under the rules of origin set out in section 3332 of this title.

(2) Applicable provisions

The procedures and penalties of this section that apply to a violation of subsection (a) of this section also apply to a violation of paragraph (1), except that—

(A) subsection (d) of this section does not apply, and

(B) subsection (c)(5) of this section applies only if the person voluntarily and promptly provides, to all persons to whom the person provided the NAFTA Certificate of Origin, written notice of the falsity of the Certificate.

(3) Exception

A person may not be considered to have violated paragraph (1) if—

(A) the information was correct at the time it was provided in a NAFTA Certificate of Origin but was later rendered incorrect due to a change in circumstances; and

(B) the person voluntarily and promptly provides written notice of the change to all persons to whom the person provided the Certificate of Origin.

(June 17, 1930, ch. 497, title IV, § 592, 46 Stat. 750; Aug. 5, 1935, ch. 438, title III, § 304(b), 49 Stat. 527; Oct. 3, 1978, Pub. L. 95–410, title I, § 110(a), 92 Stat. 893; Oct. 10, 1980, Pub. L. 96–417, title VI, § 609, 94 Stat. 1746; Oct. 22, 1986, Pub. L. 99–514, § 2, 100 Stat. 2095; Dec. 8, 1993, Pub. L. 103–182, title II, § 205(c), title VI, § 621, 107 Stat. 2095, 2180.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Oct. 3, 1913, ch. 16, § III, H, 38 Stat. 183, which was superseded by act Sept. 21, 1922, ch. 356, title IV, § 592, 42 Stat. 982, and was repealed by section 643 thereof. Section 592 of the 1922 act was superseded by section 592 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

The provisions of section III, H, of the 1913 act were substituted for provisions of the same nature made by the Customs Administrative Act of June 10, 1890, ch. 407, §§ 6, 9, 26 Stat. 134, 135, amended and reenacted by Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 95, 97.

Those provisions superseded similar provisions made by R.S. § 2864, as amended by act Feb. 18, 1875, ch. 80, 18 Stat. 319, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

R.S. § 2839 provided for forfeiture of merchandise entered, but not invoiced according to the actual cost at the place of exportation, with the design to evade payment of duty. It was repealed by the Customs Administrative Act of June 10, 1890, ch. 407, § 29, 26 Stat. 141, and provisions of a similar nature were made by section 9 of that act, amended by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 97, and further amended by the Underwood Tariff Act of Oct. 3, 1913, ch. 16, § III, H, 38 Stat. 183.

Act June 22, 1874, ch. 391, § 16, 18 Stat. 189, required special findings as to fraud in actions, etc., to enforce forfeitures, etc., prior to repeal by Customs Administrative Act of June 10, 1890, ch. 407, § 29, 26 Stat. 141.

AMENDMENTS

1993—Subsec. (a)(1)(A)(i). Pub. L. 103–182, § 621(1), inserted ''or electronically transmitted data or information'' after ''document''.

Subsec. (a)(2). Pub. L. 103–182, § 621(2), inserted at end ''The mere nonintentional repetition by an electronic system of an initial clerical error does not constitute a pattern of negligent conduct.''

Subsec. (b)(1)(A). Pub. L. 103–182, § 621(3)(A), substituted ''the Customs Service'' for ''the appropriate customs officer'', ''it shall issue'' for ''he shall issue'' and ''its intention'' for ''his intention'' in introductory provisions.

Subsec. (b)(2). Pub. L. 103–182, § 621(3)(B), substituted ''the Customs Service shall determine'' for ''the appropriate customs officer shall determine'', ''the Customs Service determines'' for ''such officer determines'' in two places, ''it shall'' for ''he shall'' in two places, and ''the Customs Service shall provide'' for ''the appropriate customs officer shall provide''.

Subsec. (c)(4). Pub. L. 103–182, § 621(4)(B), inserted at end ''For purposes of this section, a formal investigation of a violation is considered to be commenced with regard to the disclosing party and the disclosed information on the date recorded in writing by the Customs Service as the date on which facts and circumstances were discovered or information was received which caused the Customs Service to believe that a possibility of a violation of subsection (a) of this section existed.''

Subsec. (c)(4)(A)(i). Pub. L. 103–182, § 621(4)(A), substituted ''time of disclosure, or within 30 days (or such longer period as the Customs Service may provide) after notice by the Customs Service of its'' for ''time of disclosure or within thirty days, or such longer period

as the appropriate customs officer may provide, after notice by the appropriate customs officer of his''.

Subsec. (c)(4)(B). Pub. L. 103–182, § 621(4)(A), which directed the substitution of ''time of disclosure, or within 30 days (or such longer period as the Customs Service may provide) after notice by the Customs Service of its'' for ''time of disclosure in 30 days, or such longer period as the appropriate customs officer may provide, after notice by the appropriate customs officer of his'', was executed by making the substitution for text which began ''time of disclosure, or within 30 days'', to reflect the probable intent of Congress.

Subsec. (c)(5), (6). Pub. L. 103–182, § 205(c)(1), added par. (5) and redesignated former par. (5) as (6).

Subsec. (d). Pub. L. 103–182, § 621(5), inserted '', taxes or fees'' after ''duties'' in heading and in text substituted ''duties, taxes, or fees'' for ''duties'' in two places and ''the Customs Service'' for ''the appropriate customs officer''.

Subsec. (f). Pub. L. 103–182, § 205(c)(2), added subsec. (f).

1986—Subsec. (c)(4)(B). Pub. L. 99–514 substituted ''Internal Revenue Code of 1986'' for ''Internal Revenue Code of 1954'', which for purposes of codification was translated as ''title 26'' thus requiring no change in text.

1980—Subsec. (e). Pub. L. 96–417 substituted in heading ''Court of International Trade'' for ''District court'' and in text ''proceeding commenced by the United States in the Court of International Trade'' for ''proceeding in a United States district court commenced by the United States pursuant to section 1604 of this title''.

1978—Pub. L. 95–410 substituted subsecs. (a) to (e) relating to penalties for fraud, gross negligence, and negligence for prior provisions which: provided for forfeiture of merchandise, or recovery of value thereof, where entry or attempted entry of the merchandise was made using fraudulent or false invoice, declaration, affidavit, letter, paper, or false statement, written or verbal, false or fraudulent practice or appliance, or false statement in a declaration on entry without reasonable cause to believe the truth of the statement or aided or procured the making any such false statement as to any material matter without reasonable cause to believe the truth of the statement, regardless of deprivation of lawful duties, or guilty of any willful act or omission when there was a deprivation of such duties; made the forfeiture applicable to the whole of the merchandise or the value thereof where package contained the particular articles to which the fraud or false paper or statement related; and defined attempt to enter the merchandise without an actual entry having been made or offered.

1935—Act Aug. 5, 1935, inserted ''whether or not the United States shall or may be deprived of the lawful duties, or any portion thereof, accruing upon the merchandise, or any portion thereof, embraced or referred to in such invoice, declaration, affidavit, letter, paper, or statement;''.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by section 205(c) of Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 213(b) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–417 applicable with respect to civil actions commenced on or after 90th day after Nov. 1, 1980, see section 701(c)(2) of Pub. L. 96–417, set out as a note under section 251 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1978 AMENDMENT

Section 110(f) of Pub. L. 95–410 provided that:

''(1)(A) Except as provided in subparagraphs (B) and (C), subsections (a), (b), and (c) (other than new subsection (e) of section 592 of the Tariff Act of 1930 as added by subsection (a)) [subsec. (a), (b), and (c), not including (e) of this section] shall be effective with respect to proceedings commenced after the 89th day after the date of enactment of this Act [Oct. 3, 1978].

''(B) Except as provided in subparagraph (C), section 592 of the Tariff Act of 1930 [this section] (as such section existed on the day before the date of enactment of this Act) [Oct. 3, 1978] shall apply to any alleged intentional violation thereof involving television receivers that are the product of Japan and that were or are the subject of antidumping proceedings if the alleged intentional violation—

''(i) occurred before the date of enactment of this Act, and

''(ii) was the subject of an investigation by the Customs Service which was begun before the date of enactment of this Act.

''(C) Except as provided in the next sentence, subsection (e) of section 592 of the Tariff Act of 1930 (as added by subsection (a)) [subsec. (e) of this section] shall be effective on the date of enactment of this Act [Oct. 3, 1978]. Notwithstanding any provision of law, in any proceeding in a United States district court commenced by the United States pursuant to section 604 of the Tariff Act of 1930 [section 1604 of this title] for the recovery of any monetary penalty claimed under section 592 of such Act [this section] for an alleged intentional violation described in subparagraph (B)—

''(i) all issues, including the amount of the penalty, shall be tried de novo; and

''(ii) the United States shall have the burden of proof to establish such violation by a preponderance of the evidence.

''(2)(A) The amendment made by subsection (e) [to section 1621 of this title] shall apply with respect to alleged violations of section 592 of the Tariff Act of 1930 [this section] resulting from gross negligence or negligence which are committed on or after the date of the enactment of this Act [Oct. 3, 1978].

''(B) In the case of any alleged violation of such section 592 [this section] resulting from gross negligence or negligence which was committed before the date of the enactment of this Act [Oct. 3, 1978] and for which no suit or action for recovery was commenced before such date of enactment, no suit or action for recovery with respect to such alleged violation shall be instituted after—

''(i) the closing date of the 5-year period beginning on the date on which the alleged violation was committed, or

''(ii) the closing date of the 2-year period beginning on such date of enactment,

whichever date later occurs, except that no such suit or action may be instituted after the date on which such suit or action would have been barred under section 621 of the Tariff Act of 1930 [section 1621 of this title] (as in effect on the day before such date of enactment).''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1509, 1592a, 1595, 1595a, 1613, 1615, 1621, 1671c, 1673c of this title; title 7 section 511r; title 28 section 1582.

§ 1592a. Special provisions regarding certain violations

(a) Publication of names of certain violators

(1) Publication

The Secretary of the Treasury is authorized to publish in the Federal Register a list of the name of any producer, manufacturer, supplier, seller, exporter, or other person located outside the customs territory of the United States—

(A) against whom the Customs Service has issued a penalty claim under section 1592 of this title, and

(B) if a petition with respect to that claim has been filed under section 1618 of this title, against whom a final decision has been issued under such section after exhaustion of administrative remedies,

citing any of the violations of the customs laws referred to in paragraph (2). Such list shall be published not later than March 31 and September 30 of each year.

(2) Violations

The violations of the customs laws referred to in paragraph (1) are the following:

(A) Using documentation, or providing documentation subsequently used by the importer of record, which indicates a false or fraudulent country of origin or source of textile or apparel products.

(B) Using counterfeit visas, licenses, permits, bills of lading, or similar documentation, or providing counterfeit visas, licenses, permits, bills of lading, or similar documentation that is subsequently used by the importer of record, with respect to the entry into the customs territory of the United States of textile or apparel products.

(C) Manufacturing, producing, supplying, or selling textile or apparel products which are falsely or fraudulently labelled as to country of origin or source.

(D) Engaging in practices which aid or abet the transshipment, through a country other than the country of origin, of textile or apparel products in a manner which conceals the true origin of the textile or apparel products or permits the evasion of quotas on, or voluntary restraint agreements with respect to, imports of textile or apparel products.

(3) Removal from list

Any person whose name has been included in a list published under paragraph (1) may petition the Secretary to be removed from such list. If the Secretary finds that such person has not committed any violations described in paragraph (2) for a period of not less than 3 years after the date on which the person's name was so published, the Secretary shall remove such person from the list as of the next publication of the list under paragraph (2).

(4) Reasonable care required for subsequent imports

(A) Responsibility of importers and others

After the name of a person has been published under paragraph (1), the Secretary of the Treasury shall require any importer of record entering, introducing, or attempting to introduce into the commerce of the United States textile or apparel products that were either directly or indirectly produced, manufactured, supplied, sold, exported, or transported by such named person to show, to the satisfaction of the Secretary, that such importer has exercised reasonable care to ensure that the textile or apparel products are accompanied by documentation, packaging, and labelling that are accurate as to its origin. Such reasonable care shall not include reliance solely on a source of information which is the named person.

(B) Failure to exercise reasonable care

If the Customs Service determines that merchandise is not from the country claimed on the documentation accompanying the merchandise, the failure to exercise reasonable care described in subparagraph (A) shall be considered when the Customs Service determines whether the importer of record is in violation of section 1484(a) of this title.

(b) List of high risk countries

(1) List

The President or his designee, upon the advice of the Secretaries of Commerce and Treasury, and the heads of other appropriate departments and agencies, is authorized to publish a list of countries in which illegal activities have occurred involving transshipped textile or apparel products or activities designed to evade quotas of the United States on textile or apparel products, if those countries fail to demonstrate a good faith effort to cooperate with United States authorities in ceasing such activities. Such list shall be published in the Federal Register not later than March 31 of each year. Any country that is on the list and that subsequently demonstrates a good faith effort to cooperate with United States authorities in ceasing illegal activities described in the first sentence shall be removed from the list, and such removal shall be published in the Federal Register as soon as practicable.

(2) Reasonable care required for subsequent imports

(A) Responsibility of importers of record

The Secretary of the Treasury shall require any importer of record entering, introducing, or attempting to introduce into the commerce of the United States textile or apparel products indicated, on the documentation, packaging, or labelling accompanying such products, to be from any country on the list published under paragraph (1) to show, to the satisfaction of the Secretary, that such importer, consignee, or purchaser has exercised reasonable care to ascertain the true country of origin of the textile or apparel products.

(B) Failure to exercise reasonable care

If the Customs Service determines that merchandise is not from the country claimed on the documentation accompanying the merchandise, the failure to exercise reasonable care described in subparagraph (A) shall be considered when the Customs Service determines whether the importer of record is in violation of section 1484(a) of this title.

(3) "Country" defined

For purposes of this subsection, the term ''country'' means a foreign country or territory, including any overseas dependent territory or possession of a foreign country.

(June 17, 1930, ch. 497, title IV, § 592A, as added Dec. 8, 1994, Pub. L. 103–465, title III, § 333, 108 Stat. 4947.)

REFERENCES IN TEXT

The customs laws, referred to in subsec. (a)(1), (2), are classified generally to this title.

EFFECTIVE DATE

Section effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 335 of Pub. L. 103–465, set out as a note under section 3591 of this title.

§ 1593. Repealed. June 25, 1948, ch. 645, § 21, 62 Stat. 862, eff. Sept. 1, 1948

Section, act June 17, 1930, ch. 497, title IV, § 593, 46 Stat. 751, related to smuggling and clandestine importations. See section 545 of Title 18, Crimes and Criminal Procedure.

§ 1593a. Penalties for false drawback claims

(a) Prohibition

(1) General rule

No person, by fraud, or negligence—

(A) may seek, induce or affect, or attempt to seek, induce, or affect, the payment or credit to that person or others of any drawback claim by means of—

(i) any document, written or oral statement, or electronically transmitted data or information, or act which is material and false, or

(ii) any omission which is material; or

(B) may aid or abet any other person to violate subparagraph (A).

(2) Exception

Clerical errors or mistakes of fact are not violations of paragraph (1) unless they are part of a pattern of negligent conduct. The mere nonintentional repetition by an electronic system of an initial clerical error does not constitute a pattern of negligent conduct.

(b) Procedures

(1) Prepenalty notice

(A) In general

If the Customs Service has reasonable cause to believe that there has been a violation of subsection (a) of this section and determines that further proceedings are warranted, the Customs Service shall issue to the person concerned a written notice of intent to issue a claim for a monetary penalty. Such notice shall—

(i) identify the drawback claim;

(ii) set forth the details relating to the seeking, inducing, or affecting, or the attempted seeking, inducing, or affecting, or the aiding or procuring of, the drawback claim;

(iii) specify all laws and regulations allegedly violated;

(iv) disclose all the material facts which establish the alleged violation;

(v) state whether the alleged violation occurred as a result of fraud or negligence;

(vi) state the estimated actual or potential loss of revenue due to the drawback claim, and, taking into account all circumstances, the amount of the proposed monetary penalty; and

(vii) inform such person that he shall have a reasonable opportunity to make representations, both oral and written, as to why a claim for a monetary penalty should not be issued in the amount stated.

(B) Exceptions

The Customs Service may not issue a prepenalty notice if the amount of the penalty in the penalty claim issued under paragraph (2) is $1,000 or less. In such cases, the Customs Service may proceed directly with a penalty claim.

(C) Prior approval

No prepenalty notice in which the alleged violation occurred as a result of fraud shall be issued without the prior approval of Customs Headquarters.

(2) Penalty claim

After considering representations, if any, made by the person concerned pursuant to the notice issued under paragraph (1), the Customs Service shall determine whether any violation of subsection (a) of this section, as alleged in the notice, has occurred. If the Customs Service determines that there was no violation, the Customs Service shall promptly issue a written statement of the determination to the person to whom the notice was sent. If the Customs Service determines that there was a violation, Customs shall issue a written penalty claim to such person. The written penalty claim shall specify all changes in the information provided under clauses (i) through (vii) of paragraph (1)(A). Such person shall have a reasonable opportunity under section 1618 of this title to make representations, both oral and written, seeking remission or mitigation of the monetary penalty. At the conclusion of any proceeding under section 1618 of this title, the Customs Service shall provide to the person concerned a written statement which sets forth the final determination, and the findings of fact and conclusions of law on which such determination is based.

(c) Maximum penalties

(1) Fraud

A fraudulent violation of subsection (a) of this section is punishable by a civil penalty in an amount not to exceed 3 times the actual or potential loss of revenue.

(2) Negligence

(A) In general

A negligent violation of subsection (a) of this section is punishable by a civil penalty in an amount not to exceed 20 percent of the actual or potential loss of revenue for the 1st violation.

(B) Repetitive violations

If the Customs Service determines that a repeat negligent violation occurs relating to the same issue, the penalty amount for the 2d violation shall be in an amount not to exceed 50 percent of the total actual or potential loss of revenue. The penalty amount for each succeeding repetitive negligent violation shall be in an amount not to exceed the actual or potential loss of revenue. If the same party commits a nonrepetitive viola-

tion, that violation shall be subject to a penalty not to exceed 20 percent of the actual or potential loss of revenue.

(3) Prior disclosure

(A) In general

Subject to subparagraph (B), if the person concerned discloses the circumstances of a violation of subsection (a) of this section before, or without knowledge of the commencement of, a formal investigation of such violation, the monetary penalty assessed under this subsection may not exceed—

(i) if the violation resulted from fraud, an amount equal to the actual or potential revenue of which the United States is or may be deprived as a result of overpayment of the claim; or

(ii) if the violation resulted from negligence, an amount equal to the interest computed on the basis of the prevailing rate of interest applied under section 6621 of title 26 on the amount of actual revenue of which the United States is or may be deprived during the period that—

(I) begins on the date of the overpayment of the claim; and

(II) ends on the date on which the person concerned tenders the amount of the overpayment.

(B) Condition affecting penalty limitations

The limitations in subparagraph (A) on the amount of the monetary penalty to be assessed under this subsection apply only if the person concerned tenders the amount of the overpayment made on the claim at the time of disclosure, or within 30 days (or such longer period as the Customs Service may provide), after notice by the Customs Service of its calculation of the amount of the overpayment.

(C) Burden of proof

The person asserting lack of knowledge of the commencement of a formal investigation has the burden of proof in establishing such lack of knowledge.

(4) Commencement of investigation

For purposes of this section, a formal investigation of a violation is considered to be commenced with regard to the disclosing party and the disclosed information on the date recorded in writing by the Customs Service as the date on which facts and circumstances were discovered or information was received which caused the Customs Service to believe that a possibility of a violation of subsection (a) of this section existed.

(5) Exclusivity

Penalty claims under this section shall be the exclusive civil remedy for any drawback related violation of subsection (a) of this section.

(d) Deprivation of lawful revenue

Notwithstanding section 1514 of this title, if the United States has been deprived of lawful duties and taxes resulting from a violation of subsection (a) of this section, the Customs Service shall require that such duties and taxes be restored whether or not a monetary penalty is assessed.

(e) Drawback compliance program

(1) In general

After consultation with the drawback trade community, the Customs Service shall establish a drawback compliance program in which claimants and other parties in interest may participate after being certified by the Customs Service under paragraph (2). Participation in the drawback compliance program is voluntary.

(2) Certification

A party may be certified as a participant in the drawback compliance program after meeting the general requirements established under the program or after negotiating an alternative program suited to the needs of the party and the Customs Service. Certification requirements shall take into account the size and nature of the party's drawback program and the volume of claims. In order to be certified, the participant must be able to demonstrate that it—

(A) understands the legal requirements for filing claims, including the nature of the records required to be maintained and produced and the time periods involved;

(B) has in place procedures to explain the Customs Service requirements to those employees that are involved in the preparation of claims, and the maintenance and production of required records;

(C) has in place procedures regarding the preparation of claims and maintenance of required records, and the production of such records to the Customs Service;

(D) has designated a dependable individual or individuals to be responsible for compliance under the program and whose duties include maintaining familiarity with the drawback requirements of the Customs Service;

(E) has a record maintenance procedure approved by the Customs Service for original records, or, if approved by the Customs Service, for alternate records or recordkeeping formats other than the original records; and

(F) has procedures for notifying the Customs Service of variances to, and violations of, the requirements of the drawback compliance program or any negotiated alternative programs, and for taking corrective action when notified by the Customs Service for violations or problems regarding such program.

(f) Alternatives to penalties

(1) In general

When a party that—

(A) has been certified as a participant in the drawback compliance program under subsection (e) of this section; and

(B) is generally in compliance with the appropriate procedures and requirements of the program;

commits a violation of subsection (a) of this section, the Customs Service, shall, in the ab-

sence of fraud or repeated violations, and in lieu of a monetary penalty, issue a written notice of the violation to the party. Repeated violations by a party may result in the issuance of penalties and removal of certification under the program until corrective action, satisfactory to the Customs Service, is taken.

(2) Contents of notice

A notice of violation issued under paragraph (1) shall—

(A) state that the party has violated subsection (a) of this section;

(B) explain the nature of the violation; and

(C) warn the party that future violations of subsection (a) of this section may result in the imposition of monetary penalties.

(3) Response to notice

Within a reasonable time after receiving written notice under paragraph (1), the party shall notify the Customs Service of the steps it has taken to prevent a recurrence of the violation.

(g) Repetitive violations

(1) A party who has been issued a written notice under subsection (f)(1) of this section and subsequently commits a repeat negligent violation involving the same issue is subject to the following monetary penalties:

(A) 2d violation

An amount not to exceed 20 percent of the loss of revenue.

(B) 3rd violation

An amount not to exceed 50 percent of the loss of revenue.

(C) 4th and subsequent violations

An amount not to exceed 100 percent of the loss of revenue.

(2) If a party that has been certified as a participant in the drawback compliance program under subsection (e) of this section commits an alleged violation which was not repetitive, the party shall be issued a ''warning letter'', and, for any subsequent violation, shall be subject to the same maximum penalty amounts stated in paragraph (1).

(h) Regulation

The Secretary shall promulgate regulations and guidelines to implement this section. Such regulations shall specify that for purposes of subsection (g) of this section, a repeat negligent violation involving the same issue shall be treated as a repetitive violation for a maximum period of 3 years.

(i) Court of International Trade proceedings

Notwithstanding any other provision of law, in any proceeding commenced by the United States in the Court of International Trade for the recovery of any monetary penalty claimed under this section—

(1) all issues, including the amount of the penalty, shall be tried de novo;

(2) if the monetary penalty is based on fraud, the United States shall have the burden of proof to establish the alleged violation by clear and convincing evidence; and

(3) if the monetary penalty is based on negligence, the United States shall have the burden of proof to establish the act or omission constituting the violation, and the alleged violator shall have the burden of providing evidence that the act or omission did not occur as a result of negligence.

(June 17, 1930, ch. 497, title IV, § 593A, as added Dec. 8, 1993, Pub. L. 103–182, title VI, § 622(a), 107 Stat. 2181.)

EFFECTIVE DATE

Section 622(b) of Pub. L. 103–182 provided that: ''The amendment made by subsection (a) [enacting this section] applies to drawback claims filed on and after the nationwide operational implementation of an automated drawback selectivity program by the Customs Service. The Customs Service shall publish notice of this date in the Customs Bulletin.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1621 of this title; title 28 section 1582.

§ 1594. Seizure of conveyances

(a) In general

Whenever—

(1) any vessel, vehicle, or aircraft; or

(2) the owner or operator, or the master, pilot, conductor, driver, or other person in charge of a vessel, vehicle, or aircraft;

is subject to a penalty for violation of the customs laws, the conveyance involved shall be held for the payment of such penalty and may be seized and forfeited and sold in accordance with the customs laws. The proceeds of sale, if any, in excess of the assessed penalty and expenses of seizing, maintaining, and selling the property shall be held for the account of any interested party.

(b) Exceptions

(1) No conveyance used by any person as a common carrier in the transaction of business as a common carrier is subject to seizure and forfeiture under the customs laws for violations relating to merchandise contained—

(A) on the person;

(B) in baggage belonging to and accompanying a passenger being lawfully transported on such conveyance; or

(C) in the cargo of the conveyance if the cargo is listed on the manifest and marks, numbers, weights and quantities of the outer packages or containers agree with the manifest;

unless the owner or operator, or the master, pilot, conductor, driver or other person in charge participated in, or had knowledge of, the violation, or was grossly negligent in preventing or discovering the violation.

(2) Except as provided in paragraph (1) or subsection (c) of this section, no vessel, vehicle, or aircraft is subject to forfeiture to the extent of an interest of an owner for a drug-related offense established by that owner to have been committed or omitted without the knowledge, consent, or willful blindness of the owner.

(c) Prohibited merchandise on conveyance

If any merchandise the importation of which is prohibited is found to be, or to have been—

(1) on board a conveyance used as a common carrier in the transaction of business as a common carrier in one or more packages or containers—

(A) that are not manifested (or not shown on bills of lading or airway bills); or

(B) whose marks, numbers, weight or quantities disagree with the manifest (or with the bills of lading or airway bills); or

(2) concealed in or on such a conveyance, but not in the cargo;

the conveyance may be seized, and after investigation, forfeited unless it is established that neither the owner or operator, master, pilot, nor any other employee responsible for maintaining and insuring the accuracy of the cargo manifest knew, or by the exercise of the highest degree of care and diligence could have known, that such merchandise was on board.

(d) Definitions

For purposes of this section—

(1) The term ''owner or operator'' includes—

(A) a lessee or person operating a conveyance under a rental agreement or charter party; and

(B) the officers and directors of a corporation;

(C) station managers and similar supervisory ground personnel employed by airlines;

(D) one or more partners of a partnership;

(E) representatives of the owner or operator in charge of the passenger or cargo operations at a particular location; and

(F) and other persons with similar responsibilities.

(2) The term ''master'' and similar terms relating to the person in charge of a conveyance includes the purser or other person on the conveyance who is responsible for maintaining records relating to the cargo transported in the conveyance.

(e) Costs and expenses of seizure

When a common carrier has been seized in accordance with the provisions of subsection (c) of this section and it is subsequently determined that a violation of such subsection occurred but that the vessel will be released, the conveyance is liable for the costs and expenses of the seizure and detention.

(June 17, 1930, ch. 497, title IV, § 594, 46 Stat. 751; Oct. 27, 1986, Pub. L. 99–570, title III, § 3121, 100 Stat. 3207–86; Nov. 18, 1988, Pub. L. 100–690, title VI, § 6076(b), 102 Stat. 4324.)

REFERENCES IN TEXT

The customs laws, referred to in subsecs. (a) and (b), are classified generally to this title.

PRIOR PROVISIONS

Provisions substantially similar to subsec. (a) of this section, so far as it relates to vessels, except that they referred to the ''revenue laws,'' instead of the ''customs laws,'' were contained in R.S. § 3088. Provisions substantially similar to subsec. (b), so far as it relates to vessels, were contained in act Feb. 8, 1881, ch. 34, 21 Stat. 322. Provisions similar to subsec. (b), except that they applied to railway cars, engines, other vehicles, and teams, and referred to the owner, superintendent, or agent of the owner in charge, instead of the ''conductor, driver,'' etc., were contained in R.S. § 3063. All of these sections were superseded and more closely assimilated to this section by act Sept. 21, 1922, ch. 356, title IV, § 594, 42 Stat. 982, and repealed by sections 642 and 643 thereof. Section 594 of the 1922 act was superseded by section 594 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1988—Subsec. (b). Pub. L. 100–690 designated existing provisions as par. (1), redesignated former pars. (1), (2), and (3) as subpars. (A), (B), and (C), respectively, and added par. (2).

1986—Pub. L. 99–570 amended section generally. Prior to amendment, section catchline read ''Libel of vessels and vehicles'' and text read as follows: ''Whenever a vessel or vehicle, or the owner or master, conductor, driver, or other person in charge thereof, has become subject to a penalty for violation of the customs-revenue laws of the United States, such vessel or vehicle shall be held for the payment of such penalty and may be seized and proceeded against summarily by libel to recover the same: *Provided,* That no vessel or vehicle used by any person as a common carrier in the transaction of business as such common carrier shall be so held or subject to seizure or forfeiture under the customs laws, unless it shall appear that the owner or master of such vessel or the conductor, driver, or other person in charge of such vehicle was at the time of the alleged illegal act a consenting party or privy thereto.''

CROSS REFERENCES

Forfeitures and seizures—

Jurisdiction, see sections 1333, 1355, and 1356 of Title 28, Judiciary and Judicial Procedure.

Proceedings, see section 2461 of Title 28.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1595a of this title.

§ 1595. Searches and seizures

(a) Warrant

(1) If any officer or person authorized to make searches and seizures has probable cause to believe that—

(A) any merchandise upon which the duties have not been paid, or which has been otherwise brought into the United States unlawfully;

(B) any property which is subject to forfeiture under any provision of law enforced or administered by the United States Customs Service; or

(C) any document, container, wrapping, or other article which is evidence of a violation of section 1592 of this title involving fraud or of any other law enforced or administered by the United States Customs Service,

is in any dwelling house, store, or other building or place, he may make application, under oath, to any justice of the peace, to any municipal, county, State, or Federal judge, or to any Federal magistrate judge, and shall thereupon be entitled to a warrant to enter such dwelling house in the daytime only, or such store or other place at night or by day, and to search for and seize such merchandise or other article described in the warrant.

(2) If any house, store, or other building or place, in which any merchandise or other article subject to forfeiture is found, is upon or within 10 feet of the boundary line between the United

States and a foreign country, such portion thereof that is within the United States may be taken down or removed.

(b) Entry upon property of others

Any person authorized by this chapter to make searches and seizures, or any person assisting him or acting under his directions, may, if deemed necessary by him or them, enter into or upon or pass through the lands, inclosures, and buildings, other than the dwelling house, of any person whomsoever, in the discharge of his official duties.

(June 17, 1930, ch. 497, title IV, § 595, 46 Stat. 752; June 2, 1970, Pub. L. 91–271, title III, § 301(y), 84 Stat. 290; Oct. 27, 1986, Pub. L. 99–570, title III, § 3122, 100 Stat. 3207–87; Dec. 1, 1990, Pub. L. 101–650, title III, § 321, 104 Stat. 5117.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 595, 42 Stat. 983. That section was superseded by section 595 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions somewhat similar to those in subsec. (a), but authorizing searches in the daytime only, with a further provision as to forfeitures, were contained in R.S. § 3066, as amended by act Apr. 25, 1882, ch. 89, 22 Stat. 49. Provisions for searches of buildings on or near the boundary line, and for seizure and forfeiture of merchandise, and removal of the building, were contained in R.S. § 3107. Provisions empowering persons, authorized to make searches and seizures, to enter into or upon lands, inclosures, and buildings, were contained in R.S. § 3065. All of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

R.S. § 3091, authorized the issuance of a warrant, upon complaint and affidavit of fraud on the revenue, directing the marshal of the district to enter any place and seize books or papers relating to merchandise in respect to which the alleged fraud was committed, and produce them before the judge.

R.S. § 3092, provided that no warrant for such seizure should be issued unless the complaint should set forth the character of the fraud alleged, its nature, the importations in respect to which it was committed, and the papers to be seized, and required the return of such warrant as other warrants are returned.

R.S. § 3093, provided that books and papers so seized should be subject to the order of the judge, who should allow the examination of the same by the collector or any officer authorized by him, and authorized the retention by the judge of such books and papers as he might deem necessary.

The provisions of act July 18, 1866, § 39, and of act Mar. 2, 1867, § 2, which were incorporated into these three sections, were repealed by the Anti-Moiety Act of June 22, 1874, ch. 391, § 1, 18 Stat. 186. These sections were repealed, therefore, by that act, it having effect as subsequent to the Revised Statutes, and as repealing any portion of the revision inconsistent therewith, by virtue of R.S. § 5601.

AMENDMENTS

1986—Subsec. (a). Pub. L. 99–570 amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: ''If any officer or person authorized to make searches and seizures shall have cause to suspect the presence in any dwelling house, store, or other building or place of any merchandise upon which the duties have not been paid, or which has been otherwise brought into the United States contrary to law, he may make application, under oath, to any justice of the peace, to any municipal, county, State, or Federal judge, or to any United States magistrate, and shall thereupon be entitled to a warrant to enter such dwelling house in the daytime only, or such store or other place at night or by day, and to search for and seize such merchandise: *Provided*, That if any such house, store, or other building, or place in which such merchandise shall be found, is upon or within ten feet of the boundary line between the United States and a foreign country, such portion thereof as is within the United States may forthwith be taken down or removed.''

1970—Subsec. (a). Pub. L. 91–271 struck out ''collector of customs or other'' before ''officer or person''.

CHANGE OF NAME

''Magistrate judge'' substituted for ''magistrate'' in subsec. (a)(1) pursuant to section 321 of Pub. L. 101–650, set out as a note under section 631 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

CROSS REFERENCES

Depositing goods in buildings on boundary, penalty for, see section 547 of Title 18, Crimes and Criminal Procedure.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1603 of this title.

§ 1595a. Forfeitures and other penalties

(a) Importation, removal, etc. contrary to laws of United States

Except as specified in subsection (b) or (c) of section 1594 of this title, every vessel, vehicle, animal, aircraft, or other thing used in, to aid in, or to facilitate, by obtaining information or in any other way, the importation, bringing in, unlading, landing, removal, concealing, harboring, or subsequent transportation of any article which is being or has been introduced, or attempted to be introduced, into the United States contrary to law, whether upon such vessel, vehicle, animal, aircraft, or other thing or otherwise, may be seized and forfeited together with its tackle, apparel, furniture, harness, or equipment.

(b) Penalty for aiding unlawful importation

Every person who directs, assists financially or otherwise, or is in any way concerned in any unlawful activity mentioned in the preceding subsection shall be liable to a penalty equal to the value of the article or articles introduced or attempted to be introduced.

(c) Merchandise introduced contrary to law

Merchandise which is introduced or attempted to be introduced into the United States contrary to law shall be treated as follows:

(1) The merchandise shall be seized and forfeited if it—

(A) is stolen, smuggled, or clandestinely imported or introduced;

(B) is a controlled substance, as defined in the Controlled Substances Act (21 U.S.C. 801 et seq.), and is not imported in accordance with applicable law; or

(C) is a contraband article, as defined in section 80302 of title 49.

(2) The merchandise may be seized and forfeited if—

(A) its importation or entry is subject to any restriction or prohibition which is im-

posed by law relating to health, safety, or conservation and the merchandise is not in compliance with the applicable rule, regulation, or statute;

(B) its importation or entry requires a license, permit or other authorization of an agency of the United States Government and the merchandise is not accompanied by such license, permit, or authorization;

(C) it is merchandise or packaging in which copyright, trademark, or trade name protection violations are involved (including, but not limited to, violations of section 1124, 1125, or 1127 of title 15, section 506 or 509 of title 17, or section 2318 or 2320 of title 18);

(D) it is trade dress merchandise involved in the violation of a court order citing section 1125 of title 15;

(E) it is merchandise which is marked intentionally in violation of section 1304 of this title; or

(F) it is merchandise for which the importer has received written notices that previous importations of identical merchandise from the same supplier were found to have been marked in violation of section 1304 of this title.

(3) If the importation or entry of the merchandise is subject to quantitative restrictions requiring a visa, permit, license, or other similar document, or stamp from the United States Government or from a foreign government or issuing authority pursuant to a bilateral or multilateral agreement, the merchandise shall be subject to detention in accordance with section 1499 of this title unless the appropriate visa, license, permit, or similar document or stamp is presented to the Customs Service; but if the visa, permit, license, or similar document or stamp which is presented in connection with the importation or entry of the merchandise is counterfeit, the merchandise may be seized and forfeited.

(4) If the merchandise is imported or introduced contrary to a provision of law which governs the classification or value of merchandise and there are no issues as to the admissibility of the merchandise into the United States, it shall not be seized except in accordance with section 1592 of this title.

(5) In any case where the seizure and forfeiture of merchandise are required or authorized by this section, the Secretary may—

(A) remit the forfeiture under section 1618 of this title, or

(B) permit the exportation of the merchandise, unless its release would adversely affect health, safety, or conservation or be in contravention of a bilateral or multilateral agreement or treaty.

(June 17, 1930, ch. 497, title IV, § 596, as added Sept. 1, 1954, ch. 1213, title V, § 502, 68 Stat. 1140; amended Oct. 27, 1986, Pub. L. 99–570, title III, § 3123, 100 Stat. 3207–87; Dec. 8, 1993, Pub. L. 103–182, title VI, § 624, 107 Stat. 2187.)

REFERENCES IN TEXT

The Controlled Substances Act, referred to in subsec. (c)(1)(B), is title II of Pub. L. 91–513, Oct. 27, 1970, 84 Stat. 1242, as amended, which is classified principally to subchapter I (§ 801 et seq.) of chapter 13 of Title 21, Food and Drugs. For complete classification of this Act to the Code, see Short Title note set out under section 801 of Title 21 and Tables.

CODIFICATION

In subsec. (c)(1)(C), ''section 80302 of title 49'' substituted for ''section 1 of the Act of August 9, 1939 (49 U.S.C. App. 781)'' on authority of Pub. L. 103–272, § 6(b), July 5, 1994, 108 Stat. 1378, the first section of which enacted subtitles II, III, and V to X of Title 49, Transportation.

AMENDMENTS

1993—Subsec. (c). Pub. L. 103–182 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: ''Any merchandise that is introduced or attempted to be introduced into the United States contrary to law (other than in violation of section 1592 of this title) may be seized and forfeited.''

1986—Subsec. (a). Pub. L. 99–570, § 3123(1), (2), substituted ''subsection (b) or (c) of section 1594'' for ''the proviso to section 1594'' and ''may be seized'' for ''shall be seized''.

Subsec. (c). Pub. L. 99–570, § 3123(3), added subsec. (c).

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1590 of this title.

§§ 1596 to 1598. Repealed. June 25, 1948, ch. 645, § 21, 62 Stat. 862, eff. Sept. 1, 1948

Section 1596, act June 17, 1930, ch. 497, title IV, § 596, 46 Stat. 752, related to buildings on boundary. See section 547 of Title 18, Crimes and Criminal Procedure.

Section 1597, act June 17, 1930, ch. 497, title IV, § 597, 46 Stat. 752, related to fraudulent treatment of goods in warehouses. See section 548 of Title 18.

Section 1598, acts June 17, 1930, ch. 497, title IV, § 598, 46 Stat. 752; June 25, 1938, ch. 679, § 26, 52 Stat. 1089, related to offenses concerning seals and unlawful removal of goods from custom custody. See section 549 of Title 18.

§ 1599. Officers not to be interested in vessels or cargo

No person employed under the authority of the United States, in the collection of duties on imports or tonnage, shall own, either in whole or in part, any vessel (other than a yacht or other pleasure boat), or act as agent, attorney, or consignee for the owner or owners of any vessel, or of any cargo or lading on board the same; nor shall any such person import, or be concerned directly or indirectly in the importation of, any merchandise for sale into the United States. Every person who violates this section shall be liable to a penalty of $500.

(June 17, 1930, ch. 497, title IV, § 599, 46 Stat. 753; Oct. 3, 1978, Pub. L. 95–410, title II, § 212, 92 Stat. 904.)

PRIOR PROVISIONS

Identical provisions were contained in R.S. § 2638, which was superseded by act Sept. 21, 1922, ch. 356, title IV, § 599, 42 Stat. 984, and repealed by section 642 thereof. Section 599 of the 1922 act was superseded by section 599 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1978—Pub. L. 95–410 excepted from the interest prohibition ownership of a yacht or other pleasure boat.

§ 1600. Application of the customs laws to other seizures by customs officers

The procedures set forth in sections 1602 through 1619 of this title shall apply to seizures

of any property effected by customs officers under any law enforced or administered by the Customs Service unless such law specifies different procedures.

(June 17, 1930, ch. 497, title IV, § 600, as added Oct. 12, 1984, Pub. L. 98–473, title II, § 323, 98 Stat. 2057.)

PRIOR PROVISIONS

A prior section 600 of act June 17, 1930, ch. 497, title IV, 46 Stat. 753, related to gratuities, prior to repeal by act June 25, 1948, ch. 645, § 21, 62 Stat. 862, eff. Sept. 1, 1948. See section 213 of Title 18, Crimes and Criminal Procedure.

§§ 1601, 1601a. Repealed. June 25, 1948, ch. 645, § 21, 62 Stat. 862, eff. Sept. 1, 1948

Section 1601, act June 17, 1930, ch. 497, title IV, § 601, 46 Stat. 753, related to bribery. See section 212 of Title 18, Crimes and Criminal Procedure.

Section 1601a, act Aug. 5, 1935, ch. 438, title III, § 309, 49 Stat. 528, related to wearing of uniform or badge of Coast Guard or Customs Service while violating revenue laws. See sections 702, 703, and 912 of Title 18.

§ 1602. Seizure; report to customs officer

It shall be the duty of any officer, agent, or other person authorized by law to make seizures of merchandise or baggage subject to seizure for violation of the customs laws, to report every such seizure immediately to the appropriate customs officer for the district in which such violation occurred, and to turn over and deliver to such customs officer any vessel, vehicle, aircraft, merchandise, or baggage seized by him, and to report immediately to such customs officer every violation of the customs laws.

(June 17, 1930, ch. 497, title IV, § 602, 46 Stat. 754; June 2, 1970, Pub. L. 91–271, title III, § 301(z), 84 Stat. 290; Oct. 12, 1984, Pub. L. 98–473, title II, § 321, 98 Stat. 2056; Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(1), 98 Stat. 2984.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 602, 42 Stat. 984. That section was superseded by section 602 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions requiring officers or persons employed in the customs revenue service, upon detection of any violation of the customs laws, to make complaint to the collector, were contained in act June 22, 1874, ch. 391, § 15, 18 Stat. 189, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

AMENDMENTS

1984—Pub. L. 98–573 and Pub. L. 98–473 inserted reference to aircraft.

1970—Pub. L. 91–271 substituted references to appropriate customs officer or such customs officer for references to collector wherever appearing.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1600 of this title; title 18 section 981.

§ 1603. Seizure; warrants and reports

(a) Any property which is subject to forfeiture to the United States for violation of the customs laws and which is not subject to search and seizure in accordance with the provisions of section 1595 of this title, may be seized by the appropriate officer or person upon process issued in the same manner as provided for a search warrant under the Federal Rules of Criminal Procedure. This authority is in addition to any seizure authority otherwise provided by law.

(b) Whenever a seizure of merchandise for violation of the customs laws is made, or a violation of the customs laws is discovered, and legal proceedings by the United States attorney in connection with such seizure or discovery are required, it shall be the duty of the appropriate customs officer to report promptly such seizure or violation to the United States attorney for the district in which such violation has occurred, or in which such seizure was made, and to include in such report a statement of all the facts and circumstances of the case within his knowledge, with the names of the witnesses and a citation to the statute or statutes believed to have been violated, and on which reliance may be had for forfeiture or conviction.

(June 17, 1930, ch. 497, title IV, § 603, 46 Stat. 754; June 25, 1938, ch. 679, § 27, 52 Stat. 1089; June 2, 1970, Pub. L. 91–271, title III, § 301(aa), 84 Stat. 291; Oct. 3, 1978, Pub. L. 95–410, title I, § 110(b), 92 Stat. 896; Nov. 18, 1988, Pub. L. 100–690, title VII, § 7365, 102 Stat. 4478.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

The Federal Rules of Criminal Procedure, referred to in subsec. (a), are set out in the Appendix to Title 18, Crimes and Criminal Procedure.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 603, 42 Stat. 984. That section was superseded by section 603 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

A prior provision requiring the collector or other person causing a seizure to be made to give information thereof to the Solicitor of the Treasury, was contained in R.S. § 3083, as amended by act Feb. 27, 1877, ch. 69, § 1, 19 Stat. 247. R.S. § 3084 required collectors to report to the district attorney of the district in which any fine, penalty, or forfeiture might be incurred, a statement of all the facts and circumstances. Officers of customs detecting violations of the customs laws were required to report to the collectors, and the latter were required to report to the district attorneys, by act June 22, 1874, ch. 391, § 15, 18 Stat. 189. All of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, §§ 642, 643, 42 Stat. 989.

AMENDMENTS

1988—Pub. L. 100–690, § 7365, substituted ''Seizure; warrants and reports'' for ''Seizure; customs officer's reports'' in section catchline, added subsec. (a), and designated existing provisions as subsec. (b).

1978—Pub. L. 95–410 inserted ''promptly'' after ''to report''.

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector or principal local officer of Customs Agency Service.

1938—Act June 25, 1938, amended section generally.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

TRANSFER OF FUNCTIONS

Functions of all other officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Customs Service is under Department of the Treasury.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1600 of this title.

§ 1604. Seizure; prosecution

It shall be the duty of the Attorney General of the United States immediately to inquire into the facts of cases reported to him by customs officers and the laws applicable thereto, and if it appears probable that any fine, penalty, or forfeiture has been incurred by reason of such violation, for the recovery of which the institution of proceedings in the United States district court or the Court of International Trade is necessary, forthwith to cause the proper proceedings to be commenced and prosecuted, without delay, for the recovery of such fine, penalty, or forfeiture in such case provided, unless, upon inquiry and examination, the Attorney General decides that such proceedings can not probably be sustained or that the ends of public justice do not require that they should be instituted or prosecuted, in which case he shall report the facts to the Secretary of the Treasury for his direction in the premises.

(June 17, 1930, ch. 497, title IV, §604, 46 Stat. 754; June 2, 1970, Pub. L. 91–271, title III, §301(bb), 84 Stat. 291; Oct. 10, 1980, Pub. L. 96–417, title VI, §610, 94 Stat. 1746.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, §604, 42 Stat. 984. That section was superseded by section 604 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions substantially similar in effect, with a further provision for an allowance for expenses and services, were contained in R.S. §3085. Provisions requiring district attorneys to cause investigations to be made before a United States commissioner and to initiate and prosecute proper proceedings to recover fines and penalties were contained in act June 22, 1874, ch. 391, §15, 18 Stat. 189. Both of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, §§642, 643, 42 Stat. 989.

The 1922 act also superseded a provision contained in R.S. §3087, requiring collectors to cause suits to be commenced without delay and prosecuted to effect.

AMENDMENTS

1980—Pub. L. 96–417 substituted ''the Attorney General of the United States'' and ''the Attorney General'' for ''every United States district attorney'' and ''such district attorney'', respectively, and authorized institution of proceedings in the Court of International Trade.

1970—Pub. L. 91–271 substituted reference to customs officers for reference to collectors.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–417 effective Nov. 1, 1980, and applicable with respect to civil actions pending on or commenced on or after such date, see section 701(a) of Pub. L. 96–417, set out as a note under section 251 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

CROSS REFERENCES

Limitations of suits for recovery of penalties and forfeitures, see section 1621 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1600 of this title.

§ 1605. Seizure; custody; storage

All vessels, vehicles, aircraft, merchandise, and baggage seized under the provisions of the customs laws, or laws relating to the navigation, registering, enrolling or licensing, or entry or clearance, of vessels, unless otherwise provided by law, shall be placed and remain in the custody of the appropriate customs officer for the district in which the seizure was made to await disposition according to law.

Pending such disposition, the property shall be stored in such place as, in the customs officer's opinion, is most convenient and appropriate with due regard to the expense involved, whether or not the place of storage is within the judicial district or the customs collection district in which the property was seized; and storage of the property outside the judicial district or customs collection district in which it was seized shall in no way affect the jurisdiction of the court which would otherwise have jurisdiction over such property.

(June 17, 1930, ch. 497, title IV, §605, 46 Stat. 754; Sept. 1, 1954, ch. 1213, title V, §505, 68 Stat. 1141; June 2, 1970, Pub. L. 91–271, title III, §301(cc), 84 Stat. 291; Oct. 12, 1984, Pub. L. 98–473, title II, §321, 98 Stat. 2056; Oct. 30, 1984, Pub. L. 98–573, title II, §213(a)(2), 98 Stat. 2984.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, §605, 42 Stat. 985. That section was superseded by section 605 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions substantially similar to those of this section so far as it relates to merchandise or property seized under the customs laws, were contained in R.S.

§ 3086, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1984—Pub. L. 98–573 and Pub. L. 98–473 inserted reference to aircraft in first par.

1970—Pub. L. 91–271 substituted references to appropriate customs officer or customs officer for references to collector wherever appearing.

1954—Act Sept. 1, 1954, permitted collector of seized property to store it in such places as he considers convenient or appropriate, whether within or without the judicial district in which it was seized, without affecting the jurisdiction of the court over such property.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1600, 1613 of this title.

§ 1606. Seizure; appraisement

The appropriate customs officer shall determine the domestic value, at the time and place of appraisement, of any vessel, vehicle, aircraft, merchandise, or baggage seized under the customs laws.

(June 17, 1930, ch. 497, title IV, § 606, 46 Stat. 754; June 2, 1970, Pub. L. 91–271, title III, § 301(dd), 84 Stat. 291; Oct. 12, 1984, Pub. L. 98–473, title II, § 321, 98 Stat. 2056; Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(3), 98 Stat. 2984.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 606, 42 Stat. 985. That section was superseded by section 606 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions for appraisement of property seized under the customs laws, or laws relating to the registering, enrolling or licensing of vessels, were contained in R.S. § 3074, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1984—Pub. L. 98–573 and Pub. L. 98–473 inserted reference to aircraft.

1970—Pub. L. 91–271 substituted ''appropriate customs officer shall'' for ''collector shall require the appraiser to''.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1600, 1614, 2254 of this title.

§ 1607. Seizure; value $500,000 or less, prohibited articles, transporting conveyances

(a) Notice of seizure

If—

(1) the value of such seized vessel, vehicle, aircraft, merchandise, or baggage does not exceed $500,000;

(2) such seized merchandise is merchandise the importation of which is prohibited;

(3) such seized vessel, vehicle, or aircraft was used to import, export, transport, or store any controlled substance; or

(4) such seized merchandise is any monetary instrument within the meaning of section 5312(a)(3) of title 31;

the appropriate customs officer shall cause a notice of the seizure of such articles and the intention to forfeit and sell or otherwise dispose of the same according to law to be published for at least three successive weeks in such manner as the Secretary of the Treasury may direct. Written notice of seizure together with information on the applicable procedures shall be sent to each party who appears to have an interest in the seized article.

(b) "Controlled substance" defined

As used in this section, the term ''controlled substance'' has the meaning given that term in section 802 of title 21.

(c) Report to Congress

The Commissioner of Customs shall submit to the Congress, by no later than February 1 of each fiscal year, a report on the total dollar value of uncontested seizures of monetary instruments having a value of over $100,000 which, or the proceeds of which, have not been deposited into the Customs Forfeiture Fund under section 1613b of this title within 120 days of seizure, as of the end of the previous fiscal year.

(June 17, 1930, ch. 497, title IV, § 607, 46 Stat. 754; June 25, 1938, ch. 679, § 28(a), 52 Stat. 1089; Sept. 1, 1954, ch. 1213, title V, § 506, 68 Stat. 1141; June 2, 1970, Pub. L. 91–271, title III, § 301(ee), 84 Stat. 291; Oct. 3, 1978, Pub. L. 95–410, title I, § 111(a), 92 Stat. 897; Oct. 12, 1984, Pub. L. 98–473, title II, § 311, 98 Stat. 2053; Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(4), 98 Stat. 2984; Aug. 20, 1990, Pub. L. 101–382, title I, § 122, 104 Stat. 642.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 607, 42 Stat. 985. That section was superseded by section 607 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Prior provisions for publication or posting of notice of seizure, requiring claimants to appear and file their claim, when the appraised value did not exceed $500, were contained in R.S. § 3075, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1990—Pub. L. 101–382, § 122(6), substituted ''$500,000'' for ''$100,000'' in section catchline.

Subsec. (a)(1). Pub. L. 101–382, § 122(1), substituted ''$500,000'' for ''$100,000''.

Subsec. (a)(4). Pub. L. 101–382, § 122(2)–(4), added par. (4).

Subsec. (c). Pub. L. 101–382, § 122(5), added subsec. (c).

1984—Pub. L. 98–573 amended section generally. See explanation below for amendment by Pub. L. 98–473.

Pub. L. 98–473 amended section generally in manner substantially identical to amendment by Pub. L. 98–573. Prior to amendment, section read as follows: ''If such value of such vessel, vehicle, merchandise, or baggage does not exceed $10,000, the appropriate customs officer shall cause a notice of the seizure of such articles and the intention to forfeit and sell or otherwise dispose of the same according to law to be published for at least three successive weeks in such manner as the Secretary of the Treasury may direct. For the purposes of this section and sections 1610 and 1612 of this title merchandise the importation of which is prohibited shall be held not to exceed $10,000 in value.''

1978—Pub. L. 95–410 substituted ''$10,000'' for ''$2,500'' wherever appearing.

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector, and struck out reference to appraiser's return of value.

1954—Act Sept. 1, 1954, substituted ''$2,500'' for ''$1,000'' wherever appearing.

1938—Act June 25, 1938, substituted ''forfeit and sell or otherwise dispose of the same according to law'' for ''forfeit and sell the same''.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1600, 1610, 1612 of this title.

§ 1608. Seizure; claims; judicial condemnation

Any person claiming such vessel, vehicle, aircraft, merchandise, or baggage may at any time within twenty days from the date of the first publication of the notice of seizure file with the appropriate customs officer a claim stating his interest therein. Upon the filing of such claim, and the giving of a bond to the United States in the penal sum of $5,000 or 10 percent of the value of the claimed property, whichever is lower, but not less than $250, with sureties to be approved by such customs officer, conditioned that in case of condemnation of the articles so claimed the obligor shall pay all the costs and expenses of the proceedings to obtain such condemnation, such customs officer shall transmit such claim and bond, with a duplicate list and description of the articles seized, to the United States attorney for the district in which seizure was made, who shall proceed to a condemnation of the merchandise or other property in the manner prescribed by law.

(June 17, 1930, ch. 497, title IV, § 608, 46 Stat. 755; June 2, 1970, Pub. L. 91–271, title III, § 301(e), 84 Stat. 288; Oct. 12, 1984, Pub. L. 98–473, title II, §§ 312, 321, 98 Stat. 2054, 2056; Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(5), 98 Stat. 2985; Oct. 27, 1986, Pub. L. 99–570, title I, § 1862, 100 Stat. 3207–54; Nov. 18, 1988, Pub. L. 100–690, title VII, § 7367(c)(2), 102 Stat. 4479.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in R.S. § 3076, which was superseded by act Sept. 21, 1922, ch. 356, title IV, § 608, 42 Stat. 985, and was repealed by section 642 thereof. Section 608 of the 1922 act was superseded by section 608 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1988—Pub. L. 100–690 reenacted section without change. See 1984 and 1986 Amendment notes below.

1986—Pub. L. 99–570, § 1862(a), substituted ''$5,000'' for ''$2,500''. See 1984 Amendment notes below.

Pub. L. 99–570, § 1862(b), which provided that ''Section 608 of such Act [this section], as enacted by Public Law 98–473, is repealed'', was not executed to text because such section was amended (rather than enacted) by Pub. L. 98–473, and to reflect the probable intent of Congress to repeal the amendment made by Pub. L. 98–473 in view of later amendment by Pub. L. 98–573. See 1984 Amendment notes below.

1984—Pub. L. 98–573, § 213(a)(5)(B), which directed the insertion of ''$2,500 or 10 percent of the value of the claimed property, whichever is lower, but not less than'' after ''penal sum of'', was executed to text as superseding the amendment made by Pub. L. 98–473 to reflect the probable intent of Congress. See 1986 Amendment note above.

Pub. L. 98–473, § 312, inserted ''$5,000 or 10 per centum of the value of the claimed property, whichever is lower, but not less than,'' after ''penal sum of''. See 1984 and 1986 Amendment notes above.

Pub. L. 98–573, § 213(a)(5)(A), and Pub. L. 98–473, § 321, inserted reference to aircraft.

1970—Pub. L. 91–271 substituted references to appropriate customs officer or such customs officer for references to collector wherever appearing.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1600 of this title; title 21 section 888.

§ 1609. Seizure; summary forfeiture and sale

(a) In general

If no such claim is filed or bond given within the twenty days hereinbefore specified, the appropriate customs officer shall declare the vessel, vehicle, aircraft, merchandise, or baggage forfeited, and shall sell the same at public auction in the same manner as merchandise abandoned to the United States is sold or otherwise dispose of the same according to law, and shall deposit the proceeds of sale, after deducting the expenses described in section 1613 of this title, into the Customs Forfeiture Fund.

(b) Effect

A declaration of forfeiture under this section shall have the same force and effect as a final decree and order of forfeiture in a judicial forfeiture proceeding in a district court of the United States. Title shall be deemed to vest in the United States free and clear of any liens or encumbrances (except for first preferred ship

mortgages pursuant to section 961 of title 46, Appendix, or any corresponding revision, consolidation, and enactment of such subsection in title 46) from the date of the act for which the forfeiture was incurred. Officials of the various States, insular possessions, territories, and commonwealths of the United States shall, upon application of the appropriate customs officer accompanied by a certified copy of the declaration of forfeiture, remove any recorded liens or encumbrances which apply to such property and issue or reissue the necessary certificates of title, registration certificates, or similar documents to the United States or to any transferee of the United States.

(June 17, 1930, ch. 497, title IV, § 609, 46 Stat. 755; June 25, 1938, ch. 679, § 28(b), 52 Stat. 1089; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Oct. 12, 1984, Pub. L. 98–473, title II, §§ 313, 321, 98 Stat. 2054, 2056; Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(6), 98 Stat. 2985; Nov. 18, 1988, Pub. L. 100–690, title VII, § 7367(b), 102 Stat. 4479.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 609, 42 Stat. 985. That section was superseded by section 609 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions for sale of the property by the collector if no claim should be filed or bond given, were contained in R.S. § 3077, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1988—Pub. L. 100–690 amended section generally. Prior to amendment, section read as follows:

''(a) If no such claim is filed or bond given within the twenty days hereinbefore specified, the appropriate customs officer shall declare the vessel, vehicle, aircraft, merchandise, or baggage forfeited, and shall sell the same at public auction in the same manner as merchandise abandoned to the United States is sold or otherwise dispose of the same according to law, and (except as provided in subsection (b) of this section) shall deposit the proceeds of sale, after deducting expenses enumerated in section 1613 of this title into the Customs Forfeiture Fund.

''(b) During the period beginning on October 30, 1984, and ending on September 30, 1987, the appropriate customs officer shall deposit the proceeds of sale (after deducting such expenses) in the Customs Forfeiture Fund.''

1984—Pub. L. 98–573 designated existing provisions as subsec. (a), inserted reference to aircraft, inserted ''(except as provided in subsection (b) of this section)'' after ''according to law, and'', and added subsec. (b).

Pub. L. 98–473, § 321, inserted reference to aircraft.

Pub. L. 98–473, § 313, substituted ''after deducting expenses enumerated in section 1613 of this title into the Customs Forfeiture Fund'' for ''after deducting the actual expenses of seizure, publication, and sale in the Treasury of the United States''.

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

1938—Act June 25, 1938, inserted ''or otherwise dispose of the same according to law'' after ''in the same manner as merchandise abandoned to the United States is sold''.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

CROSS REFERENCES

Destruction of forfeited vessels, see section 1705 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1600 of this title.

§ 1610. Seizure; judicial forfeiture proceedings

If any vessel, vehicle, aircraft, merchandise, or baggage is not subject to section 1607 of this title, the appropriate customs officer shall transmit a report of the case, with the names of available witnesses, to the United States attorney for the district in which the seizure was made for the institution of the proper proceedings for the condemnation of such property.

(June 17, 1930, ch. 497, title IV, § 610, 46 Stat. 755; Sept. 1, 1954, ch. 1213, title V, § 506, 68 Stat. 1141; June 2, 1970, Pub. L. 91–271, title III, § 301(ee), 84 Stat. 291; Oct. 3, 1978, Pub. L. 95–410, title I, § 111(b), 92 Stat. 898; Oct. 12, 1984, Pub. L. 98–473, title II, § 314, 98 Stat. 2054; Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(7), 98 Stat. 2985; Nov. 18, 1988, Pub. L. 100–690, title VII, § 7367(c)(3), 102 Stat. 4480.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 610, 42 Stat. 985. That section was superseded by section 610 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1988—Pub. L. 100–690 reenacted section without change.

1984—Pub. L. 98–573 substituted ''If any vessel, vehicle, aircraft, merchandise, or baggage is not subject to section 1607 of this title'' for ''If the value of any vessel, vehicle, merchandise, or baggage so seized is greater than $10,000''.

Pub. L. 98–473 amended section in manner substantially identical to amendment by Pub. L. 98–573.

1978—Pub. L. 95–410 substituted ''$10,000'' for ''$2,500'' wherever appearing.

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector, and struck out reference to appraiser's return of value.

1954—Act Sept. 1, 1954, substituted ''$2,500'' for ''$1,000''.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1600 of this title.

§ 1611. Seizure; sale unlawful

If the sale of any vessel, vehicle, aircraft, merchandise, or baggage forfeited under the customs laws in the district in which seizure thereof was made be prohibited by the laws of the State in which such district is located, or if a sale may be made more advantageously in any other district, the Secretary of the Treasury may order such vessel, vehicle, aircraft, merchandise, or baggage to be transferred for sale in any customs district in which the sale thereof may be permitted. Upon the request of the Secretary of the Treasury, any court may, in proceedings for the forfeiture of any vessel, vehicle, aircraft, merchandise, or baggage under the customs laws, provide in its decree of forfeiture that the vessel, vehicle, aircraft, merchandise, or baggage, so forfeited, shall be delivered to the Secretary of the Treasury for disposition in accordance with the provisions of this section. If the Secretary of the Treasury is satisfied that the proceeds of any sale will not be sufficient to pay the costs thereof, he may order a destruction by the customs officers: *Provided*, That any merchandise forfeited under the customs laws, the sale or use of which is prohibited under any law of the United States or of any State, may, in the discretion of the Secretary of the Treasury, be destroyed, or remanufactured into an article that is not prohibited, the resulting article to be disposed of to the profit of the United States only.

(June 17, 1930, ch. 497, title IV, § 611, 46 Stat. 755; Oct. 12, 1984, Pub. L. 98–473, title II, § 321, 98 Stat. 2056; Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(8), 98 Stat. 2985.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 611, 42 Stat. 985. That section was superseded by section 611 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1984—Pub. L. 98–573 and Pub. L. 98–473 inserted reference to aircraft in four places.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1600 of this title.

§ 1612. Seizure; summary sale

(a) Whenever it appears to the Customs Service that any vessel, vehicle, aircraft, merchandise, or baggage seized under the customs laws is liable to perish or to waste or to be greatly reduced in value by keeping, or that the expense of keeping the same is disproportionate to the value thereof, and such vessel, vehicle, aircraft, merchandise, or baggage is subject to section 1607 of this title, and such vessel, vehicle, aircraft, merchandise, or baggage has not been delivered under bond, the Customs Service shall proceed forthwith to advertise and sell the same at auction under regulations to be prescribed by the Secretary of the Treasury. If such vessel, vehicle, aircraft, merchandise, or baggage is not subject to section 1607 of this title, the Customs Service shall forthwith transmit its report of the seizure to the United States attorney, who shall petition the court to order an immediate sale of such vessel, vehicle, aircraft, merchandise, or baggage, and if the ends of justice require it the court shall order such immediate sale, the proceeds thereof to be deposited with the court to await the final determination of the condemnation proceedings. Whether such sale be made by the Customs Service or by order of the court, the proceeds thereof shall be held subject to claims of parties in interest to the same extent as the vessel, vehicle, aircraft, merchandise, or baggage so sold would have been subject to such claim.

(b) If the Customs Service determines that the expense of keeping the vessel, vehicle, aircraft, merchandise, or baggage is disproportionate to the value thereof, the Customs Service may promptly order the destruction or other appropriate disposition of such property under regulations prescribed by the Secretary. No customs officer shall be liable for the destruction or other disposition of property made pursuant to this section.

(June 17, 1930, ch. 497, title IV, § 612, 46 Stat. 755; June 25, 1948, ch. 646, § 1, 62 Stat. 869; Sept. 1, 1954, ch. 1213, title V, § 506, 68 Stat. 1141; June 2, 1970, Pub. L. 91–271, title III, § 301(ff), 84 Stat. 291; Oct. 3, 1978, Pub. L. 95–410, title I, § 111(c), 92 Stat. 898; Oct. 12, 1984, Pub. L. 98–473, title II, § 315, 98 Stat. 2054; Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(9), 98 Stat. 2985; Nov. 18, 1988, Pub. L. 100–690, title VII, § 7367(c)(4), 102 Stat. 4480; Dec. 8, 1993, Pub. L. 103–182, title VI, § 667, 107 Stat. 2215.)

REFERENCES IN TEXT

The customs laws, referred to in subsec. (a), are classified generally to this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 612, 42 Stat. 986. That section was superseded by section 612 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions concerning the sale of property liable to perish or waste, etc., were contained in R.S. § 3080, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182, § 667(1), substituted ''the Customs Service'' for ''the appropriate customs officer'' after ''Whenever it appears to'', for ''such officer'' after ''delivered under bond,'', for ''such officer'' before ''shall forthwith transmit'' and for ''the customs officer'' after ''Whether such sale be made by'' and substituted ''its report of the seizure'' for ''the appraiser's return and his report of the seizure''.

Subsec. (b). Pub. L. 103–182, § 667(2), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: ''If the expense of keeping the vessel, vehicle, aircraft, merchandise, or baggage is disproportionate to the value thereof, and such value is less than $1,000, such officer may proceed forthwith to order destruction

or other appropriate disposition of such property, under regulations prescribed by the Secretary of the Treasury.''

1988—Pub. L. 100–690 reenacted section substantially without change.

1984—Subsec. (a). Pub. L. 98–573 designated existing provisions as subsec. (a), inserted reference to aircraft in six places and substituted ''the value thereof, and such vessel'' for ''the value thereof, and the value of such vessel'', ''is subject to section 1607 of this title'' for ''as determined under section 1606 of this title, does not exceed $10,000'', ''If such vessel'' for ''If such value of such vessel'', and ''baggage is not subject to section 1607 of this title,'' for ''baggage exceeds $10,000'', and added subsec. (b).

Pub. L. 98–473 amended section in manner substantially identical to amendment by Pub. L. 98–573, but did not add a subsec. (b) or provisions similar thereto.

1978—Pub. L. 95–410 substituted ''$10,000'' for ''$2,500'' wherever appearing.

1970—Pub. L. 91–271 substituted references to appropriate customs officer or such officer for references to collector wherever appearing therein, and struck out references to appraiser and appraiser's return of value.

1954—Act Sept. 1, 1954, substituted ''$2,500'' for ''$1,000'' wherever appearing.

CHANGE OF NAME

Act June 25, 1948, eff. Sept. 1, 1948, substituted ''United States attorney'' for ''United States district attorney''. See section 541 of Title 28, Judiciary and Judicial Procedure, and Historical and Revision Note thereunder.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

CROSS REFERENCES

Destruction of forfeited vessels, see section 1705 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1600, 1613b of this title; title 16 section 1861; title 31 section 9703.

§ 1613. Disposition of proceeds of forfeited property

(a) Application for remission of forfeiture and restoration of proceeds of sale; disposition of proceeds when no application has been made

Except as provided in subsection (b) of this section, any person claiming any vessel, vehicle, aircraft, merchandise, or baggage, or any interest therein, which has been forfeited and sold under the provisions of this chapter, may at any time within three months after the date of sale apply to the Secretary of the Treasury if the forfeiture and sale was under the customs laws, or to the Commandant of the Coast Guard or the Commissioner of Customs, as the case may be, if the forfeiture and sale was under the navigation laws, for a remission of the forfeiture and restoration of the proceeds of such sale, or such part thereof as may be claimed by him. Upon the production of satisfactory proof that the applicant did not know of the seizure prior to the declaration or condemnation of forfeiture, and was in such circumstances as prevented him from knowing of the same, and that such forfeiture was incurred without any willful negligence or intention to defraud on the part of the applicant, the Secretary of the Treasury, the Commandant of the Coast Guard, or the Commissioner of Customs may order the proceeds of the sale, or any part thereof, restored to the applicant, after deducting the cost of seizure and of sale, the duties, if any, accruing on the merchandise or baggage, and any sum due on a lien for freight, charges, or contribution in general average that may have been filed. If no application for such remission or restoration is made within three months after such sale, or if the application be denied by the Secretary of the Treasury, the Commandant of the Coast Guard, or the Commissioner of Customs, the proceeds of sale shall be disposed of as follows:

(1) For the payment of all proper expenses of the proceedings of forfeiture and sale, including expenses of seizure, maintaining the custody of the property, advertising and sale, and if condemned by a decree of a district court and a bond for such costs was not given, the costs as taxed by the court;

(2) For the satisfaction of liens for freight, charges, and contributions in general average, notice of which has been filed with the appropriate customs officer according to law; and

(3) The residue shall be deposited in the general fund of the Treasury of the United States.[1]

(b) Disposition of proceeds in excess of penalty assessed under section 1592

If merchandise is forfeited under section 1592 of this title, any proceeds from the sale thereof in excess of the monetary penalty finally assessed thereunder and the expenses and costs described in subsection (a)(1) and (2) of this section or subsection (a)(1), (a)(3), or (a)(4) of section 1613b of this title incurred in such sale shall be returned to the person against whom the penalty was assessed.

(c) Treatment of deposits

If property is seized by the Secretary under law enforced or administered by the Customs Service, or otherwise acquired under section 1605 of this title, and relief from the forfeiture is granted by the Secretary, or his designee, upon terms requiring the deposit or retention of a monetary amount in lieu of the forfeiture, the amount recovered shall be treated in the same manner as the proceeds of sale of a forfeited item.

(d) Expenses

In any judicial or administrative proceeding to forfeit property under any law enforced or administered by the Customs Service or the Coast Guard, the seizure, storage, and other expenses related to the forfeiture that are incurred by the Customs Service or the Coast Guard after the seizure, but before the institution of, or during, the proceedings, shall be a priority claim in the same manner as the court costs and the expenses of the Federal marshal.

(June 17, 1930, ch. 497, title IV, § 613, 46 Stat. 756; June 25, 1938, ch. 679, § 29, 52 Stat. 1089; 1946

[1] See 1984 Amendment note below.

Reorg. Plan No. 3, §§101–104, eff. July 16, 1946, 11 F.R. 7875, 60 Stat. 1097; June 2, 1970, Pub. L. 91–271, title III, §301(b), 84 Stat. 287; Oct. 3, 1978, Pub. L. 95–410, title I, §110(c), 92 Stat. 896; Oct. 12, 1984, Pub. L. 98–473, title II, §§316, 321, 98 Stat. 2054, 2056; Oct. 30, 1984, Pub. L. 98–573, title II, §213(a)(10), 98 Stat. 2986; Oct. 27, 1986, Pub. L. 99–570, title III, §3124, 100 Stat. 3207–88.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

The navigation laws, referred to in text, are classified generally to Title 33, Navigation and Navigable Waters.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, §613, 42 Stat. 986. That section was superseded by section 613 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions authorizing applications to the Secretary of the Treasury for remission of forfeitures and restoration of the proceeds of sales, and provisions substantially the same as those in this section concerning the granting of such applications, were contained in R.S. §3078. R.S. §3079 provided that if no application was made within three months the proceeds should be distributed in the same manner as if the property had been condemned and sold under a decree of court. R.S. §3090, as amended by act Feb. 27, 1877, ch. 69, §1, 19 Stat. 248, also specified how the proceeds of fines, penalties, and forfeitures incurred under customs laws, should be applied and distributed. All these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, §642, 42 Stat. 989.

AMENDMENTS

1986—Subsecs. (c), (d). Pub. L. 99–570 added subsecs. (c) and (d).

1984—Subsec. (a). Pub. L. 98–573, §213(a)(10)(A), and Pub. L. 98–473, §321, inserted reference to aircraft in provisions preceding par. (1).

Subsec. (a)(3). Pub. L. 98–573, §213(a)(10)(B), substituted ''in the general fund of the Treasury of the United States'' for ''with the Treasurer of the United States as a customs or navigation fine''.

Pub. L. 98–473, §316, which directed the substitution of ''The residue shall be deposited in the Customs Forfeiture Fund'' for ''The residue shall be deposited with the Treasurer of the United States as a customs or navigation fine'' was not executed to text in view of the later amendment by section 213(a)(10)(B) of Pub. L. 98–573.

Subsec. (b). Pub. L. 98–573, §213(a)(10)(C), inserted ''or subsection (a)(1), (a)(3), or (a)(4) of section 1613b of this title''.

1978—Subsec. (a). Pub. L. 95–410, §110(c)(1), designated existing provisions as subsec. (a) and substituted ''Except as provided in subsection (b) of this section, any'' for ''Any''.

Subsec. (b). Pub. L. 95–410, §110(c)(2), added subsec. (b).

1970—Pub. L. 91–271 substituted reference to appropriate customs officer for reference to collector.

1938—Act June 25, 1938, inserted ''and'' at end of subd. (2), struck out subd. (3), and redesignated subd. (4) as (3).

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

TRANSFER OF FUNCTIONS

By Reorg. Plan No. 3 of 1946, set out in the Appendix to Title 5, Government Organization and Employees, functions of Secretary of Commerce relating to remission and mitigation of fines, penalties and forfeitures incurred for violation of navigation laws were transferred to Commandant of Coast Guard and Commissioner of Customs, subject to direction and control of Secretary of the Treasury, except as otherwise required by law with respect to United States Coast Guard whenever it operates as a part of Navy. Accordingly, references to Commandant of Coast Guard and Commissioner of Customs substituted in text for ''the Secretary of Commerce''.

For transfer of functions of other officers, employees, and agencies of Department of the Treasury, with certain exceptions, to Secretary of the Treasury with power to delegate, see Reorg. Plan No. 26 of 1950, §§1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Commissioner of Customs, referred to in text, is an officer in Department of the Treasury. Functions of Coast Guard and Commandant of Coast Guard excepted from transfer when Coast Guard is operating as part of Navy under sections 1 and 3 of Title 14, Coast Guard.

Coast Guard transferred to Department of Transportation, and functions, powers, and duties relating to Coast Guard of Secretary of the Treasury and of other officers and offices of Department of the Treasury transferred to Secretary of Transportation by Pub. L. 89–670, §6(b)(1), Oct. 15, 1966, 80 Stat. 938. Section 6(b)(2) of Pub. L. 89–670, however, provided that notwithstanding such transfer of functions, Coast Guard shall operate as part of Navy in time of war or when President directs as provided in section 3 of Title 14. See section 108 of Title 49, Transportation.

APPROPRIATIONS

Section 2 of act June 26, 1934, ch. 756, 48 Stat. 1225, which was classified to section 725a of former Title 31, Money and Finance, repealed the permanent appropriation under the title ''Proceeds of goods seized and sold (Customs) (2x322)'' effective July 1, 1935, and provided that such portions of any Acts as make permanent appropriations to be expended under such account are amended so as to authorize, in lieu thereof, annual appropriations from the general fund of the Treasury in identical terms and in such amounts as now provided by the laws providing such permanent appropriations.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1600, 1609, 1613b, 1614, 2254 of this title.

§ 1613a. Repealed. Pub. L. 99–514, title XVIII, § 1888(7), Oct. 22, 1986, 100 Stat. 2925

Section, act June 17, 1930, ch. 497, title IV, §613a, as added and amended Oct. 12, 1984, Pub. L. 98–473, title II, §§317, 2304, 98 Stat. 2054, 2193; Oct. 27, 1986, Pub. L. 99–570, title I, §1152(b)(1), 100 Stat. 3207–12; July 11, 1987, Pub. L. 100–71, title I, §101, 101 Stat. 438, related to establishment, purpose, etc. of the Customs Forfeiture Fund. See section 1613b of this title.

Section 1152(b)(1) of Pub. L. 99–570, which amended this section subsequently to repeal by Pub. L. 99–514, was repealed by section 101 of Pub. L. 100–71, which also provided in part that section 1152(b) of Pub. L. 99–570 be treated as though it had never been enacted.

§ 1613b. Customs Forfeiture Fund

(a) In general

(1) There is established in the Treasury of the United States a fund to be known as the ''Customs Forfeiture Fund'' (hereafter in this section referred to as the ''Fund''), which shall be available to the United States Customs Service, subject to appropriation, with respect to seizures and forfeitures by the United States Customs Service and the United States Coast Guard under any law enforced or administered by those agencies for payment, or for reimbursement to the appropriation from which payment was made, for—

(A) all proper expenses of the seizure (including investigative costs incurred by the United States Customs Service leading to seizures) or the proceedings of forfeiture and sale, including, but not limited to, the expenses of inventory, security, and maintenance of custody of the property, advertisement and sale of the property, and if condemned by the court and a bond for such costs was not given, the costs as taxed by the court;

(B) awards of compensation to informers under section 1619 of this title;

(C) satisfaction of—

(i) liens for freight, charges, and contributions in general average, notice of which has been filed with the appropriate customs officer according to law, and

(ii) other liens against forfeited property;

(D) amounts authorized by law with respect to remission and mitigation;

(E) claims of parties in interest to property disposed of under section 1612(b) of this title, in the amounts applicable to such claims at the time of seizure; and

(F) equitable sharing payments made to other Federal agencies, State and local law enforcement agencies, and foreign countries under the authority of section 1616a(c) of this title or section 981 of title 18.

(2)(A) Any payment made under subparagraph (C) or (D) of paragraph (1) with respect to a seizure or a forfeiture of property shall not exceed the value of the property at the time of the seizure.

(B) Any payment made under subparagraph (F) of paragraph (1) with respect to a seizure or forfeiture of property shall not exceed the value of the property at the time of disposition.

(3) In addition to the purposes described in paragraph (1), the Fund shall be available for—

(A) purchases by the United States Customs Service of evidence of—

(i) smuggling of controlled substances, and

(ii) violations of the currency and foreign transaction reporting requirements of chapter 51 of title 31, if there is a substantial probability that the violations of these requirements are related to the smuggling of controlled substances;

(B) equipment for any vessel, vehicle, or aircraft available for official use by the United States Customs Service to enable the vessel, vehicle, or aircraft to assist in law enforcement functions;

(C) the reimbursement, at the discretion of the Secretary, of private persons for expenses incurred by such persons in cooperating with the United States Customs Service in investigations and undercover law enforcement operations;

(D) publication of the availability of awards under section 1619 of this title;

(E) equipment for any vessel, vehicle, or aircraft available for official use by a State or local law enforcement agency to enable the vessel, vehicle, or aircraft to assist in law enforcement functions if the conveyance will be used in joint law enforcement operations with the United States Customs Service; and

(F) payment of overtime salaries, travel, fuel, training, equipment, and other similar costs of State and local law enforcement officers that are incurred in joint law enforcement operations with the United States Customs Service.

(b) United States Coast Guard

The Commissioner of Customs shall make available to the United States Coast Guard, from funds appropriated under subsection (f)(2) of this section in excess of $10,000,000 for a fiscal year, proceeds in the Fund derived from seizures by the Coast Guard. Funds made available under this subsection may be used for—

(1) equipment for any vessel, vehicle, or aircraft available for official use by the United States Coast Guard to enable the vessel, vehicle, or aircraft to assist in law enforcement functions;

(2) equipment for any vessel, vehicle, equipment, or aircraft available for official use by a State or local law enforcement agency to enable the vessel, vehicle, or aircraft to assist in law enforcement functions if the conveyance will be used in joint law enforcement operations with the United States Coast Guard;

(3) payment of overtime salaries, travel, fuel, training, equipment, and other similar costs of State and local law enforcement officers that are incurred in joint law enforcement operations with the United States Coast Guard; and

(4) expenses incurred in bringing vessels into compliance with applicable environmental laws prior to disposal by sinking.

(c) Deposits

There shall be deposited into the Fund all forfeited currency and proceeds from forfeiture under any law enforced or administered by the United States Customs Service or the United States Coast Guard and all income from investments made under subsection (d) of this section.

(d) Investment

Amounts in the Fund which are not currently needed for the purposes of this section shall be invested in obligations of, or guaranteed by, the United States.

(e) Annual reports; audits

(1) The Commissioner of Customs shall transmit to the Congress, by no later than February 1 of each fiscal year the following detailed reports:

(A) a report on—

(i) the estimated total value of property forfeited under any law enforced or adminis-

tered by the United States Customs Service or the United States Coast Guard with respect to which funds were not deposited in the Fund during the previous fiscal year, and

(ii) the estimated total value of all such property transferred to any State or local law enforcement agency;

(B) a report on—

(i) the balance of the Fund at the beginning of the preceding fiscal year;

(ii) liens and mortgages paid and amount of money shared with State and local law enforcement agencies during the previous fiscal year;

(iii) the net amount realized from the operations of the Fund during the previous fiscal year, the amount of seized cash being held as evidence, and the amount of money that has been carried over to the current fiscal year;

(iv) any defendant's equity in property valued at $1,000,000 or more;

(v) the balance of the Fund at the end of the previous fiscal year; and

(C) a report containing, for the previous fiscal year—

(i) a complete set of audited financial statements (including a balance sheet, income statement, and cash flow analysis) prepared in a manner consistent with the requirements of the Comptroller General, and

(ii) an analysis of income and expenses showing the revenue received or lost—

(I) by property category (general property, vehicles, vessels, aircraft, cash, and real property) and

(II) by type of disposition (sales, remissions, cancellations, placed into official use, sharing with State and local agencies, and destructions).

(2) The Fund shall be subject to annual financial audits conducted by the Comptroller General of the United States.

(f) Authorization of appropriations

(1) There are hereby appropriated from the Fund such sums as may be necessary to carry out the purposes set forth in subsection (a)(1) of this section.

(2)(A) Subject to subparagraph (B), there are authorized to be appropriated from the Fund not to exceed $20,000,000 for each fiscal year to carry out the purposes set forth in subsections (a)(3) and (b) of this section for such fiscal year.

(B) Of the amount authorized to be appropriated under subparagraph (A), not to exceed the following, shall be available to carry out the purposes set forth in subsection (a)(3) of this section:

(i) $14,855,000 for fiscal year 1991.

(ii) $15,598,000 for fiscal year 1992.

(3) At the end of each fiscal year, any unobligated amount in excess of $15,000,000 remaining in the Fund shall be deposited into the general fund of the Treasury of the United States.

(June 17, 1930, ch. 497, title IV, § 613A, as added Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(11), 98 Stat. 2986; amended Oct. 27, 1986, Pub. L. 99–570, title I, § 1152(b)(2), title III, § 3142(a), 100 Stat. 3207–12, 3207–93; July 11, 1987, Pub. L. 100–71, title I, § 101, 101 Stat. 438; Dec. 22, 1987, Pub. L. 100–202, § 101(m) [title I, § 106], 101 Stat. 1329–390, 1329–397; Aug. 23, 1988, Pub. L. 100–418, title I, § 1912, 102 Stat. 1320; Nov. 18, 1988, Pub. L. 100–690, title VII, § 7364, 102 Stat. 4475; Aug. 20, 1990, Pub. L. 101–382, title I, § 121, 104 Stat. 640; Nov. 5, 1990, Pub. L. 101–508, title X, § 10012(a), 104 Stat. 1388–390.)

PRIOR PROVISIONS

Prior similar provisions were contained in section 613a of act June 17, 1930, as added by Pub. L. 98–473, title II, § 317, Oct. 12, 1984, 98 Stat. 2054, which was classified to section 1613a of this title and subsequently repealed.

AMENDMENTS

1990—Subsec. (a)(1)(F). Pub. L. 101–382, § 121(1), added subpar. (F).

Subsec. (a)(2). Pub. L. 101–382, § 121(2), designated existing provisions as subpar. (A) and added subpar. (B).

Subsec. (c). Pub. L. 101–382, § 121(3), inserted "forfeited currency and" before "proceeds".

Subsec. (e)(1)(B). Pub. L. 101–382, § 121(4)(B)(i), (ii), redesignated cls. (iii) through (vi) as (ii) through (v), respectively, and struck out former cl. (ii), which read as follows: "sources of receipts (seized cash, conveyances, and others) of the Fund during the previous fiscal year;".

Subsec. (e)(1)(C). Pub. L. 101–382, § 121(4)(A), (B)(iii), (iv), (C), added subpar. (C).

Subsec. (f). Pub. L. 101–382, § 121(5), which amended subsec. (f) generally to read as follows:

"(1) Subject to paragraph (2), there are authorized to be appropriated from the Fund not to exceed $20,000,000 for each fiscal year to carry out the purposes set forth in subsections (a)(3) and (b) of this section for such fiscal year.

"(2) Of the amount authorized to be appropriated under paragraph (1), not to exceed the following shall be available to carry out the purposes set forth in subsection (a)(3) of this section:

"(A) $14,855,000 for fiscal year 1991.

"(B) $15,598,000 for fiscal year 1992."

was repealed by Pub. L. 101–508, § 10012(a)(1). See Construction of 1990 Amendment note below.

Subsec. (f)(2). Pub. L. 101–508, § 10012(a)(2), amended par. (2) generally. Prior to amendment, par. (2) read as follows: "There are authorized to be appropriated from the Fund not to exceed $20,000,000 for each fiscal year to carry out the purposes set forth in subsections (a)(3) and (b) of this section for such fiscal year."

1988—Pub. L. 100–690 amended section generally.

Subsec. (a)(iii). Pub. L. 100–418, § 1912(2), substituted "private persons" for "private citizens".

Subsec. (c). Pub. L. 100–418, § 1912(1), substituted "described in subsection (a) of this section for which the fund is available to the United States Customs Service," for "beginning on October 30, 1984, and ending on September 30, 1987,".

1987—Pub. L. 100–71 repealed Pub. L. 99–570, § 1152(b)(2). See 1986 Amendment note below.

Subsec. (a)(5)(v), (vi). Pub. L. 100–202 added cls. (v) and (vi).

1986—Pub. L. 99–570, § 1152(b)(2), which directed the repeal of this section, was itself repealed by Pub. L. 100–71. See Repeal and Revival of Section note below.

Subsec. (a). Pub. L. 99–570, § 3142(a)(1)(A), (F), substituted "1991" for "1987" in introductory provisions and amended generally concluding provisions which had read as follows: "In addition to the purposes described in paragraphs (1) through (6), the fund shall be available for purchases by the United States Customs Service of evidence of (A) smuggling of controlled substances, and (B) violations of the currency and foreign transaction reporting requirements of chapter 53 of title 31 if there is a substantial probability that the

violations of these requirements are related to the smuggling of controlled substances.''

Subsec. (a)(1). Pub. L. 99–570, § 3142(a)(1)(B), inserted ''(including investigative costs leading to seizures)'' after ''of the seizure''.

Subsec. (a)(5), (6). Pub. L. 99–570, § 3142(a)(1)(C)–(E), redesignated par. (6) as (5) and struck out former par. (5) which provided that the fund would be available with respect to seizures and forfeitures by the United States Customs Service for equipping for law enforcement functions of forfeited vessels, vehicles and aircraft retained as provided by law for official use by the Customs Service.

Subsec. (f). Pub. L. 99–570, § 3142(a)(2), amended subsec. (f) generally. Prior to amendment, subsec. (f) read as follows:

''(1) There are authorized to be appropriated from the fund for each of the four fiscal years beginning with fiscal year 1984, not more than $10,000,000.

''(2) At the end of each of the first three of such four fiscal years, any amount in the fund in excess of $10,000,000 shall be deposited in the general fund of the Treasury. At the end of the last of such four fiscal years, any amount in the fund shall be deposited in the general fund of the Treasury, and the fund shall cease to exist.''

EFFECTIVE DATE OF 1990 AMENDMENT

Section 10012(c) of Pub. L. 101–508 provided that: ''The provisions of this section [amending this section] take effect August 21, 1990.''

EFFECTIVE DATE OF 1986 AMENDMENT

Section 3142(b) of Pub. L. 99–570 provided that: ''The amendments made by subsection (a) [amending this section] shall take effect October 1, 1986.''

EFFECTIVE DATE

Section effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as an Effective Date of 1984 Amendment note under section 1304 of this title.

CONSTRUCTION OF 1990 AMENDMENT

Section 10012(a)(1) of Pub. L. 101–508 provided that: ''Paragraph (5) of section 121 of the Customs and Trade Act of 1990 [Pub. L. 101–382] is repealed and subsection (f) of section 613A of the Tariff Act of 1930 [subsec. (f) of this section] shall be applied as if the amendment made by such paragraph (5) had not been enacted.''

REPEAL AND REVIVAL OF SECTION

Section 1152(b)(2) of Pub. L. 99–570, which had directed the repeal of this section, was repealed by section 101 of Pub. L. 100–71, which also provided in part that section 1152(b) of Pub. L. 99–570 be treated as though it had never been enacted.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1600, 1607, 1613 of this title; title 31 section 9703.

§ 1614. Release of seized property

If any person claiming an interest in any vessel, vehicle, aircraft, merchandise, or baggage seized under the provisions of this chapter offers to pay the value of such vessel, vehicle, aircraft, merchandise, or baggage, as determined under section 1606 of this title, and it appears that such person has in fact a substantial interest therein, the appropriate customs officer may, subject to the approval of the Secretary of the Treasury if under the customs laws, or the Commandant of the Coast Guard or the Commissioner of Customs, as the case may be, if under the navigation laws, accept such offer and release the vessel, vehicle, aircraft, merchandise, or baggage seized upon the payment of such value thereof, which shall be distributed in the order provided in section 1613 of this title.

(June 17, 1930, ch. 497, title IV, § 614, 46 Stat. 757; 1946 Reorg. Plan No. 3, §§ 101–104, eff. July 16, 1946, 11 F.R. 7875, 60 Stat. 1097; June 2, 1970, Pub. L. 91–271, title III, § 301(b), 84 Stat. 287; Oct. 12, 1984, Pub. L. 98–473, title II, § 321, 98 Stat. 2056; Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(12), 98 Stat. 2987.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

The navigation laws, referred to in text, are classified generally to Title 33, Navigation and Navigable Waters.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 614, 42 Stat. 987. That section was superseded by section 614 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

A prior provision authorizing collectors, subject to the approval of the Secretary of the Treasury, to release seized merchandise on payment of the appraised value when the appraised value did not exceed $1,000, were contained in R.S. § 3081, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

AMENDMENTS

1984—Pub. L. 98–573 and Pub. L. 98–473 inserted reference to aircraft in three places.

1970—Pub. L. 91–271 substituted reference to the appropriate customs officer for reference to the collector.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

Substitution in text of reference to Commandant of the Coast Guard or Commissioner of Customs for ''the Secretary of Commerce'' under the authority of Reorg. Plan No. 3 of 1946, see Transfer of Functions note set out under section 1613 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1600, 2254 of this title.

§ 1615. Burden of proof in forfeiture proceedings

In all suits or actions (other than those arising under section 1592 of this title) brought for the forfeiture of any vessel, vehicle, aircraft, merchandise, or baggage seized under the provisions of any law relating to the collection of duties on imports or tonnage, where the property is claimed by any person, the burden of proof shall lie upon such claimant; and in all suits or actions brought for the recovery of the value of any vessel, vehicle, aircraft, merchandise, or baggage, because of violation of any such law, the burden of proof shall be upon the defendant: *Provided*, That probable cause shall be first shown for the institution of such suit or action, to be judged of by the court, subject to the following rules of proof:

(1) The testimony or deposition of the officer of the customs who has boarded or required to come to a stop or seized a vessel, vehicle, or aircraft, or has arrested a person, shall be prima facie evidence of the place where the act in question occurred.

(2) Marks, labels, brands, or stamps, indicative of foreign origin, upon or accompanying mechandise[1] or containers of merchandise, shall be prima facie evidence of the foreign origin of such merchandise.

(3) The fact that a vessel of any description is found, or discovered to have been, in the vicinity of any hovering vessel and under any circumstances indicating contact or communication therewith, whether by proceeding to or from such vessel, or by coming to in the vicinity of such vessel, or by delivering to or receiving from such vessel any merchandise, person, or communication, or by any other means effecting contact or communication therewith, shall be prima facie evidence that the vessel in question has visited such hovering vessel.

(June 17, 1930, ch. 497, title IV, § 615, 46 Stat. 757; Aug. 5, 1935, ch. 438, title II, § 207, 49 Stat. 525; Oct. 3, 1978, Pub. L. 95–410, title I, § 110(d), 92 Stat. 896; Oct. 12, 1984, Pub. L. 98–473, title II, § 321, 98 Stat. 2056; Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(13), 98 Stat. 2987.)

PRIOR PROVISIONS

Provisions somewhat similar to those of this section were contained in act Oct. 3, 1913, ch. 16, § III, T, 38 Stat. 189, the provisions of which were originally enacted in the Customs Administrative Act of June 10, 1890, ch. 407, § 21, 26 Stat. 140, and reenacted by the Payne-Aldrich Tariff Act of Aug. 5, 1909, ch. 6, § 28, 36 Stat. 101, and amended by the 1913 act. Section III of the 1913 act was superseded by act Sept. 21, 1922, ch. 356, title IV, § 615, 42 Stat. 987, and was repealed by section 643 thereof. Section 615 of the 1922 act was superseded by section 615 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1984—Pub. L. 98–573 and Pub. L. 98–473 inserted reference to aircraft in provisions preceding par. (1) and in par. (1).

1978—Pub. L. 95–410 inserted ''(other than those arising under section 1592 of this title)'' after ''In all suits or actions''.

1935—Act Aug. 5, 1935, inserted a comma in place of a period at the end, inserted ''subject to the following rules of proof'', and added subds. (1) to (3).

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1600, 2610 of this title.

§ 1616. Repealed. Pub. L. 99–570, title I, § 1863(b), Oct. 27, 1986, 100 Stat. 3207–54

Section, act June 17, 1930, ch. 497, title IV, § 616, as added Oct. 12, 1984, Pub. L. 98–473, title II, § 318, 98 Stat. 2055, related to disposition of forfeited property.

Another section 616 of act June 17, 1930, as added by Pub. L. 98–573, title II, § 213(a)(4), Oct. 30, 1984, 98 Stat. 2987, is classified to section 1616a of this title.

A prior section 1616 of act June 17, 1930, ch. 497, title IV, § 616, 46 Stat. 757, related to prohibition against compromising Government claims and was classified to this section, prior to repeal by act June 25, 1948, ch. 645, § 24, 62 Stat. 682, eff. Sept. 1, 1948. See section 1915 of Title 18, Crimes and Criminal Procedure.

§ 1616a. Disposition of forfeited property

(a) State proceedings

The Secretary of the Treasury may discontinue forfeiture proceedings under this chapter in favor of forfeiture under State law. If a complaint for forfeiture is filed under this chapter, the Attorney General may seek dismissal of the complaint in favor of forfeiture under State law.

(b) Transfer of seized property; notice

If forfeiture proceedings are discontinued or dismissed under this section—

(1) the United States may transfer the seized property to the appropriate State or local official; and

(2) notice of the discontinuance or dismissal shall be provided to all known interested parties.

(c) Retention or transfer of forfeited property

(1) The Secretary of the Treasury may apply property forfeited under this chapter in accordance with subparagraph (A) or (B), or both:

(A) Retain any of the property for official use.

(B) Transfer any of the property to—

(i) any other Federal agency;

(ii) any State or local law enforcement agency that participated directly or indirectly in the seizure or forfeiture of the property; or

(iii) the Civil Air Patrol.

(2) The Secretary may transfer any forfeited personal property or the proceeds of the sale of any forfeited personal or real property to any foreign country which participated directly or indirectly in the seizure or forfeiture of the property, if such a transfer—

(A) has been agreed to by the Secretary of State;

(B) is authorized in an international agreement between the United States and the foreign country; and

(C) is made to a country which, if applicable, has been certified under section 2291j(b) of title 22.

(3) Aircraft may be transferred to the Civil Air Patrol under paragraph (1)(B)(iii) in support of air search and rescue and other emergency services and, pursuant to a memorandum of understanding entered into with a Federal agency, illegal drug traffic surveillance. Jet-powered aircraft may not be transferred to the Civil Air Patrol under the authority of paragraph (1)(B)(iii).

(d) Liability of United States after transfer

The United States shall not be liable in any action relating to property transferred under this section if such action is based on an act or omission occurring after the transfer.

(June 17, 1930, ch. 497, title IV, § 616, as added Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(14), 98 Stat. 2987; amended Oct. 27, 1986, Pub. L.

[1] So in original. Probably should be ''merchandise''.

99–570, title I, § 1863(a), 100 Stat. 3207–54; Nov. 18, 1988, Pub. L. 100–690, title VII, § 7366(a), 102 Stat. 4478; Dec. 7, 1989, Pub. L. 101–207, § 3(e), 103 Stat. 1834; Nov. 2, 1994, Pub. L. 103–447, title I, § 102(c), 108 Stat. 4693.)

CODIFICATION

Another section 616 of act June 17, 1930, as added by Pub. L. 98–473, title II, § 318, Oct. 12, 1984, 98 Stat. 2055, was classified to section 1616 of this title and subsequently repealed.

AMENDMENTS

1994—Subsec. (c)(2)(C). Pub. L. 103–447 substituted ''section 2291j(b) of title 22'' for ''section 2291(h) of title 22''.

1989—Subsec. (c)(1)(B). Pub. L. 101–207, § 3(e)(1), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: ''Transfer any of the property to any—

''(i) other Federal agency; or

''(ii) State or local law enforcement agency that participated directly or indirectly in the seizure or forfeiture of the property.''

Subsec. (c)(3). Pub. L. 101–207, § 3(e)(2), added par. (3).

1988—Subsec. (c). Pub. L. 100–690 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: ''The Secretary of the Treasury may transfer any property forfeited under this chapter to any other Federal agency or to any State or local law enforcement agency which participated directly in the seizure or forfeiture of the property.''

1986—Subsec. (c). Pub. L. 99–570 inserted ''any other Federal agency or to'' after ''property forfeited under this chapter to''.

EFFECTIVE DATE OF 1988 AMENDMENT

Section 7366(b) of Pub. L. 100–690 provided that: ''The amendment made by subsection (a) [amending this section] applies with respect to property forfeited under the Tariff Act of 1930 [this chapter] on or after the date of the enactment of this Act [Nov. 18, 1988].''

EFFECTIVE DATE

Section effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as an Effective Date of 1984 Amendment note under section 1304 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1600, 1613b of this title; title 18 sections 1467, 2253, 2254; title 21 section 881; title 31 section 9703.

§ 1617. Compromise of Government claims by Secretary of the Treasury

Upon a report by a customs officer, United States attorney, or any special attorney, having charge of any claim arising under the customs laws, showing the facts upon which such claim is based, the probabilities of a recovery and the terms upon which the same may be compromised, the Secretary of the Treasury is authorized to compromise such claim, if such action shall be recommended by the General Counsel for the Department of the Treasury.

(June 17, 1930, ch. 497, title IV, § 617, 46 Stat. 757; May 10, 1934, ch. 277, § 512(b), 48 Stat. 759; June 25, 1948, ch. 646, § 1, 62 Stat. 869; June 2, 1970, Pub. L. 91–271, title III, § 301(gg), 84 Stat. 291.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 617, 42 Stat. 987. That section was superseded by section 617 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to customs officer for reference to collector and struck out reference to customs agents.

CHANGE OF NAME

Act June 25, 1948, eff. Sept. 1, 1948, substituted ''United States attorney'' for ''district attorney''. See section 541 of Title 28, Judiciary and Judicial Procedure, and Historical and Revision Note thereunder.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

Functions of Secretary of the Treasury, General Counsel of Department of the Treasury, or Department of the Treasury under this section with respect to functions transferred to Secretary of Commerce in sections 1303 and 1671 et seq. of this title by section 5(a)(1)(C) of Reorg. Plan No. 3 of 1979 were transferred to Secretary of Commerce pursuant to Reorg. Plan No. 3 of 1979, § 5(a)(1)(C), 44 F.R. 69275, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title.

Act May 10, 1934, ch. 277, § 512(b), 48 Stat. 759, abolished offices of General Counsel and Assistant General Counsel for Bureau of Internal Revenue, and office of Solicitor and Assistant Solicitor of the Treasury and transferred powers, duties, and functions thereof to General Counsel for Department of the Treasury.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1600, 2254 of this title.

§ 1618. Remission or mitigation of penalties

Whenever any person interested in any vessel, vehicle, aircraft, merchandise, or baggage seized under the provisions of this chapter, or who has incurred, or is alleged to have incurred, any fine or penalty thereunder, files with the Secretary of the Treasury if under the customs laws, and with the Commandant of the Coast Guard or the Commissioner of Customs, as the case may be, if under the navigation laws, before the sale of such vessel, vehicle, aircraft, merchandise, or baggage a petition for the remission or mitigation of such fine, penalty, or forfeiture, the Secretary of the Treasury, the Commandant of the Coast Guard, or the Commissioner of Customs, if he finds that such fine, penalty, or forfeiture was incurred without willful negligence or without any intention on the part of the petitioner to defraud the revenue or to violate the law, or finds the existence of such mitigating circumstances as to justify the remission or mitigation of such fine, penalty, or forfeiture, may remit or mitigate the same upon such terms and conditions as he deems reasonable and just, or order discontinuance of any prosecution relating thereto. In order to enable him to ascertain the facts, the Secretary of the Treasury may issue a commission to any customs officer to take testimony upon such petition: *Provided*, That nothing in this section shall be construed to deprive any person of an award of compensation made before the filing of such petition.

(June 17, 1930, ch. 497, title IV, § 618, 46 Stat. 757; 1946 Reorg. Plan No. 3, §§ 101–104, eff. July 16, 1946, 11 F.R. 7875, 60 Stat. 1097; June 2, 1970, Pub. L. 91–271, title III, § 301(hh), 84 Stat. 291; Oct. 12, 1984, Pub. L. 98–473, title II, § 321, 98 Stat. 2056; Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(16), 98 Stat. 2988.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

The navigation laws, referred to in text, are classified generally to Title 33, Navigation and Navigable Waters.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 618, 42 Stat. 987. That section was superseded by section 618 of act June 17, 1930, comprising this section, and was repealed by section 651(a)(1) of the 1930 act.

Provisions for a petition to the judge of the district, a summary investigation before the judge or a United States Commissioner, and transmission of the facts appearing thereon, with a certified copy of the evidence, to the Secretary of the Treasury, and provisions authorizing the Secretary to remit fines and penalties, etc., were contained in act June 22, 1874, ch. 391, §§ 17, 18, 20, 18 Stat. 189, 190, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

AMENDMENTS

1984—Pub. L. 98–573 and Pub. L. 98–473 inserted reference to aircraft in two places.

1970—Pub. L. 91–271 substituted ''customs officer'' for ''customs agent, collector, judge of the United States Customs Court, or United States commissioner''.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

TRANSFER OF FUNCTIONS

Substitution in text of references to Commandant of the Coast Guard and Commissioner of Customs for ''the Secretary of Commerce'' under the authority of Reorg. Plan No. 3 of 1946, see note set out under section 1613 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1448, 1509, 1592, 1592a, 1593a, 1595a, 1600, 1641, 2254 of this title.

§ 1619. Award of compensation to informers

(a) In general

If—

(1) any person who is not an employee or officer of the United States—

(A) detects and seizes any vessel, vehicle, aircraft, merchandise, or baggage subject to seizure and forfeiture under the customs laws or the navigation laws and reports such detection and seizure to a customs officer, or

(B) furnishes to a United States attorney, the Secretary of the Treasury, or any customs officer original information concerning—

(i) any fraud upon the customs revenue, or

(ii) any violation of the customs laws or the navigation laws which is being, or has been, perpetrated or contemplated by any other person; and

(2) such detection and seizure or such information leads to a recovery of—

(A) any duties withheld, or

(B) any fine, penalty, or forfeiture of property incurred;

the Secretary may award and pay such person an amount that does not exceed 25 percent of the net amount so recovered.

(b) Forfeited property not sold

If—

(1) any vessel, vehicle, aircraft, merchandise, or baggage is forfeited to the United States and is thereafter, in lieu of sale—

(A) destroyed under the customs or navigation laws, or

(B) delivered to any governmental agency for official use, and

(2) any person would be eligible to receive an award under subsection (a) of this section but for the lack of sale of such forfeited property,

the Secretary may award and pay such person an amount that does not exceed 25 percent of the appraised value of such forfeited property.

(c) Dollar limitation

The amount awarded and paid to any person under this section may not exceed $250,000 for any case.

(d) Source of payment

Unless otherwise provided by law, any amount paid under this section shall be paid out of appropriations available for the collection of the customs revenue.

(e) Recovery of bail bond

For purposes of this section, an amount recovered under a bail bond shall be deemed a recovery of a fine incurred.

(June 17, 1930, ch. 497, title IV, § 619, 46 Stat. 758; Aug. 5, 1935, ch. 438, title III, § 305, 49 Stat. 527; Oct. 12, 1984, Pub. L. 98–473, title II, §§ 319, 321, 98 Stat. 2056; Oct. 30, 1984, Pub. L. 98–573, title II, § 213(a)(15), 98 Stat. 2988; Oct. 27, 1986, Pub. L. 99–570, title III, § 3125, 100 Stat. 3207–88.)

REFERENCES IN TEXT

The customs laws, referred to in subsecs. (a)(1)(A), (B)(ii), and (b)(1)(A), are classified generally to this title.

The navigation laws, referred to in subsecs. (a)(1)(A), (B)(ii), and (b)(1)(A), are classified generally to Title 33, Navigation and Navigable Waters.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 619, 42 Stat. 988. That section was superseded by section 619 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions somewhat similar to those in this section, but applicable in part to any officer of the customs or other person, were contained in act June 22, 1874, ch. 391, § 4, 18 Stat. 186. Section 3 of the 1874 act required the Secretary of the Treasury to make suitable compensation in certain cases, as thereinafter provided, made an appropriation and required payments to be re-

ported to Congress. Section 6 required claims to compensation to be established to the satisfaction of the court or judge, and required satisfactory proof when the fine, etc., was collected without judicial proceedings. All of these sections were repealed by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

Section 2 of the act of June 22, 1874, ch. 391, repealed all provisions under which moieties of fines, etc., were paid to informers, etc., and required the proceeds of all fines, penalties, and forfeitures to be paid into the Treasury. This last provision was omitted from the Code as superseded by section 527 of this title (act Mar. 4, 1907, ch. 2918, § 1, 34 Stat. 1315).

Section 26 of that Act repealed inconsistent laws and saved existing rights. It was omitted from the Code as temporary and executed.

R.S. § 2948, providing that additional duties were not to be deemed fines, etc., for distribution to customs officers, became inoperative by the repeal of all provisions for payment of moieties of fines, etc., to informers or officers, by the act of June 2, 1874, ch. 391, § 2, and was repealed by act Sept. 21, 1922, ch. 356, title IV, § 642, 42 Stat. 989.

An appropriation for compensation in lieu of moieties was made by act Mar. 2, 1926, ch. 43, § 1, 44 Stat. 141. Similar appropriations were contained in prior acts.

AMENDMENTS

1986—Pub. L. 99–570 amended section generally. Prior to amendment, section read as follows: "Any person not an officer of the United States who detects and seizes any vessel, vehicle, aircraft, merchandise, or baggage subject to seizure and forfeiture under the customs laws or the navigation laws, and who reports the same to an officer of the customs, or who furnishes to a United States attorney, to the Secretary of the Treasury, or to any customs officer original information concerning any fraud upon the customs revenue, or a violation of the customs laws or the navigation laws, perpetrated or contemplated, which detection and seizure or information leads to a recovery of any duties withheld, or of any fine, penalty, or forfeiture incurred, may be awarded and paid by the Secretary of the Treasury a compensation of 25 per centum of the net amount recovered, but not to exceed $250,000 in any case, which shall be paid out of any appropriations available for the collection of the revenue from customs. For the purposes of this section an amount recovered under a bail bond shall be deemed a recovery of a fine incurred. If any vessel, vehicle, aircraft, merchandise, or baggage is forfeited to the United States, and is thereafter, in lieu of sale, destroyed under the customs or navigation laws or delivered to any governmental agency for official use, compensation of 25 per centum of the appraised value thereof may be awarded and paid by the Secretary of the Treasury under the provisions of this section, but not to exceed $250,000 in any case. In no event shall the Secretary delegate the authority to pay an award under this section in excess of $10,000 to an official below the level of the Commissioner of Customs."

1984—Pub. L. 98–573, § 213(a)(15)(A), and Pub. L. 98–473, § 321, inserted reference to aircraft in two places.

Pub. L. 98–573, § 213(a)(15)(B), substituted "$250,000" for "$50,000" in two places.

Pub. L. 98–473, § 319(a), substituted "$150,000" for "$50,000".

Pub. L. 98–473, § 319(b), inserted "In no event shall the Secretary delegate the authority to pay an award under this section in excess of $10,000 to an official below the level of the Commissioner of Customs."

1935—Act Aug. 5, 1935, inserted "or the navigation laws" after "customs laws", and provisions authorizing award of compensation of 25 per centum of the appraised value, but not to exceed $50,000 in any case.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 15, 1984, see section 214(e) of Pub. L. 98–573, set out as a note under section 1304 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1600, 1613b of this title; title 31 section 9703.

§ 1620. Acceptance of money by United States officers

Any officer of the United States who directly or indirectly receives, accepts, or contracts for any portion of the money which may accrue to any person making such detection and seizure, or furnishing such information, shall be guilty of a felony and, upon conviction thereof, shall be punished by a fine of not more than $10,000, or by imprisonment for not more than two years, or both, and shall be thereafter ineligible to any office of honor, trust, or emolument. Any such person who pays to any such officer, or to any person for the use of such officer, any portion of such money, or anything of value for or because of such money, shall have a right of action against such officer, or his legal representatives, or against such person, or his legal representatives, and shall be entitled to recover the money so paid or the thing of value so given.

(June 17, 1930, ch. 497, title IV, § 620, 46 Stat. 758.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 620, 42 Stat. 988. That section was superseded by section 620 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions somewhat similar to those in this section but excepting cases of smuggling were contained in act June 22, 1874, ch. 391, § 7, 18 Stat. 187, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

CROSS REFERENCES

Extortion by officers or employees of the United States, see section 872 of Title 18, Crimes and Criminal Procedure.

Penalty for customs officers receiving any other or greater fee, compensation, or reward than is allowed by law, see section 60 of this title.

§ 1621. Limitation of actions

No suit or action to recover any duty under section 1592(d), 1593a(d) of this title, or any pecuniary penalty or forfeiture of property accruing under the customs laws shall be instituted unless such suit or action is commenced within five years after the time when the alleged offense was discovered; except that—

(1) in the case of an alleged violation of section 1592 or 1593a of this title, no suit or action (including a suit or action for restoration of lawful duties under subsection (d) of such sections) may be instituted unless commenced within 5 years after the date of the alleged violation or, if such violation arises out of fraud, within 5 years after the date of discovery of fraud, and

(2) the time of the absence from the United States of the person subject to the penalty or forfeiture, or of any concealment or absence of the property, shall not be reckoned within the 5-year period of limitation.

(June 17, 1930, ch. 497, title IV, § 621, 46 Stat. 758; Aug. 5, 1935, ch. 438, title III, § 306, 49 Stat. 527; Oct. 3, 1978, Pub. L. 95–410, title I, § 110(e), 92 Stat. 897; Dec. 8, 1993, Pub. L. 103–182, title VI, § 668, 107 Stat. 2216.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 621, 42 Stat. 988. That section was superseded by section 621 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

Provisions substantially similar to those of this section, except that the period of limitation was three years, were contained in act June 22, 1874, ch. 391, § 22, 18 Stat. 190, prior to repeal by act Sept. 21, 1922, ch. 356, title IV, § 643, 42 Stat. 989.

AMENDMENTS

1993—Pub. L. 103–182 inserted ''any duty under section 1592(d), 1593a(d) of this title, or'' before ''any pecuniary penalty'' and substituted ''discovered; except that—'' along with pars. (1) and (2) for ''discovered: *Provided*, That in the case of an alleged violation of section 1592 of this title arising out of gross negligence or negligence, such suit or action shall not be instituted more than five years after the date the alleged violation was committed: *Provided further*, That the time of the absence from the United States of the person subject to such penalty or forfeiture, or of any concealment or absence of the property, shall not be reckoned within this period of limitation.''

1978—Pub. L. 95–410 prescribed for any suit or action for violation of section 1592 of this title arising out of gross negligence or negligence a five year limitation period following date of alleged violation.

1935—Act Aug. 5, 1935, substituted ''the alleged offense was discovered'' for ''such penalty or forfeiture accrued''.

EFFECTIVE DATE OF 1978 AMENDMENT

Effective date of amendment by Pub. L. 95–410 for alleged violation of section 1592 of this title arising out of gross negligence or negligence committed on or after Oct. 3, 1978, or before such date without commencement of proceedings except where barred by provisions of this section in effect prior to such date, see section 110(f)(2) of Pub. L. 95–410, set out as a note under section 1592 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1641 of this title.

§ 1622. Foreign landing certificates

The Secretary of the Treasury may by regulations require the production of landing certificates in respect of merchandise exported from the United States, or in respect of residue cargo, in cases in which he deems it necessary for the protection of the revenue, or to comply with international obligations.

(June 17, 1930, ch. 497, title IV, § 622, 46 Stat. 759; Oct. 27, 1986, Pub. L. 99–570, title III, § 3126, 100 Stat. 3207–89.)

AMENDMENTS

1986—Pub. L. 99–570 inserted '', or to comply with international obligations'' before period at end.

§ 1623. Bonds and other security

(a) Requirement of bond by regulation

In any case in which bond or other security is not specifically required by law, the Secretary of the Treasury may by regulation or specific instruction require, or authorize customs officers to require, such bonds or other security as he, or they, may deem necessary for the protection of the revenue or to assure compliance with any provision of law, regulation, or instruction which the Secretary of the Treasury or the Customs Service may be authorized to enforce.

(b) Conditions and form of bond

Whenever a bond is required or authorized by a law, regulation, or instruction which the Secretary of the Treasury or the Customs Service is authorized to enforce, the Secretary of the Treasury may—

(1) Except as otherwise specifically provided by law, prescribe the conditions and form of such bond and the manner in which the bond may be filed with or, pursuant to an authorized electronic data interchange system, transmitted to the Customs Service, and fix the amount of penalty thereof, whether for the payment of liquidated damages or of a penal sum: *Provided*, That when a consolidated bond authorized by paragraph 4 of this subsection is taken, the Secretary of the Treasury may fix the penalty of such bond without regard to any other provision of law, regulation, or instruction.

(2) Provide for the approval of the sureties on such bond, without regard to any general provision of law.

(3) Authorize the execution of a term bond the conditions of which shall extend to and cover similar cases of importations over such period of time, not to exceed one year, or such longer period as he may fix when in his opinion special circumstances existing in a particular instance require such longer period.

(4) Authorize, to the extent that he may deem necessary, the taking of a consolidated bond (single entry or term), in lieu of separate bonds to assure compliance with two or more provisions of law, regulations, or instructions which the Secretary of the Treasury or the Customs Service is authorized to enforce. A consolidated bond taken pursuant to the authority contained in this subsection shall have the same force and effect in respect of every provision of law, regulation, or instruction for the purposes for which it is required as though separate bonds had been taken to assure compliance with each such provision.

(c) Cancellation of bond

The Secretary of the Treasury may authorize the cancellation of any bond provided for in this section, or of any charge that may have been made against such bond, in the event of a breach of any condition of the bond, upon the payment of such lesser amount or penalty or upon such other terms and conditions as he may deem sufficient. In order to assure uniform, reasonable, and equitable decisions, the Secretary of the Treasury shall publish guidelines establishing standards for setting the terms and conditions for cancellation of bonds or charges thereunder.

(d) Validity of bond

No condition in any bond taken to assure compliance with any law, regulation, or instruction which the Secretary of the Treasury or the Customs Service is authorized to enforce shall be held invalid on the ground that such condition is not specified in the law, regulation, or instruc-

tion authorizing or requiring the taking of such bond. Any bond transmitted to the Customs Service pursuant to an authorized electronic data interchange system shall have the same force and effect and be binding upon the parties thereto as if such bond were manually executed, signed, and filed.

(e) Deposit of money or obligation of United States in lieu of bond

The Secretary of the Treasury is authorized to permit the deposit of money or obligations of the United States, in such amount and upon such conditions as he may by regulation prescribe, in lieu of sureties on any bond required or authorized by a law, regulation, or instruction which the Secretary of the Treasury or the Customs Service is authorized to enforce.

(June 17, 1930, ch. 497, title IV, § 623, 46 Stat. 759; June 25, 1938, ch. 679, § 30, 52 Stat. 1089; June 2, 1970, Pub. L. 91–271, title III, § 301(ii), 84 Stat. 291; Aug. 23, 1988, Pub. L. 100—418, title I, § 1904, 102 Stat. 1313; Dec. 8, 1993, Pub. L. 103–182, title VI, § 647, 107 Stat. 2207.)

AMENDMENTS

1993—Subsec. (b)(1). Pub. L. 103–182, § 647(1), inserted ''and the manner in which the bond may be filed with or, pursuant to an authorized electronic data interchange system, transmitted to the Customs Service'' after ''form of such bond''.

Subsec. (d). Pub. L. 103–182, § 647(2), inserted at end ''Any bond transmitted to the Customs Service pursuant to an authorized electronic data interchange system shall have the same force and effect and be binding upon the parties thereto as if such bond were manually executed, signed, and filed.''

1988—Subsec. (c). Pub. L. 100–418 provided for publication of guidelines establishing customs bond cancellation standards.

1970—Subsec. (a). Pub. L. 91–271 substituted reference to customs officers for reference to collectors of customs.

1938—Act June 25, 1938, amended section generally, among other changes adding subsecs. (c) to (e).

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

TRANSFER OF FUNCTIONS

Functions of all other officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Customs Service is under Department of the Treasury.

§ 1624. General regulations

In addition to the specific powers conferred by this chapter the Secretary of the Treasury is authorized to make such rules and regulations as may be necessary to carry out the provisions of this chapter.

(June 17, 1930, ch. 497, title IV, § 624, 46 Stat. 759.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 623, 42 Stat. 988. That section was superseded by section 624 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

§ 1625. Interpretive rulings and decisions; public information

(a) Publication

Within 90 days after the date of issuance of any interpretive ruling (including any ruling letter, or internal advice memorandum) or protest review decision under this chapter with respect to any customs transaction, the Secretary shall have such ruling or decision published in the Customs Bulletin or shall otherwise make such ruling or decision available for public inspection.

(b) Appeals

A person may appeal an adverse interpretive ruling and any interpretation of any regulation prescribed to implement such ruling to a higher level of authority within the Customs Service for de novo review. Upon a reasonable showing of business necessity, any such appeal shall be considered and decided no later than 60 days following the date on which the appeal is filed. The Secretary shall issue regulations to implement this subsection.

(c) Modification and revocation

A proposed interpretive ruling or decision which would—

(1) modify (other than to correct a clerical error) or revoke a prior interpretive ruling or decision which has been in effect for at least 60 days; or

(2) have the effect of modifying the treatment previously accorded by the Customs Service to substantially identical transactions;

shall be published in the Customs Bulletin. The Secretary shall give interested parties an opportunity to submit, during not less than the 30-day period after the date of such publication, comments on the correctness of the proposed ruling or decision. After consideration of any comments received, the Secretary shall publish a final ruling or decision in the Customs Bulletin within 30 days after the closing of the comment period. The final ruling or decision shall become effective 60 days after the date of its publication.

(d) Publication of customs decisions that limit court decisions

A decision that proposes to limit the application of a court decision shall be published in the Customs Bulletin together with notice of opportunity for public comment thereon prior to a final decision.

(e) Public information

The Secretary may make available in writing or through electronic media, in an efficient, comprehensive and timely manner, all information, including directives, memoranda, electronic messages and telexes which contain in-

structions, requirements, methods or advice necessary for importers and exporters to comply with the Customs[1] laws and regulations. All information which may be made available pursuant to this subsection shall be subject to any exemption from disclosure provided by section 552 of title 5.

(June 17, 1930, ch. 497, title IV, § 625, as added Oct. 3, 1978, Pub. L. 95–410, title I, § 112, 92 Stat. 898; amended Dec. 8, 1993, Pub. L. 103–182, title VI, § 623, 107 Stat. 2186.)

REFERENCES IN TEXT

The Customs laws, referred to in subsec. (e), are classified generally to this title.

AMENDMENTS

1993—Pub. L. 103–182 amended section generally. Prior to amendment, section read as follows: ''Within 120 days after issuing any precedential decision (including any ruling letter, internal advice memorandum, or protest review decision) under this chapter with respect to any customs transaction, the Secretary shall have such decision published in the Customs Bulletin or shall otherwise make such decision available for public inspection.''

§ 1626. Steel products trade enforcement

(a) Export validation requirement

In order to monitor and enforce export measures required by a foreign government or customs union, pursuant to an international arrangement with the United States, the Secretary of the Treasury may, upon receipt of a request by the President of the United States and by a foreign government or customs union, require the presentation of a valid export license or other documents issued by such foreign government or customs union as a condition for entry into the United States of steel mill products specified in the request. The Secretary may provide by regulation for the terms and conditions under which such merchandise attempted to be entered without an accompanying valid export license or other documents may be denied entry into the United States.

(b) Period of applicability

This section applies only to requests received by the Secretary of the Treasury prior to January 1, 1983, and for the duration of the arrangements.

(June 17, 1930, ch. 497, title IV, § 626, as added Oct. 2, 1982, Pub. L. 96–276, § 153, 96 Stat. 1202.)

§ 1627. Repealed. Pub. L. 100–690, title VII, § 7367(c)(6), Nov. 18, 1988, 102 Stat. 4480

Section, act June 17, 1930, ch. 497, title IV, § 627, as added Oct. 25, 1984, Pub. L. 98–547, title III, § 302, 98 Stat. 2771, related to unlawful importation or exportation of certain vehicles and equipment.

Another section 627 of act June 17, 1930, as added by Pub. L. 98–573, title II, § 205, Oct. 30, 1984, 98 Stat. 2974, is classified to section 1627a of this title.

§ 1627a. Unlawful importation or exportation of certain vehicles; inspections

(a) Violations; penalties; seizures and forfeitures

(1) Whoever knowingly imports, exports, or attempts to import or export—

(A) Any[1] stolen self-propelled vehicle, vessel, aircraft, or part of a self-propelled vehicle, vessel, or aircraft; or

(B) any self-propelled vehicle or part of a self-propelled vehicle from which the identification number has been removed, obliterated, tampered with, or altered;

shall be subject to a civil penalty in an amount determined by the Secretary, not to exceed $10,000 for each violation.

(2) Any violation of this subsection shall make such self-propelled vehicle, vessel, aircraft, or part thereof subject to seizure and forfeiture under this chapter.

(b) Regulations; violations; penalties

A person attempting to export a used self-propelled vehicle shall present, pursuant to regulations prescribed by the Secretary, to the appropriate customs officer both the vehicle and a document describing such vehicle which includes the vehicle identification number, before lading if the vehicle is to be transported by vessel or aircraft, or before export if the vehicle is to be transported by rail, highway, or under its own power. Failure to comply with the regulations of the Secretary shall subject such person to a civil penalty of not more than $500 for each violation.

(c) Definitions

For purposes of this section—

(1) the term ''self-propelled vehicle'' includes any automobile, truck, tractor, bus, motorcycle, motor home, self-propelled agricultural machinery, self-propelled construction equipment, self-propelled special use equipment, and any other self-propelled vehicle used or designed for running on land but not on rail;

(2) the term ''aircraft'' has the meaning given it in section 40102(a)(6) of title 49;

(3) the term ''used'' refers to any self-propelled vehicle the equitable or legal title to which has been transferred by a manufacturer, distributor, or dealer to an ultimate purchaser; and

(4) the term ''ultimate purchaser'' means the first person, other than a dealer purchasing in his capacity as a dealer, who in good faith purchases a self-propelled vehicle for purposes other than resale.

(d) Cooperation of law enforcement and governmental authorities

Customs officers may cooperate and exchange information concerning motor vehicles, off-highway mobile equipment, vessels, or aircraft, either before exportation or after exportation or importation, with such Federal, State, local, and foreign law enforcement or governmental authorities, and with such organizations engaged in theft prevention activities, as may be designated by the Secretary.

(June 17, 1930, ch. 497, title IV, § 627, as added Oct. 30, 1984, Pub. L. 98–573, title II, § 205, 98 Stat. 2974.)

CODIFICATION

In subsec. (c)(2), ''section 40102(a)(6) of title 49'' substituted for ''section 101(5) of the Federal Aviation Act

[1] So in original. Probably should not be capitalized.

[1] So in original. Probably should not be capitalized.

of 1958 (49 U.S.C. 1301(5))'' on authority of Pub. L. 103–272, § 6(b), July 5, 1994, 108 Stat. 1378, the first section of which enacted subtitles II, III, and V to X of Title 49, Transportation.

Another section 627 of act June 17, 1930, as added by Pub. L. 98–547, title III, § 302, Oct. 25, 1984, 98 Stat. 2771, was classified to section 1627 of this title and subsequently repealed.

EFFECTIVE DATE

Section effective on 15th day after Oct. 30, 1984, see section 214(a), (b) of Pub. L. 98–573, set out as an Effective Date of 1984 Amendment note under section 1304 of this title.

§ 1628. Exchange of information

(a) In general

The Secretary may by regulation authorize customs officers to exchange information or documents with foreign customs and law enforcement agencies if the Secretary reasonably believes the exchange of information is necessary to—

(1) insure compliance with any law or regulation enforced or administered by the Customs Service;

(2) administer or enforce multilateral or bilateral agreements to which the United States is a party;

(3) assist in investigative, judicial and quasi-judicial proceedings in the United States; and

(4) an action comparable to any of those described in paragraphs (1) through (4)[1] undertaken by a foreign customs or law enforcement agency, or in relation to a proceeding in a foreign country.

(b) Nondisclosure and uses of information provided

(1) Information may be provided to foreign customs and law enforcement agencies under subsection (a) of this section only if the Secretary obtains assurances from such agencies that such information will be held in confidence and used only for the law enforcement purposes for which such information is provided to such agencies by the Secretary.

(2) No information may be provided under subsection (a) of this section to any foreign customs or law enforcement agency that has violated any assurances described in paragraph (1).

(c) Government agency of NAFTA country

The Secretary may authorize the Customs Service to exchange information with any government agency of a NAFTA country, as defined in section 3301(4) of this title, if the Secretary—

(1) reasonably believes the exchange of information is necessary to implement chapter 3, 4, or 5 of the North American Free Trade Agreement, and

(2) obtains assurances from such country that the information will be held in confidence and used only for governmental purposes.

(June 17, 1930, ch. 497, title IV, § 628, as added Oct. 27, 1986, Pub. L. 99–570, title III, § 3127, 100 Stat. 3207–89; amended Dec. 8, 1993, Pub. L. 103–182, title II, § 209, 107 Stat. 2098.)

AMENDMENTS

1993—Subsec. (c). Pub. L. 103–182 added subsec. (c).

[1] So in original. Probably should be ''(3)''.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 213(b) of Pub. L. 103–182, set out as an Effective Date note under section 3331 of this title.

§ 1629. Inspections and preclearance in foreign countries

(a) In general

When authorized by treaty or executive agreement, the Secretary may station customs officers in foreign countries for the purpose of examining persons and merchandise prior to their arrival in the United States.

(b) Functions and duties

Customs officers stationed in a foreign country under subsection (a) of this section may exercise such functions and perform such duties (including inspections, searches, seizures and arrests) as may be permitted by the treaty, agreement or law of the country in which they are stationed.

(c) Compliance

The Secretary may by regulation require compliance with the customs laws of the United States in a foreign country and, in such a case the customs laws and other civil and criminal laws of the United States relating to the importation of merchandise, filing of false statements, and the unlawful removal of merchandise from customs custody shall apply in the same manner as if the foreign station is a port of entry within the customs territory of the United States.

(d) Seizures

When authorized by treaty, agreement or foreign law, merchandise which is subject to seizure or forfeiture under United States law may be seized in a foreign country and transported under customs custody to the customs territory to the United States to be proceeded against under the customs law.

(e) Stationing of foreign customs officers in the United States

The Secretary of State, in coordination with the Secretary, may enter into agreements with any foreign country authorizing the stationing in the United States of customs officials of that country (if similar privileges are extended by that country to United States officials) for the purpose of insuring that persons and merchandise going directly to that country from the United States comply with the customs and other laws of that country governing the importation of merchandise. Any foreign customs official stationed in the United States under this subsection may exercise such functions and perform such duties as United States officials may be authorized to perform in that foreign country under reciprocal agreement.

(f) Application of certain laws

When customs officials of a foreign country are stationed in the United States in accordance with subsection (e) of this section, and if similar provisions are applied to United States officials stationed in that country—

(1) sections 111 and 1114 of title 18 shall apply as if the officials were designated in those sections; and

(2) any person who in any matter before a foreign customs official stationed in the United States knowingly and willfully falsifies, conceals, or covers up by any trick, scheme, or device a material fact, or makes any false, fictitious or fraudulent statements or representations, or makes or uses any false writing or document knowing the same to contain any false, fictitious or fraudulent statement or entry, is liable for a fine of not more than $10,000 or imprisonment for not more than 5 years, or both.

(June 17, 1930, ch. 497, title IV, § 629, as added Oct. 27, 1986, Pub. L. 99–570, title III, § 3128, 100 Stat. 3207–89.)

REFERENCES IN TEXT

The customs laws of the United States and the customs law, referred to in subsecs. (c) and (d), are classified generally to this title.

§ 1630. Authority to settle claims

(a) In general

With respect to a claim that cannot be settled under chapter 171 of title 28, the Secretary may settle, for not more than $50,000 in any one case, a claim for damage to, or loss of, privately owned property caused by an investigative or law enforcement officer (as defined in section 2680(h) of title 28) who is employed by the Customs Service and acting within the scope of his or her employment.

(b) Limitations

The Secretary may not pay a claim under subsection (a) that—

(1) concerns commercial property;

(2) is presented to the Secretary more than 1 year after it occurs; or

(3) is presented by an officer or employee of the United States Government and arose within the scope of employment.

(c) Final settlement

A claim may be paid under this section only if the claimant accepts the amount of settlement in complete satisfaction of the claim.

(June 17, 1930, ch. 497, title IV, § 630, as added Dec. 8, 1993, Pub. L. 103–182, title VI, § 670, 107 Stat. 2216.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 31 section 9703.

§ 1631. Use of private collection agencies

(a) In general

Notwithstanding any other provision of law, the Secretary, under such terms and conditions as the Secretary considers appropriate, shall enter into contracts and incur obligations with one or more persons for collection services to recover indebtedness arising under the customs laws and owed the United States Government, but only after the Customs Service has exhausted all administrative efforts, including all claims against applicable surety bonds, to collect the indebtedness.

(b) Contract requirements

Any contract entered into under subsection (a) of this section shall provide that—

(1) the Secretary retains the authority to resolve a dispute, compromise a claim, end collection action, and refer a matter to the Attorney General to bring a civil action; and

(2) the person is subject to—

(A) section 552a of title 5 to the extent provided in subsection (m) of such section; and

(B) laws and regulations of the United States Government and State governments related to debt collection practices.

(June 17, 1930, ch. 497, title IV, § 631, as added Dec. 8, 1993, Pub. L. 103–182, title VI, § 671, 107 Stat. 2217.)

REFERENCES IN TEXT

The customs laws, referred to in subsec. (a), are classified generally to this title.

PART VI—MISCELLANEOUS PROVISIONS

§ 1641. Customs brokers

(a) Definitions

As used in this section:

(1) The term ''customs broker'' means any person granted a customs broker's license by the Secretary under subsection (b) of this section.

(2) The term ''customs business'' means those activities involving transactions with the Customs Service concerning the entry and admissibility of merchandise, its classification and valuation, the payment of duties, taxes, or other charges assessed or collected by the Customs Service upon merchandise by reason of its importation, or the refund, rebate, or drawback thereof. It also includes the preparation of documents or forms in any format and the electronic transmission of documents, invoices, bills, or parts thereof, intended to be filed with the Customs Service in furtherance of such activities, whether or not signed or filed by the preparer, or activities relating to such preparation, but does not include the mere electronic transmission of data received for transmission to Customs.

(3) The term ''Secretary'' means the Secretary of the Treasury.

(b) Customs broker's licenses

(1) In general

No person may conduct customs business (other than solely on behalf of that person) unless that person holds a valid customs broker's license issued by the Secretary under paragraph (2) or (3).

(2) Licenses for individuals

The Secretary may grant an individual a customs broker's license only if that individual is a citizen of the United States. Before granting the license, the Secretary may require an applicant to show any facts deemed necessary to establish that the applicant is of good moral character and qualified to render valuable service to others in the conduct of customs business. In assessing the qualifications of an applicant, the Secretary may conduct an examination to determine the applicant's knowledge of customs and related laws, regulations and procedures, bookkeeping, accounting, and all other appropriate matters.

(3) Licenses for corporations, etc.

The Secretary may grant a customs broker's license to any corporation, association, or partnership that is organized or existing under the laws of any of the several States of the United States if at least one officer of the corporation or association, or one member of the partnership, holds a valid customs broker's license granted under paragraph (2).

(4) Duties

A customs broker shall exercise responsible supervision and control over the customs business that it conducts.

(5) Lapse of license

The failure of a customs broker that is licensed as a corporation, association, or partnership under paragraph (3) to have, for any continuous period of 120 days, at least one officer of the corporation or association, or at least one member of the partnership, validly licensed under paragraph (2) shall, in addition to causing the broker to be subject to any other sanction under this section (including paragraph (6)), result in the revocation by operation of law of its license.

(6) Prohibited acts

Any person who intentionally transacts customs business, other than solely on the behalf of that person, without holding a valid customs broker's license granted to that person under this subsection shall be liable to the United States for a monetary penalty not to exceed $10,000 for each such transaction as well as for each violation of any other provision of this section. This penalty shall be assessed in the same manner and under the same procedures as the monetary penalties provided for in subsection (d)(2)(A) of this section.

(c) Customs broker's permits

(1) In general

Each person granted a customs broker's license under subsection (b) of this section shall be issued, in accordance with such regulations as the Secretary shall prescribe, either or both of the following:

(A) A national permit for the conduct of such customs business as the Secretary prescribes by regulation.

(B) A permit for each customs district in which that person conducts customs business and, except as provided in paragraph (2), regularly employs at least 1 individual who is licensed under subsection (b)(2) of this section to exercise responsible supervision and control over the customs business conducted by that person in that district.

(2) Exception

If a person granted a customs broker's license under subsection (b) of this section can demonstrate to the satisfaction of the Secretary that—

(A) he regularly employs in the region in which that district is located at least one individual who is licensed under subsection (b)(2) of this section, and

(B) that sufficient procedures exist within the company for the person employed in that region to exercise responsible supervision and control over the customs business conducted by that person in that district,

the Secretary may waive the requirement in paragraph (1)(B).

(3) Lapse of permit

The failure of a customs broker granted a permit under paragraph (1) to employ, for any continuous period of 180 days, at least one individual who is licensed under subsection (b)(2) of this section within the district or region (if paragraph (2) applies) for which a permit was issued shall, in addition to causing the broker to be subject to any other sanction under this section (including any in subsection (d) of this section), result in the revocation by operation of law of the permit.

(4) Appointment of subagents

Notwithstanding subsection (c)(1) of this section, upon the implementation by the Secretary under section 1413(b)(2) of this title of the component of the National Customs Automation Program referred to in section 1411(a)(2)(B) of this title, a licensed broker may appoint another licensed broker holding a permit in a customs district to act on its behalf as its subagent in that district if such activity relates to the filing of information that is permitted by law or regulation to be filed electronically. A licensed broker appointing a subagent pursuant to this paragraph shall remain liable for any and all obligations arising under bond and any and all duties, taxes, and fees, as well as any other liabilities imposed by law, and shall be precluded from delegating to a subagent such liability.

(d) Disciplinary proceedings

(1) General rule

The Secretary may impose a monetary penalty in all cases with the exception of the infractions described in clause (iii) of subparagraph (B) of this subsection, or revoke or suspend a license or permit of any customs broker, if it is shown that the broker—

(A) has made or caused to be made in any application for any license or permit under this section, or report filed with the Customs Service, any statement which was, at the time and in light of the circumstances under which it was made, false or misleading with respect to any material fact, or has omitted to state in any such application or report any material fact which was required to be stated therein;

(B) has been convicted at any time after the filing of an application for license under subsection (b) of this section of any felony or misdemeanor which the Secretary finds—

(i) involved the importation or exportation of merchandise;

(ii) arose out of the conduct of its customs business; or

(iii) involved larceny, theft, robbery, extortion, forgery, counterfeiting, fraudulent concealment, embezzlement, fraudulent conversion, or misappropriation of funds;

(C) has violated any provision of any law enforced by the Customs Service or the rules

or regulations issued under any such provision;

(D) has counseled, commanded, induced, procured, or knowingly aided or abetted the violations by any other person of any provision of any law enforced by the Customs Service, or the rules or regulations issued under any such provision;

(E) has knowingly employed, or continues to employ, any person who has been convicted of a felony, without written approval of such employment from the Secretary; or

(F) has, in the course of its customs business, with intent to defraud, in any manner willfully and knowingly deceived, misled or threatened any client or prospective client.

(2) Procedures

(A) Monetary penalty

Unless action has been taken under subparagraph (B), the appropriate customs officer shall serve notice in writing upon any customs broker to show cause why the broker should not be subject to a monetary penalty not to exceed $30,000 in total for a violation or violations of this section. The notice shall advise the customs broker of the allegations or complaints against him and shall explain that the broker has a right to respond to the allegations or complaints in writing within 30 days of the date of the notice. Before imposing a monetary penalty, the customs officer shall consider the allegations or complaints and any timely response made by the customs broker and issue a written decision. A customs broker against whom a monetary penalty has been issued under this section shall have a reasonable opportunity under section 1618 of this title to make representations seeking remission or mitigation of the monetary penalty. Following the conclusion of any proceeding under section 1618 of this title, the appropriate customs officer shall provide to the customs broker a written statement which sets forth the final determination and the findings of fact and conclusions of law on which such determination is based.

(B) Revocation or suspension

The Customs Service may, for good and sufficient reason, serve notice in writing upon any customs broker to show cause why a license or permit issued under this section should not be revoked or suspended. The notice shall be in the form of a statement specifically setting forth the grounds of the complaint, and shall allow the customs broker 30 days to respond. If no response is filed, or the Customs Service determines that the revocation or suspension is still warranted, it shall notify the customs broker in writing of a hearing to be held within 30 days, or at a later date if the broker requests an extension and shows good cause therefor, before an administrative law judge appointed pursuant to section 3105 of title 5 who shall serve as the hearing officer. If the customs broker waives the hearing, or the broker or his designated representative fails to appear at the appointed time and place, the hearing officer shall make findings and recommendations based on the record submitted by the parties. At the hearing, the customs broker may be represented by counsel, and all proceedings, including the proof of the charges and the response thereto shall be presented with testimony taken under oath and the right of cross-examination accorded to both parties. A transcript of the hearing shall be made and a copy will be provided to the Customs Service and the customs broker; which shall thereafter be provided reasonable opportunity to file a post-hearing brief. Following the conclusion of the hearing, the hearing officer shall transmit promptly the record of the hearing along with the findings of fact and recommendations to the Secretary for decision. The Secretary will issue a written decision, based solely on the record, setting forth his findings of fact and the reasons for the decision. Such decision may provide for the sanction contained in the notice to show cause or any lesser sanction authorized by this subsection, including a monetary penalty not to exceed $30,000, than was contained in the notice to show cause.

(3) Settlement and compromise

The Secretary may settle and compromise any disciplinary proceeding which has been instituted under this subsection according to the terms and conditions agreed to by the parties, including but not limited to the reduction of any proposed suspension or revocation to a monetary penalty.

(4) Limitation of actions

Notwithstanding section 1621 of this title, no proceeding under this subsection or subsection (b)(6) of this section shall be commenced unless such proceeding is instituted by the appropriate service of written notice within 5 years from the date the alleged violation was committed; except that if the alleged violation consists of fraud, the 5-year period of limitation shall commence running from the time such alleged violation was discovered.

(e) Judicial appeal

(1) In general

A customs broker, applicant, or other person directly affected may appeal any decision of the Secretary denying or revoking a license or permit under subsection (b) or (c) of this section, or revoking or suspending a license or permit or imposing a monetary penalty in lieu thereof under subsection (d)(2)(B) of this section, by filing in the Court of International Trade, within 60 days after the issuance of the decision or order, a written petition requesting that the decision or order be modified or set aside in whole or in part. A copy of the petition shall be transmitted promptly by the clerk of the court to the Secretary or his designee. In cases involving revocation or suspension of a license or permit or imposition of a monetary penalty in lieu thereof under subsection (d)(2)(B) of this section, after receipt of the petition, the Secretary shall file in court the record upon which the decision or order complained of was entered, as provided in section 2635(d) of title 28.

(2) Consideration of objections

The court shall not consider any objection to the decision or order of the Secretary, or to the introduction of evidence or testimony, unless that objection was raised before the hearing officer in suspension or revocation proceedings unless there were reasonable grounds for failure to do so.

(3) Conclusiveness of findings

The findings of the Secretary as to the facts, if supported by substantial evidence, shall be conclusive.

(4) Additional evidence

If any party applies to the court for leave to present additional evidence and the court is satisfied that the additional evidence is material and that reasonable grounds existed for the failure to present the evidence in the proceedings before the hearing officer, the court may order the additional evidence to be taken before the hearing officer and to be presented in a manner and upon the terms and conditions prescribed by the court. The Secretary may modify the findings of facts on the basis of the additional evidence presented. The Secretary shall then file with the court any new or modified findings of fact which shall be conclusive if supported by substantial evidence, together with a recommendation, if any, for the modification or setting aside of the original decision or order.

(5) Effect of proceedings

The commencement of proceedings under this subsection shall, unless specifically ordered by the court, operate as a stay of the decision of the Secretary except in the case of a denial of a license or permit.

(6) Failure to appeal

If an appeal is not filed within the time limits specified in this section, the decision by the Secretary shall be final and conclusive. In the case of a monetary penalty imposed under subsection (d)(2)(B) of this section, if the amount is not tendered within 60 days after the decision becomes final, the license shall automatically be suspended until payment is made to the Customs Service.

(f) Regulations by the Secretary

The Secretary may prescribe such rules and regulations relating to the customs business of customs brokers as the Secretary considers necessary to protect importers and the revenue of the United States, and to carry out the provisions of this section, including rules and regulations governing the licensing of or issuance of permits to customs brokers, the keeping of books, accounts, and records by customs brokers, and documents and correspondence, and the furnishing by customs brokers of any other information relating to their customs business to any duly accredited officer or employee of the Customs Service. The Secretary may not prohibit customs brokers from limiting their liability to other persons in the conduct of customs business. For purposes of this subsection or any other provision of this chapter pertaining to recordkeeping, all data required to be retained by a customs broker may be kept on microfilm, optical disc, magnetic tapes, disks or drums, video files or any other electrically generated medium. Pursuant to such regulations as the Secretary shall prescribe, the conversion of data to such storage medium may be accomplished at any time subsequent to the relevant customs transaction and the data may be retained in a centralized basis according to such broker's business system.

(g) Triennial reports by customs brokers

(1) In general

On February 1, 1985, and on February 1 of each third year thereafter, each person who is licensed under subsection (b) of this section shall file with the Secretary of the Treasury a report as to—

(A) whether such person is actively engaged in business as a customs broker; and

(B) the name under, and the address at, which such business is being transacted.

(2) Suspension and revocation

If a person licensed under subsection (b) of this section fails to file the required report by March 1 of the reporting year, the license is suspended, and may be thereafter revoked subject to the following procedures:

(A) The Secretary shall transmit written notice of suspension to the licensee no later than March 31 of the reporting year.

(B) If the licensee files the required report within 60 days of receipt of the Secretary's notice, the license shall be reinstated.

(C) In the event the required report is not filed within the 60-day period, the license shall be revoked without prejudice to the filing of an application for a new license.

(h) Fees and charges

The Secretary may prescribe reasonable fees and charges to defray the costs of the Customs Service in carrying out the provisions of this section, including, but not limited to, a fee for licenses issued under subsection (b) of this section and fees for any test administered by him or under his direction; except that no separate fees shall be imposed to defray the costs of an individual audit or of individual disciplinary proceedings of any nature.

(i) Compensation of ocean freight forwarders

(1) In general

Notwithstanding any other provision of law, no conference or group of two or more ocean common carriers in the foreign commerce of the United States that is authorized to agree upon the level of compensation paid to ocean freight forwarders may—

(A) deny to any member of such conference or group the right, upon notice of not more than 10 calendar days, to take independent action on any level of compensation paid to an ocean freight forwarder who is also a customs broker, and

(B) agree to limit the payment of compensation to an ocean freight forwarder who is also a customs broker to less than 1.25 percent of the aggregate of all rates and charges applicable under the tariff assessed against the cargo on which the forwarding services are provided.

(2) Administration

The provisions of this subsection shall be enforced by the agency responsible for administration of the Shipping Act of 1984 [46 App. U.S.C. 1701 et seq.].

(3) Remedies

Any person injured by reason of a violation of paragraph (1) may, in addition to any other remedy, file a complaint for reparation as provided in section 11 of the Shipping Act of 1984 [46 App. U.S.C. 1710], which may be enforced pursuant to section 14 of such Act [46 App. U.S.C. 1713].

(4) Definitions

For purposes of this subsection, the terms ''conference'', ''ocean common carrier'', and ''ocean freight forwarder'' have the respective meaning given to such terms by section 3 of the Shipping Act of 1984 [46 App. U.S.C. 1702].

(June 17, 1930, ch. 497, title IV, § 641, 46 Stat. 759; Aug. 26, 1935, ch. 689, §§ 3–5, 49 Stat. 864, 865; Aug. 28, 1958, Pub. L. 85–791, § 8, 72 Stat. 945; June 2, 1970, Pub. L. 91–271, title III, § 301(jj), 84 Stat. 291; Oct. 3, 1978, Pub. L. 95–410, title I, § 113, 92 Stat. 898; Oct. 10, 1980, Pub. L. 96–417, title VI, § 611, 94 Stat. 1746; Oct. 30, 1984, Pub. L. 98–573, title II, § 212(a), 98 Stat. 2978; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1888(8), 100 Stat. 2925; Dec. 8, 1993, Pub. L. 103–182, title VI, § 648, 107 Stat. 2207.)

REFERENCES IN TEXT

The Shipping Act of 1984, referred to in subsec. (i)(2), is Pub. L. 98–237, Mar. 20, 1984, 98 Stat. 67, as amended, which is classified principally to chapter 36 (§ 1701 et seq.) of Title 46, Appendix, Shipping. For complete classification of this Act to the Code, see Short Title note set out under section 1701 of Title 46, Appendix, and Tables.

PRIOR PROVISIONS

This section relates to the same subject matter as act June 10, 1910, ch. 283, §§ 1–5, 36 Stat. 464, 465 (incorporated into the Code as former sections 415 to 419 of this title); and those sections were expressly repealed by paragraph (e) of this section which read as follows: ''(e) Licenses under Act of June 10, 1910.—The Act entitled 'An Act to license customhouse brokers,' approved June 10, 1910, is hereby repealed, except that any license issued under such Act shall continue in force and effect, subject to suspension and revocation in the same manner and upon the same conditions as licenses issued pursuant to subdivision (a) of this section.''

Act June 10, 1910, ch. 283, § 1, 36 Stat. 464, prior to its incorporation into the Code, referred to the collector or chief officer of the customs ''at any port of entry or delivery.'' Ports of delivery, not specifically mentioned as ports of entry, were abolished in the reorganization of the customs service by the President (see notes to section 1 of this title).

Act June 10, 1910, ch. 283, § 3, 36 Stat. 465, prior to its incorporation into the Code, referred to the United States Circuit Court instead of the District Court. Section 291 of the act of Mar. 3, 1911, provided that any reference, in any law not embraced in that act, to the Circuit Courts, or any power or duty conferred upon them, should be deemed to refer to, and to confer such power and duty upon, the District Courts.

AMENDMENTS

1993—Subsec. (a)(2). Pub. L. 103–182, § 648(1), inserted at end ''It also includes the preparation of documents or forms in any format and the electronic transmission of documents, invoices, bills, or parts thereof, intended to be filed with the Customs Service in furtherance of such activities, whether or not signed or filed by the preparer, or activities relating to such preparation, but does not include the mere electronic transmission of data received for transmission to Customs.''

Subsec. (c)(1). Pub. L. 103–182, § 648(2), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''Each person granted a customs broker's license under subsection (b) of this section shall—

''(A) be issued a permit, in accordance with regulations prescribed under this section, for each customs district in which that person conducts customs business; and

''(B) except as provided in paragraph (2), regularly employ in each customs district for which a permit is so issued at least one individual who is licensed under subsection (b)(2) of this section to exercise responsible supervision and control over the customs business conducted by that person in that district.''

Subsec. (c)(4). Pub. L. 103–182, § 648(3), added par. (4).

Subsec. (d)(2)(B). Pub. L. 103–182, § 648(4), in first sentence, substituted ''Customs Service'' for ''appropriate customs officer'', in third sentence, substituted ''Customs Service'' for ''appropriate customs officer'', ''it shall notify'' for ''he shall notify'', and ''30'' for ''15'', in sixth sentence, substituted ''the Customs Service and the customs broker; which'' for ''the appropriate customs officer and the customs broker; they'', in the seventh sentence, substituted ''the findings of fact'' for ''his findings of fact'', and in the eighth sentence, substituted ''for the decision'' for ''for his decision''.

Subsec. (f). Pub. L. 103–182, § 648(5), substituted ''Customs Service. The Secretary may not prohibit customs brokers from limiting their liability to other persons in the conduct of customs business. For purposes of this subsection or any other provision of this Act pertaining to recordkeeping, all data required to be retained by a customs broker may be kept on microfilm, optical disc, magnetic tapes, disks or drums, video files or any other electrically generated medium. Pursuant to such regulations as the Secretary shall prescribe, the conversion of data to such storage medium may be accomplished at any time subsequent to the relevant customs transaction and the data may be retained in a centralized basis according to such broker's business system.'' for ''United States Customs Service.''

1986—Subsec. (i). Pub. L. 99–514 added subsec. (i).

1984—Pub. L. 98–573 amended section generally, substituting provisions relating to customs broker's licenses and permits for provisions relating to licensing of customhouse brokers.

1980—Subsec. (b). Pub. L. 96–417, in second par., substituted in second sentence ''filing, in the Court of International Trade'' for ''filing, in the circuit court of appeals of the United States within any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia'' and struck out penultimate sentence which read as follows: ''The judgment and decree of the court affirming, modifying, or setting aside, in whole or in part, any such order of the Secretary of the Treasury shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in 1254 of title 28.''

1978—Subsec. (e). Pub. L. 95–410 added subsec. (e).

1970—Subsec. (b). Pub. L. 91–271 substituted references to appropriate officer of the customs for references to collector or chief officer of customs wherever appearing.

1958—Subsec. (b). Pub. L. 85–791 in third sentence of second par., substituted ''transmitted by the clerk of the court to'' for ''served upon'', struck out ''upon'' before ''any officer'', ''certify and'' before ''file in the court'', ''a transcript of'' before ''the record upon'' and inserted ''as provided in section 2112 of title 28'', and in fourth sentence of second par., substituted ''petition'' for ''transcript''.

1935—Subsec. (a). Act Aug. 26, 1935, § 3, substituted ''(c)'' for ''(e)'' in last sentence.

Subsecs. (b) to (d). Act Aug. 26, 1935, § 4, amended subsecs. (b) to (d) generally.

Subsec. (e). Act Aug. 26, 1935, § 5, repealed subsec. (e) which related to licenses under the act of June 10, 1910.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective on close of 180th day following Oct. 30, 1984, with certain exceptions, except that subsec. (c)(1)(B), (2) of this section shall take effect three years after Oct. 30, 1984, see section 214(d) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1980 AMENDMENT

Amendment by Pub. L. 96–417 applicable with respect to civil actions commenced on or after Nov. 1, 1980, see section 701(b)(2) of Pub. L. 96–417, set out as a note under section 251 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 58c, 1484, 1509 of this title; title 28 sections 1581, 2631, 2636, 2640, 2643.

§ 1642. Omitted

CODIFICATION

In compliance with a request from the President on July 2, 1932, the survey authorized by this section, act June 17, 1930, ch. 497, title IV, § 642, 46 Stat. 760, was made and submitted to the President on February 28, 1933. See Tariff Commission Reports, No. 70, Second Series.

§ 1643. Application of customs reorganization act

The rights, privileges, powers, and duties vested in or imposed upon the Secretary of the Treasury by this chapter shall be subject to the provisions of subdivision (a) of section 2073 of this title.

(June 17, 1930, ch. 497, title IV, § 643, 46 Stat. 761.)

REFERENCES IN TEXT

Subdivision (a) of section 2073 of this title, referred to in text, was repealed by act Sept. 3, 1954, ch. 1263, § 10, 68 Stat. 1229.

§ 1644. Application of section 1644a(b)(1) of this title and section 1518(d) of title 33

(a) The authority vested by section 1644a(b)(1) of this title in the Secretary of the Treasury, by regulation to provide for the application to civil air navigation of the laws and regulations relating to the administration of customs, and of the laws and regulations relating to the entry and clearance of vessels, shall extend to the application in like manner of any of the provisions of this chapter, or of the Anti-Smuggling Act of 1935 [19 U.S.C. 1701 et seq.], or of any regulations promulgated hereunder.

(b) For purposes of section 1518(d) of title 33, the term ''customs laws administered by the Secretary of the Treasury'' shall mean this chapter and any other provisions of law classified to this title.

(June 17, 1930, ch. 497, title IV, § 644, 46 Stat. 761; Oct. 17, 1980, Pub. L. 96–467, § 21(2), (3), 94 Stat. 2228; Oct. 12, 1984, Pub. L. 98–473, title II, § 322, 98 Stat. 2056.)

REFERENCES IN TEXT

The Anti-Smuggling Act of 1935, referred to in subsec. (a), probably means the Anti-Smuggling Act which is act Aug. 5, 1935, ch. 438, 49 Stat. 517, as amended, which is classified principally to chapter 5 (§ 1701 et seq.) of this title. For complete classification of this Act to the Code, see section 1711 of this title and Tables.

CODIFICATION

In subsec. (a), ''section 1644a(b)(1) of this title'' substituted for ''section 1109 of the Federal Aviation Act of 1958 (49 U.S.C. 1509)'' on authority of Pub. L. 103–272, § 6(b), July 5, 1994, 108 Stat. 1378, the first section of which enacted subtitles II, III, and V to X of Title 49, Transportation.

AMENDMENTS

1984—Subsec. (a). Pub. L. 98–473 substituted reference to section 1509 of title 49, Appendix, for reference to section 177 of former title 49, struck out reference to the Commissioner of Customs, and inserted reference to the Anti-Smuggling Act of 1935.

Subsec. (b). Pub. L. 98–473 reenacted subsec. (b) without change.

1980—Pub. L. 96–467 designated existing provisions as subsec. (a) and added subsec. (b).

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1436, 1459 of this title.

§ 1644a. Ports of entry

(a) Definitions

The definitions in section 40102(a) of title 49 apply to this section.

(b) Secretary of the Treasury

(1) The Secretary of the Treasury may—

(A) designate ports of entry in the United States for civil aircraft arriving in the United States from a place outside the United States and property transported on that aircraft;

(B) detail to ports of entry officers and employees of the United States Customs Service the Secretary considers necessary;

(C) give an officer or employee of the United States Government stationed at a port of entry (with the consent of the head of the department, agency, or instrumentality of the Government with jurisdiction over the officer or employee) duties and powers of officers or employees of the Customs Service;

(D) by regulation, apply to civil air navigation the laws and regulations on carrying out the customs laws, to the extent and under conditions the Secretary considers necessary; and

(E) by regulation, apply to civil aircraft the laws and regulations on entry and clearance of vessels, to the extent and under conditions the Secretary considers necessary.

(2) A person violating a customs regulation prescribed under paragraph (1)(A)–(D) of this

subsection or a public health or customs law or regulation made applicable to aircraft by a regulation under paragraph (1)(A)–(D) is liable to the Government for a civil penalty of $5,000 for each violation. An aircraft involved in the violation may be seized and forfeited under the customs laws. The Secretary of the Treasury may remit or mitigate a penalty and forfeiture under this paragraph.

(3) A person violating a regulation made applicable under paragraph (1)(E) of this subsection or an immigration regulation prescribed under paragraph (1)(E) is liable to the Government for a civil penalty of $5,000 for each violation. The Secretary of the Treasury or the Attorney General may remit or mitigate a penalty under this paragraph.

(4) In addition to any other penalty, when a controlled substance described in section 1584 of this title is found on, or to have been unloaded from, an aircraft to which this subsection applies, the owner of, or individual commanding, the aircraft is liable to the Government for the penalties provided in section 1584 of this title for each violation unless the owner or individual, by a preponderance of the evidence, demonstrates that the owner or individual did not know, and by exercising the highest degree of care and diligence, could not have known, that a controlled substance was on the aircraft.

(5) If a violation under this subsection is by the owner or operator of, or individual commanding, the aircraft, the aircraft is subject to a lien for the penalty.

(c) Secretary of Agriculture

(1) The Secretary of Agriculture by regulation may apply laws and regulations on animal and plant quarantine (including laws and regulations on importing, exporting, transporting, and quarantining animals, plants, animal and plant products, insects, bacterial and fungus cultures, viruses, and serums) to civil air navigation to the extent and under conditions the Secretary considers necessary.

(2) A person violating a law or regulation made applicable under paragraph (1) of this subsection is liable for the penalties provided under that law or regulation.

(d) Remission and mitigation of penalties

A decision to remit or mitigate a civil penalty under this section is final. When libel proceedings are pending during a proceeding to remit or mitigate a penalty, the appropriate Secretary shall notify the Attorney General of the remission or mitigation proceeding.

(e) Summary seizure of aircraft

(1) An aircraft subject to a lien under this section may be seized summarily by and placed in the custody of a person authorized by regulations of the appropriate Secretary or the Attorney General. A report of the case shall be sent to the Attorney General. The Attorney General shall bring promptly a civil action in rem to enforce the lien or notify the appropriate Secretary that the action will not be brought.

(2) An aircraft seized under this section shall be released from custody when—

(A) the civil penalty or amount not remitted or mitigated is paid;

(B) the aircraft is seized under process of a court in a civil action in rem to enforce the lien;

(C) the Attorney General gives notice that a civil action will not be brought under paragraph (1) of this subsection; or

(D) a bond is deposited with the appropriate Secretary or the Attorney General in an amount and with a surety the appropriate Secretary or the Attorney General prescribes, conditioned on payment of the penalty or amount not remitted or mitigated.

(f) Collection of civil penalties

A civil penalty under this section may be collected by bringing a civil action against the person subject to the penalty, a civil action in rem against an aircraft subject to a lien for a penalty, or both. The action shall conform as nearly as practicable to a civil action in admiralty, regardless of the place an aircraft in a civil action in rem is seized. However, a party may demand a trial by jury of an issue of fact if the value of the matter in controversy is more than $20. An issue of fact tried by jury may be reexamined only under common law rules.

(g) Authorization of appropriations

Necessary amounts may be appropriated to allow the head of a department, agency, or instrumentality of the Government to acquire space at a public airport (as defined in section 47102 of title 49) when the head decides the space is necessary to carry out inspections, clearance, collection of taxes or duties, or a similar responsibility of the head, related to transporting passengers or property in air commerce. The head must consult with the Secretary of Transportation before making a decision on space.

(Pub. L. 103–272, § 2, July 5, 1994, 108 Stat. 1358.)

REFERENCES IN TEXT

The customs laws, referred to in subsec. (b)(1)(D), (2), are classified generally to this title.

CODIFICATION

Section was not enacted as part of the Tariff Act of 1930 which comprises this chapter.

Section is based on sections 1474 and 1509(b)–(e) of former Title 49, Transportation, which were repealed and restated as this section by Pub. L. 103–272, §§ 2, 7(b), July 5, 1994, 108 Stat. 1358, 1379.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1436, 1459, 1644 of this title.

§ 1645. Transportation and interment of remains of deceased employees in foreign countries; travel or shipping expenses incurred on foreign ships

(a) Transfers in foreign countries

The expense of transporting the remains of customs officers and employees who die while in or in transit to foreign countries in the discharge of their official duties, to their former homes in this country for interment, and the ordinary and necessary expenses for such interment, at their posts of duty or at home, are authorized to be paid upon the written order of the Secretary of the Treasury. The expenses authorized by this subdivision shall be paid from the

appropriation for the collection of the revenue from customs.

(b) Transportation on foreign ships

Notwithstanding the provisions of section 601 of the Merchant Marine Act, 1928, or of any other law, any allowance, within the limitations prescribed by law, for travel or shipping expenses incurred on a foreign ship by any officer or employee of the Bureau of Customs or the Customs Service, shall be credited if the Secretary of the Treasury certifies to the Comptroller General that transportation on such foreign ship was necessary to protect the revenue.

(June 17, 1930, ch. 497, title IV, § 645(a), (c), 46 Stat. 761; Aug. 2, 1946, ch. 744, § 2, 60 Stat. 807.)

REFERENCES IN TEXT

Section 601 of the Merchant Marine Act, 1928 [46 U.S.C. 891r], referred to in text, was repealed by the Merchant Marine Act, 1936 (approved June 29, 1936, ch. 858, § 903(c), 49 Stat. 2016), but was reenacted in substance by section 901 of that Act, which is classified to section 1241 of Title 46, Appendix, Shipping.

CODIFICATION

Section is comprised of subsecs. (a) and (c) of section 645 of act June 17, 1930. Subsec. (b) of section 645 repealed in part section 48 of this title.

AMENDMENTS

1946—Subsec. (a). Act Aug. 2, 1946, eff. Nov. 1, 1946, repealed first sentence relating to traveling expenses of transferred employees. See section 5729 of Title 5, Government Organization and Employees.

CHANGE OF NAME

Bureau of Customs redesignated United States Customs Service by Treasury Department Order 165–23, Apr. 4, 1973, eff. Aug. 1, 1973, 38 F.R. 13037. See, also, section 308 of Title 31, Money and Finance.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of those officers, agencies, and employees, by Reorg. Plan No. 26, of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Bureau of Customs and Customs Service, referred to in text, are under Department of the Treasury.

§ 1646. Repealed. June 25, 1948, ch. 646, § 39, 62 Stat. 992, eff. Sept. 1, 1948

Section, act June 17, 1930, ch. 497, title IV, § 646, 46 Stat. 762, related to tenure and retirement of judges of United States Court of Customs and Patent Appeals. See sections 213, 371, and 372 of Title 28, Judiciary and Judicial Procedure.

§ 1646a. Supervision by customs officers

Wherever in this chapter any action or thing is required to be done or maintained under the supervision of customs officers, such supervision may be directed and continuous or by occasional verification as may be required by regulations of the Secretary of the Treasury, or, in the absence of such regulations for a particular case, as the principal customs officer concerned shall direct.

(June 17, 1930, ch. 497, title IV, § 646, as added Aug. 8, 1953, ch. 397, § 22, 67 Stat. 520.)

EFFECTIVE DATE

Section effective on and after thirtieth day following Aug. 8, 1953, see Effective Date of 1953 Amendments note set out under section 1304 of this title.

§ 1646b. Random customs inspections for stolen automobiles being exported

The Commissioner of Customs shall direct customs officers to conduct at random inspections of automobiles, and of shipping containers that may contain automobiles that are being exported, for purposes of determining whether such automobiles were stolen.

(June 17, 1930, ch. 497, title IV, § 646A, as added Oct. 25, 1992, Pub. L. 102–519, title IV, § 401, 106 Stat. 3400.)

PILOT STUDY AUTHORIZING UTILITY OF NONDESTRUCTIVE EXAMINATION SYSTEM

Section 402 of Pub. L. 102–519 provided that: ''The Secretary of the Treasury, acting through the Commissioner of Customs, shall conduct a pilot study of the utility of a nondestructive examination system to be used for inspection of containers that may contain automobiles leaving the country for the purpose of determining whether such automobiles have been stolen.''

§ 1646c. Export reporting requirement

The Commissioner of Customs shall require all persons or entities exporting used automobiles, including automobiles exported for personal use, by air or ship to provide to the Customs Service, at least 72 hours before the export, the vehicle identification number of each such automobile and proof of ownership of such automobile. The Commissioner shall establish specific criteria for randomly selecting used automobiles scheduled to be exported, consistent with the risk of stolen automobiles being exported and shall check the vehicle identification number of each automobile selected pursuant to such criteria against the information in the National Crime Information Center to determine whether such automobile has been reported stolen. At the request of the Director of the Federal Bureau of Investigation, the Commissioner shall make available to the Director all vehicle identification numbers obtained under this section.

(June 17, 1930, ch. 497, title IV, § 646B, as added Oct. 25, 1992, Pub. L. 102–519, title IV, § 401, 106 Stat. 3400.)

§ 1647. Repealed. June 25, 1948, ch. 646, § 39, 62 Stat. 992, eff. Sept. 1, 1948

Section, act June 17, 1930, ch. 497, title IV, § 647, 46 Stat. 762, which repealed that part of section 195 of act Mar. 3, 1911, ch. 231, that read as follows: ''in any case in which there is drawn in question the construction of the Constitution of the United States, or any part thereof, or of any treaty made pursuant thereto, or in any other case when the Attorney General of the United States shall, before the decision of the Court of Customs Appeals is rendered, file with the court a certificate to the effect that the case is of such importance as to render expedient its review by the Supreme Court,'' was repealed by act June 25, 1948, which repealed section 195 of act Mar. 3, 1911, ch. 231.

§ 1648. Uncertified checks, United States notes, and national bank notes receivable for customs duties

Customs officers may receive uncertified checks, United States notes, and circulating

notes of national banking associations in payment of duties on imports, during such time and under such rules and regulations as the Secretary of the Treasury shall prescribe; but if a check so received is not paid the person by whom such check has been tendered shall remain liable for the payment of the duties and for all legal penalties and additions to the same extent as if such check had not been tendered.

(June 17, 1930, ch. 497, title IV, § 648, 46 Stat. 762; June 2, 1970, Pub. L. 91–271, title III, § 301(kk), 84 Stat. 291.)

AMENDMENTS

1970—Pub. L. 91–271 substituted reference to customs officers for reference to collectors of customs.

EFFECTIVE DATE OF 1970 AMENDMENT

For effective date of amendment by Pub. L. 91–271, see section 203 of Pub. L. 91–271, set out as a note under section 1500 of this title.

§ 1649. Change in designation of customs attachés

On and after June 17, 1930, customs attachés shall be known as ''Treasury attachés.''

(June 17, 1930, ch. 497, title IV, § 649, 46 Stat. 762.)

§ 1650. Transferred

CODIFICATION

Section, act June 17, 1930, ch. 497, title IV, § 650, 46 Stat. 762, is set out as a part of section 2072 of this title.

§ 1651. Repeals

(a) Specific repeals

The following Acts and parts of Acts are repealed, subject to the limitations provided in subdivision (c) of this section:

(1) The Tariff Act of 1922, except that the repeal of sections 304 and 482 (relating to marking of imported articles and to certified invoices, respectively) shall take effect sixty days after the enactment of this chapter;

(2) Section 16 of the Act entitled ''An Act to remove certain burdens on the American merchant marine and encourage the American foreign carrying trade, and for other purposes'', approved June 26, 1884, as amended (relating to supplies for certain vessels);

(3) The Joint Resolution entitled ''Joint Resolution Authorizing certain customs officials to administer oaths'', approved April 2, 1928; and

(4) Section 2804 of the Revised Statutes, as amended (relating to limitations on importation packages of cigars).

(b) General repeal

All Acts and parts of Acts inconsistent with the provisions of this chapter are repealed.

(c) Rights and liabilities under acts repealed or modified

The repeal of existing laws or modifications or reenactments thereof embraced in this chapter shall not affect any act done, or any right accruing or accrued, or any suit or proceeding had or commenced in any civil or criminal case prior to such repeal, modifications, or reenactments, but all liabilities under such laws shall continue and may be enforced in the same manner as if such repeal, modifications, or reenactments had not been made. All offenses committed and all penalties, under any statute embraced in, or changed, modified, or repealed by this chapter, may be prosecuted and punished in the same manner and with the same effect as if this chapter had not been passed. No Acts of limitation now in force, whether applicable to civil causes and proceedings, or to the prosecution of offenses or for the recovery of penalties or forfeitures embraced in, modified, changed, or repealed by this chapter shall be affected thereby so far as they affect any suits, proceedings, or prosecutions, whether civil or criminal, for causes arising or acts done or committed prior to June 18, 1930, which may be commenced and prosecuted within the same time and with the same effect as if this chapter had not been passed.

(d) Certain acts not affected

Nothing in this chapter shall be construed to amend or repeal any of the following provisions of law:

(1) Sections 128, 130, and 131 of this title and section 146 of title 46, Appendix;

(2) Subsection 2 of paragraph N of Section IV of such Act of October 3, 1913, ch. 16 (relating to the manufacture of alcohol for denaturization only);

(3) Section 296 of title 5 (providing for an Assistant Attorney General in charge of customs matters);

(4) The Act entitled ''An Act relating to the use or disposal of vessels or vehicles forfeited to the United States for violation of the customs laws or the National Prohibition Act, and for other purposes'', approved March 3, 1925; nor

(5) The Antidumping Act, 1921 [19 U.S.C. 160 et seq.].

(June 17, 1930, ch. 497, title IV, § 651, 46 Stat. 762.)

REFERENCES IN TEXT

The Tariff Act of 1922, referred to in subsec. (a)(1), is act Sept. 21, 1922, ch. 356, 42 Stat. 858, as amended. For complete classification of this act to the Code, see Tables. Section 304 of that act was classified, prior to its repeal, to sections 132 and 133 of this title, and section 482 of that act was classified, prior to its repeal, to sections 334 to 337, 342, and 343 of this title.

Section 16 of the act approved June 26, 1884, referred to in subsec. (a)(2), is section 16 of act June 26, 1884, ch. 121, 23 Stat. 57, and was classified, prior to its repeal, to section 145 of this title. See section 1309 of this title.

Section 2804 of the Revised Statutes, referred to in subsec. (a)(4), was classified, prior to its repeal, to section 192 of this title.

Subsection 2 of paragraph N of Section IV of act of October 3, 1913, ch. 16, referred to in subsec. (d)(2), which appears at 38 Stat. 199 and which was classified to sections 487 and 488 of former Title 26, Internal Revenue, was repealed by act Feb. 10, 1939, ch. 2, § 4, 53 Stat. 1, which enacted the Internal Revenue Code of 1939.

Section 296 of title 5, referred to in subsec. (d)(3), was repealed in the general revision of Title 5, Government Organization and Employees, by Pub. L. 89–554, § 8(a), Sept. 6, 1966, 80 Stat. 636. The office of the Assistant Attorney General in charge of customs matters was abolished by Reorg. Plan No. 4 of 1953, § 2, eff. June 20, 1953.

Act of March 3, 1925, referred to in subsec. (d)(4), was repealed by act Aug. 27, 1935, ch. 740, § 308, 49 Stat. 880.

The Antidumping Act, 1921, referred to in subsec. (d)(5), is act May 27, 1921, ch. 14, title II, 42 Stat. 11, as

amended, which was classified generally to sections 160 to 171 of this title, and was repealed by Pub. L. 96–39, title I, § 106(a), July 26, 1979, 93 Stat. 193.

PRIOR PROVISIONS

Provisions similar to those of subd. (c) of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 641, 42 Stat. 989. That section was superseded by section 651 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

§ 1652. Separability

If any provision of this chapter, or the application thereof to any person or circumstances, is held invalid, the remainder of the chapter, and the application of such provision to other persons or circumstances, shall not be affected thereby.

(June 17, 1930, ch. 497, title IV, § 652, 46 Stat. 763.)

PRIOR PROVISIONS

Provisions similar to those of this section were contained in act Sept. 21, 1922, ch. 356, title IV, § 645, 42 Stat. 990. That section was superseded by section 652 of act June 17, 1930, comprising this section, and repealed by section 651(a)(1) of the 1930 act.

CUSTOMS PROCEDURAL REFORM AND SIMPLIFICATION ACT OF 1978

Pub. L. 95–410, title IV, § 401, Oct. 3, 1978, 92 Stat. 905, provided that: ''If any provision of this Act [see Short Title of 1978 Amendment note set out under section 1654 of this title], or the application thereof to any person or circumstances, is held invalid, the remainder of the provisions of this Act and the application of such provisions to other persons or circumstances shall not be affected thereby.''

§ 1653. Effective date of chapter

Except as otherwise provided, this chapter shall take effect on June 18, 1930.

(June 17, 1930, ch. 497, title IV, § 653, 46 Stat. 763.)

§ 1653a. Transferred

CODIFICATION

Section, act June 25, 1938, ch. 679, § 37, 52 Stat. 1094, related to the effective date of the Customs Administrative Act of 1938, and is set out as a note under section 1401 of this title.

Section was not part of Tariff Act of 1930 which constitutes this chapter.

§ 1654. Short title

This chapter may be cited as the ''Tariff Act of 1930.''

(June 17, 1930, ch. 497, title IV, § 654, 46 Stat. 763.)

SHORT TITLE OF 1986 AMENDMENT

Pub. L. 99–570, title III, subtitle B, § 3101, Oct. 27, 1986, 100 Stat. 3207–79, provided that: ''This subtitle [subtitle B (§§ 3101–3161) of title III of Pub. L. 99–570, enacting sections 1590, 1628, 1629, and 2081 of this title, amending sections 507, 1401, 1433, 1436, 1454, 1459, 1497, 1509, 1584 to 1586, 1594 to 1595a, 1613, 1613b, 1619, and 1622 of this title, section 959 of Title 21, Food and Drugs, section 5316 of Title 31, Money and Finance, and section 12109 of Title 46, Shipping, repealing section 1460 of this title, and enacting provisions set out as a note under section 1613b of this title] may be cited as the 'Customs Enforcement Act of 1986'.''

SHORT TITLE OF 1984 AMENDMENT

Pub. L. 98–573, § 1, Oct. 30, 1984, 98 Stat. 2948, provided in part that this Act (see Tables for classification) may be cited as the ''Trade and Tariff Act of 1984''.

SHORT TITLE OF 1978 AMENDMENT

Pub. L. 95–410, § 1, Oct. 3, 1978, 92 Stat. 888, provided: ''That this Act [enacting sections 58a, 1496a, 1504, 1508, 1625, and 2075 of this title, amending sections 467, 1202, 1315, 1321, 1466, 1483, 1484, 1491, 1505, 1509, 1510, 1520, 1526, 1557, 1559, 1584, 1592, 1599, 1603, 1607, 1610, 1612, 1613, 1615, 1621, and 1641 of this title, section 1124 of Title 15, Commerce and Trade, and section 883 of Title 46, Appendix, Shipping, repealing sections 58 and 1511 of this title and sections 329, 330, and 333 of former Title 46, and enacting provisions set out as notes under sections 1202, 1434, 1496a, 1504, 1557, 1592, and 1652 of this title] may be cited as the 'Customs Procedural Reform and Simplification Act of 1978'.''

SHORT TITLE OF 1970 AMENDMENT

Section 201 of Pub. L. 91–271, June 2, 1970, 84 Stat. 282, provided that: ''Titles II and III of this Act [amending sections 2, 6, 31, 32, 58, 66, 81c, 151, 161, 167 to 169, 261, 267, 282, 293, 341, 528, 1305, 1311, 1315, 1401, 1402, 1432, 1434, 1435b, 1438, 1441, 1443 to 1451, 1452 to 1455, 1457, 1467, 1482, 1484, 1485, 1490 to 1493, 1496, 1499 to 1503, 1505, 1506, 1509 to 1516, 1520, 1521, 1523, 1555, 1557, 1560, 1562 to 1565, 1584, 1586, 1595, 1602 to 1610, 1612 to 1614, 1617, 1618, 1623, 1641, and 1648 of this title, repealing sections 5, 5a, 7 to 11, 36, 37, 51, 63, and 1488 of this title, and enacting provisions set out as notes under this section] may be cited as 'The Customs Administrative Act of 1970'.''

SHORT TITLE OF 1966 AMENDMENT

Section 1(a) of Pub. L. 89–651, Oct. 14, 1966, 80 Stat. 897, provided: ''That this Act [enacting section 1544 of Title 28, Judiciary and Judicial Procedure, amending Schedules 2, 7, and 8 of the Tariff Schedules of the United States and section 2602 of Title 28, and enacting provisions set out as a note preceding section 1202 and under section 1981 of this title] may be cited as the 'Educational, Scientific, and Cultural Materials Importation Act of 1966'.''

SHORT TITLE OF 1965 AMENDMENT

Section 1(a) of Pub. L. 89–241, Oct. 7, 1965, 79 Stat. 933, provided: ''That this Act [amending section 1202 of this title and Schedules 1 to 8 and Appendix to Schedules, and enacting provisions set out as notes preceding section 1202 and under section 1981 of this title] may be cited as the 'Tariff Schedules Technical Amendments Act of 1965'.''

Section 1(c) of Pub. L. 89–241, Oct. 7, 1965, 79 Stat. 933, provided that: ''Title I of the Tariff Act of 1930 [subtitle I of this chapter], as in effect on or after August 31, 1963, may be cited as the 'Tariff Schedules of the United States'.''

SHORT TITLE OF 1962 AMENDMENT

Section 1 of Pub. L. 87–456, May 24, 1962, 76 Stat. 72, provided: ''That this Act [amending section 1312 of this title, section 1856 of Title 7, Agriculture, section 41 of Title 21, Food and Drugs, sections 4501 and 6418 of Title 26, Internal Revenue Code, section 474 of Title 40, Public Buildings, Property, and Works, and section 2201 of Title 42, The Public Health and Welfare, repealing sections 193 to 195, 196a, 420, 1301a, 1308, 1367, 1489, 1504, and 1508 of this title and section 2383 of Title 10, Armed Forces, and enacting provisions set out as notes preceding section 1202 of this title and under section 1861 of this title and section 4501 of Title 26] may be cited as the 'Tariff Classification Act of 1962'.''

SHORT TITLE OF 1958 AMENDMENT

Section 1 of Pub. L. 85–686, Aug. 20, 1958, 72 Stat. 673, provided: ''That this Act [enacting section 1335 of this title, amending sections 1333, 1336, 1337, 1351, 1352a, 1360, and 1364 of this title, and enacting provisions set out as notes under sections 1351 and 1352 of this title] may be cited as the 'Trade Agreements Extension Act of 1958'.''

SHORT TITLE OF 1956 AMENDMENT

Section 1 of act Aug. 2, 1956, ch. 887, 70 Stat. 943, provided: ''That this Act [enacting section 1401a of this

title, amending sections 1001, 1402, 1500, and 1583 of this title, and section 372 of former Title 31, Money and Finance, repealing sections 12 to 18, 21, 24, 26 to 28, 30, 40, 53 to 57, 59, 61, 62, 67, 376, 379, 390, 494, 526, 541, 542, 549, and 579 of this title, and section 711 of former Title 31, and enacting provisions set out as notes under sections 2, 160, 1351, 1401a, and 1402 of this title] may be cited as the 'Customs Simplification Act of 1956'.''

SHORT TITLE OF 1955 AMENDMENT

Section 1 of act June 21, 1955, ch. 169, 69 Stat. 162, provided: ''That this Act [amending sections 1351, 1352, 1352a, 1363, and 1364 of this title] may be cited as the 'Trade Agreements Extension Act of 1955'.''

SHORT TITLE OF 1954 AMENDMENT

Section 1 of act Sept. 1, 1954, ch. 1213, 68 Stat. 1136, provided: ''That this Act [enacting sections 1301a and 1595a of this title, amending sections 161, 1001, 1201, 1441, 1451, 1581, 1605, 1607, 1610, 1612 of this title, section 545 of Title 18, Crimes and Criminal Procedure, section 91 of Title 46, Appendix, Shipping, sections 1421e, 1644 of Title 48, Territories and Insular Possessions, and enacting provisions set out as notes under sections 160 and 1332 of this title] may be cited as the 'Customs Simplification Act of 1954'.''

SHORT TITLE OF 1953 AMENDMENTS

Section 1 of act Aug. 8, 1953, ch. 397, 67 Stat. 507, provided in part: ''That this Act [amending sections 268, 1001, 1201, 1304, 1308, 1309, 1313, 1315, 1317, 1321, 1431, 1439, 1440, 1482, 1484, 1486, 1487, 1489, 1498, 1501, 1503, 1508, 1520, 1523, 1557, and 1562 of this title, enacting sections 1322 and 1646a of this title, and repealing sections 33–35, 39, 42–45, 273, 274, 472–475, 1320, and 1503a of this title] may be cited as the 'Customs Simplification Act of 1953'.''

Section 1 of act Aug. 7, 1953, ch. 348, 67 Stat. 472, provided: ''That this Act [amending sections 1330, 1352, and 1364 of this title, section 624 of Title 7, Agriculture, and provisions set out as notes under sections 1351, 1364, and section 1366 of this title] may be cited as the 'Trade Agreements Extension Act of 1953'.''

SHORT TITLE OF 1951 AMENDMENT

Section 1 of act June 16, 1951, ch. 141, 65 Stat. 72, provided: ''That this Act [enacting sections 1360 to 1367 of this title, amending sections 1352 and 1354 of this title, provisions set out as a note under section 1516 of this title, and section 624 of Title 7, Agriculture] may be cited as the 'Trade Agreements Extension Act of 1951'.''

SHORT TITLE OF 1949 AMENDMENT

Section 1 of act Sept. 26, 1949, ch. 585, 63 Stat. 697, provided: ''That this Act [amending sections 1351, 1352, and 1354 of this title and repealing sections 1357 to 1359 of this title] may be cited as the 'Trade Agreements Extension Act of 1949'.''

SHORT TITLE OF 1938 AMENDMENT

Section 1 of act June 25, 1938, ch. 679, 52 Stat. 1077, provided: ''That this Act [enacting sections 1321, 1467, 1528 of this title, amending sections 1001, 1201, 1304, 1308, 1309, 1315, 1317, 1401, 1402, 1451, 1459, 1460, 1484, 1485, 1491, 1499, 1501, 1516, 1520, 1524, 1553, 1557 to 1559, 1562, 1563, 1603, 1607, 1609, 1613, 1623, 1709 of this title, and section 331 of former Title 46, Shipping, and enacting provisions set out as a note under section 1516 of this title] may be cited as the 'Customs Administrative Act of 1938'.''

SUBTITLE IV—COUNTERVAILING AND ANTIDUMPING DUTIES

SUBTITLE REFERRED TO IN OTHER SECTIONS

This subtitle is referred to in sections 1339, 1401a, 1514, 1516a, 3432, 3437, 3438, 3538, 3571 of this title; title 28 section 2635.

PART I—IMPOSITION OF COUNTERVAILING DUTIES

CODIFICATION

The designations ''SUBTITLE IV'' and ''PART I'' were in the original ''TITLE VII'' and ''Subtitle A'' respectively, and were editorially changed in order to conform the numbering format of this subtitle to the usages employed in the codification of the remainder of the Tariff Act of 1930 as originally enacted.

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in sections 1675b, 1677, 1677a, 1677c, 1677f, 1677m, 2171, 2252, 3437, 3571 of this title.

§ 1671. Countervailing duties imposed

(a) General rule

If—

(1) the administering authority determines that the government of a country or any public entity within the territory of a country is providing, directly or indirectly, a countervailable subsidy with respect to the manufacture, production, or export of a class or kind of merchandise imported, or sold (or likely to be sold) for importation, into the United States, and

(2) in the case of merchandise imported from a Subsidies Agreement country, the Commission determines that—

(A) an industry in the United States—

(i) is materially injured, or

(ii) is threatened with material injury, or

(B) the establishment of an industry in the United States is materially retarded,

by reason of imports of that merchandise or by reason of sales (or the likelihood of sales) of that merchandise for importation,

then there shall be imposed upon such merchandise a countervailing duty, in addition to any other duty imposed, equal to the amount of the net countervailable subsidy. For purposes of this subsection and section 1671d(b)(1) of this title, a reference to the sale of merchandise includes the entering into of any leasing arrangement regarding the merchandise that is equivalent to the sale of the merchandise.

(b) Subsidies Agreement country

For purposes of this subtitle, the term ''Subsidies Agreement country'' means—

(1) a WTO member country,

(2) a country which the President has determined has assumed obligations with respect to the United States which are substantially equivalent to the obligations under the Subsidies Agreement, or

(3) a country with respect to which the President determines that—

(A) there is an agreement in effect between the United States and that country which—

(i) was in force on December 8, 1994, and

(ii) requires unconditional most-favored-nation treatment with respect to articles imported into the United States, and

(B) the agreement described in subparagraph (A) does not expressly permit—

(i) actions required or permitted by the GATT 1947 or GATT 1994, as defined in section 3501(1) of this title, or required by the Congress, or

(ii) nondiscriminatory prohibitions or restrictions on importation which are designed to prevent deceptive or unfair practices.

(c) Countervailing duty investigations involving imports not entitled to a material injury determination

In the case of any article or merchandise imported from a country which is not a Subsidies Agreement country—

(1) no determination by the Commission under section 1671b(a), 1671c, or 1671d(b) of this title shall be required,

(2) an investigation may not be suspended under section 1671c(c) or 1671c(*l*) of this title,

(3) no determination as to the presence of critical circumstances shall be made under section 1671b(e) or 1671d(a)(2) of this title,

(4) section 1671e(c) of this title shall not apply,

(5) any reference to a determination described in paragraph (1) or (3), or to the suspension of an investigation under section 1671c(c) or 1671c(*l*) of this title, shall be disregarded, and

(6) section 1675(c) of this title shall not apply.

(d) Treatment of international consortia

For purposes of this part, if the members (or other participating entities) of an international consortium that is engaged in the production of subject merchandise receive countervailable subsidies from their respective home countries to assist, permit, or otherwise enable their participation in that consortium through production or manufacturing operations in their respective home countries, then the administering authority shall cumulate all such countervailable subsidies, as well as countervailable subsidies provided directly to the international consortium, in determining any countervailing duty upon such merchandise.

(e) Upstream subsidies

Whenever the administering authority has reasonable grounds to believe or suspect that an upstream subsidy, as defined in section 1677–1(a)(1)[1] of this title, is being paid or bestowed, the administering authority shall investigate whether an upstream subsidy has in fact been paid or bestowed, and if so, shall include the amount of the upstream subsidy as provided in section 1677–1(a)(3)[2] of this title.

(June 17, 1930, ch. 497, title VII, § 701, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 151; amended Oct. 30, 1984, Pub. L. 98–573, title VI, §§ 602(a)(1), 613(b), 98 Stat. 3024, 3035; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(1), 100 Stat. 2921; Aug. 23, 1988, Pub. L. 100–418, title I, §§ 1314, 1315, 102 Stat. 1185; Nov. 10, 1988, Pub. L. 100–647, title IX, § 9001(a)(9), 102 Stat. 3807; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 233(a)(5)(A), 261(d)(1)(B)(iii), 262, 270(b)(1)(A), 108 Stat. 4899, 4910, 4917.)

AMENDMENTS

1994—Subsecs. (a) to (c). Pub. L. 103–465, § 262, amended subsecs. (a) to (c) generally, substituting present provisions for provisions which generally authorized the imposition of countervailing duties, defined ''country under the Agreement'', and provided for revocation of status as country under the Agreement.

Subsec. (d). Pub. L. 103–465, § 270(b)(1)(A), substituted ''countervailable subsidies'' for ''subsidies'' wherever appearing.

Pub. L. 103–465, § 233(a)(5)(A), substituted ''subject merchandise'' for ''a class or kind of merchandise subject to a countervailing duty investigation''.

Subsec. (f). Pub. L. 103–465, § 261(d)(1)(B)(iii), struck out subsec. (f) which provided for cross reference to section 1303 of this title for provisions of law applicable in the case of merchandise which was product of country other than country under the Agreement.

1988—Subsec. (c). Pub. L. 100–418, § 1314(2), added subsec. (c). Former subsec. (c) relating to upstream subsidies redesignated (d).

Subsec. (d). Pub. L. 100–647 redesignated subsec. (d), relating to cross reference, as (f).

Pub. L. 100–418, § 1315(2), added subsec. (d) relating to treatment of international consortia. Former subsec. (d), relating to upstream subsidies, redesignated (e).

Pub. L. 100–418, § 1314(1), redesignated subsec. (c), relating to upstream subsidies, as (d).

Subsec. (e). Pub. L. 100–418, § 1315(1), redesignated subsec. (d), relating to upstream subsidies, as (e).

Subsec. (f). Pub. L. 100–647 redesignated subsec (d), relating to cross reference, as (f).

1986—Subsecs. (c), (d), (g). Pub. L. 99–514 redesignated subsecs. (g) and (c) as (c) and (d), respectively.

1984—Subsec. (a). Pub. L. 98–573, § 602(a)(1)(C), inserted last sentence which provided that for purposes of this subsection and section 1671d(b)(1) of this title, a reference to the sale of merchandise includes the entering into of any leasing arrangement regarding the merchandise that is equivalent to the sale of the merchandise.

Subsec. (a)(1). Pub. L. 98–573, § 602(a)(1)(A), inserted '', or sold (or likely to be sold) for importation,'' in provisions following subpar. (B).

Subsec. (a)(2). Pub. L. 98–573, § 602(a)(1)(B), inserted ''or by reason of sales (or the likelihood of sales) of that merchandise for importation'' in provisions following subpar. (B).

Subsec. (g). Pub. L. 98–573, § 613(b), added subsec. (g).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by section 261(d)(1)(B)(iii) of Pub. L. 103–465 effective on the effective date of title II of Pub. L. 103–465, Jan. 1, 1995, see section 261(d)(2) of Pub. L. 103–465, set out as a note under section 1315 of this title.

Section 291 of title II of Pub. L. 103–465 provided that:

''(a) IN GENERAL.—Except as provided in section 261 [amending this section and sections 1315, 1337, 1677i, 2192, and 2194 of this title, repealing section 1303 of this title, enacting provisions set out as notes under sections 1303 and 1315 of this title, and amending provisions set out as a note under section 1303 of this title], the amendments made by this title [see Tables for classification] shall take effect on the date described in subsection (b) and apply with respect to—

''(1) investigations initiated—

''(A) on the basis of petitions filed under section 702(b), 732(b), or 783(b) of the Tariff Act of 1930 [19 U.S.C. 1671a(b), 1673a(b), or 1677n(b)] after the date described in subsection (b), or

''(B) by the administering authority under section 702(a) or 732(a) of such Act after such date,

''(2) reviews initiated under section 751 of such Act [19 U.S.C. 1675]—

''(A) by the administering authority or the Commission on their own initiative after such date, or

''(B) pursuant to a request filed after such date,

''(3) investigations initiated under section 753 of such Act [19 U.S.C. 1675b] after such date,

''(4) petitions filed under section 780 of such Act [19 U.S.C. 1677i] after such date, and

''(5) inquiries initiated under section 781 of such Act [19 U.S.C. 1677j]—

[1] So in original. Probably should be section ''1677–1(a)''.

[2] So in original. Probably should be section ''1677–1(c)''.

''(A) by the administering authority on its own initiative after such date, or

''(B) pursuant to a request filed after such date.

''(b) DATE DESCRIBED.—The date described in this subsection is the date on which the WTO Agreement (as defined in section 2(9) [19 U.S.C. 3501(9)]) enters into force with respect to the United States [Jan. 1, 1995].''

EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by Pub. L. 100–647 applicable as if such amendment took effect on Aug. 23, 1988, see section 9001(b) of Pub. L. 100–647, set out as an Effective and Termination Dates of 1988 Amendments note under section 58c of this title.

Section 1337 of Pub. L. 100–418, as amended by Pub. L. 100–647, title IX, § 9001(a)(6), Nov. 10, 1988, 102 Stat. 3807, provided that:

''(a) IN GENERAL.—Except as otherwise provided in this section, the amendments made by this part [part 2 (§§ 1311–1337) of subtitle C of title I of Pub. L. 100–418, enacting sections 1673h, 1677–2, 1677i to 1677k of this title, amending this section and sections 1516, 1671a to 1671d, 1673a to 1673e, 1675, 1677, 1677b, 1677e, 1677f, and 1677h of this section, and amending provisions set out as a note under section 2253 of this title] shall take effect on the date of enactment of this Act [Aug. 23, 1988].

''(b) INVESTIGATIONS AND REVIEWS AFTER ENACTMENT.—The amendments made by sections 1312, 1315, 1316, 1318, 1325, 1326, 1327, 1328, 1329, 1331, and 1332 [amending this section and sections 1516, 1671a to 1671c, 1673a to 1673c, 1673e, 1677, 1677b, 1677e, and 1677f of this title] shall only apply with respect to—

''(1) investigations initiated after the date of enactment of this Act [Aug. 23, 1988], and

''(2) reviews initiated under section 736(c) or 751 of the Tariff Act of 1930 [19 U.S.C. 1673e(c) or 1675] after the date of enactment of this Act [Aug. 23, 1988].

''(c) INVESTIGATIONS AFTER ENACTMENT.—The amendments made by sections 1324 and 1330 [amending sections 1671a, 1671b, 1671d, 1673a, 1673b, 1673d, and 1677 of this title] shall only apply with respect to investigations initiated after the date of enactment of this Act [Aug. 23, 1988].

''(d) PREVENTION OF CIRCUMVENTION OF DUTIES; DRAWBACK.—The provisions of section 781 of the Tariff Act of 1930, as added by section 1321(a) [19 U.S.C. 1677j], and the amendments made by section 1334 [amending section 1677h of this title] shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the date of enactment of this Act [Aug. 23, 1988].

''(e) GOVERNMENTAL IMPORTATIONS; STEEL.—The amendments made by sections 1322 [amending provisions set out as a note under section 2253 of this title] and 1335 [amending section 1677 of this title] shall apply with respect to entries, and withdrawals from warehouse for consumption, that are liquidated on or after the date of enactment of this Act [Aug. 23, 1988].

''(f) FICTITIOUS MARKETS.—The amendment made by section 1319 [amending section 1677b of this title] shall only apply with respect to—

''(1) reviews initiated under section 736(c) or 751 of the Tariff Act of 1930 [19 U.S.C. 1673e(c) or 1675] after the date of enactment of this Act [Aug. 23, 1988], and

''(2) reviews initiated under such sections—

''(A) which are pending on the date of enactment of this Act, and

''(B) in which a request for revocation is pending on the date of enactment of this Act.''

EFFECTIVE DATE OF 1984 AMENDMENT

Section 626 of title VI of Pub. L. 98–573, as amended by Pub. L. 99–514, title XVIII, § 1886(b), Oct. 22, 1986, 100 Stat. 2922, provided that:

''(a) Except as provided in subsections (b) and (c), this Act [probably should be ''this title''], and the amendments made by it [enacting sections 1671h, 1677–1, and 1677h of this title, amending this section and sections 1671b to 1671e, 1673c, 1673d, 1677a to 1677f, and 1677g of this title, and repealing sections 1673h and 1673i of this title], shall take effect on the date of the enactment of this Act [Oct. 30, 1984].

''(b)(1) The amendments made by sections 602, 609, 611, 612, and 620 [enacting sections 1676, 1676a, and 1677f–1 of this title and amending this section and sections 1514, 1671c, 1671d, 1673, 1673a, 1673c, 1673d, 1675, 1677, and 1677b of this title, section 2631 of Title 28, Judiciary and Judicial Procedure, and provisions set out as a note under this section] shall apply with respect to investigations initiated by petition or by the administering authority under subtitles A and B of title VII of the Tariff Act of 1930 [parts I and II of this subtitle], and to reviews begun under section 751 of that Act [section 1675 of this title], on or after such effective date.

''(2) The amendments made by section 623 [amending section 1516a of this title and sections 2636 and 2647 of Title 28] shall apply with respect to civil actions pending on, or filed on or after, the date of the enactment of this Act [Oct. 30, 1984].

''(3) The administering authority may delay implementation of any of the amendments referred to in subsections (a) and (b)(1) with respect to any investigation in progress on the date of enactment of this Act [Oct. 30, 1984] if the administering authority determines that immediate implementation would prevent compliance with a statutory deadline in title VII of the Tariff Act of 1930 [this subtitle] that is applicable to that investigation.

''(4) The amendment made by section 621 [amending section 1677g of this title] shall apply with respect to merchandise that is unliquidated on or after November 4, 1984.

''(c)(1) No provision of title VII of the Tariff Act of 1930 [this subtitle] shall be interpreted to prevent the refiling of a petition under section 702 or 732 of that title [sections 1671a and 1673a of this title] that was filed before the date of the enactment of this title, if the purpose of such refiling is to avail the petitioner of the amendment made by section 612(a)(1) [amending section 1677(4)(A) of this title].

''(2) The amendment made by section 612(a)(1) shall not apply with respect to petitions filed (or refiled under paragraph (1)) under section 702 or 732 of the Tariff Act of 1930 after September 30, 1986.''

EFFECTIVE DATE

Section 107 of title I of Pub. L. 96–39 provided that: ''Except as otherwise provided in this title, this title and the amendments made by it [enacting this subtitle, amending sections 1303, 1337, 2033, and 2251 of this title, repealing sections 160 to 171 of this title, and enacting provisions set out as notes under this section and sections 160 and 1303 of this title] shall take effect on January 1, 1980, if—

''(1) the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade (relating to subsidies and countervailing measures), and

''(2) the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade (relating to antidumping measures),

approved by the Congress under section 2(a) of this Act [section 2503(a) of this title] have entered into force with respect to the United States as of that date.''

[These agreements entered into force with respect to the United States on Dec. 17, 1979.]

DELEGATION OF FUNCTIONS

Functions of President under subsec. (b) of this section delegated to United States Trade Representative, see section 1–103(b) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 990, set out as a note under section 2171 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147

and 1171–1177] or title XVIII [§§1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

INVESTIGATIONS PENDING ON JANUARY 1, 1980

Section 102 of Pub. L. 96–39 provided that:

''(a) PENDING INVESTIGATIONS OF BOUNTIES OR GRANTS.—If, on the effective date of the application of title VII of the Tariff Act of 1930 [see Effective Date note set out above] to imports from a country, there is an investigation in progress under section 303 of that Act [section 1303 of this title] as to whether a bounty or grant is being paid or bestowed on imports from such country, then:

''(1) If the Secretary of the Treasury has not yet made a preliminary determination under section 303 of that Act [section 1303 of this title] as to whether a bounty or grant is being paid or bestowed, he shall terminate the investigation under section 303 [section 1303 of this title] and the matter previously under investigation shall be subject to this title [this subtitle] as if the affirmative determination called for in section 702 of that Act [section 1671a of this title] were made with respect to that matter on the effective date of the application of title VII of that Act [this subtitle] to such country.

''(2) If the Secretary has made a preliminary determination under such section 303 [section 1303 of this title], but not a final determination, as to whether a bounty or grant is being paid or bestowed, he shall terminate the investigation under such section 303 [section 1303 of this title] and the matter previously under investigation shall be subject to the provisions of title VII of that Act [this subtitle] as if the preliminary determination under section 303 [section 1303 of this title] were a preliminary determination under section 703 of that title [section 1671b of this title] made on the effective date of the application of that title [this subtitle] to such country.

''(b) PENDING INVESTIGATIONS OF LESS-THAN-FAIR-VALUE SALES.—If, on the effective date of title VII of the Tariff Act of 1930 [see Effective Date note set out above], there is an investigation in progress under the Antidumping Act, 1921 [sections 160 to 171 of this title], as to whether imports from a country are being, or are likely to be, sold in the United States or elsewhere at less than fair value, then:

''(1) If the Secretary has not yet made a preliminary determination under the Antidumping Act, 1921 [sections 160 to 171 of this title], as to the question of less-than-fair-value sales, he shall terminate the investigation and the United States International Trade Commission shall terminate any investigation under section 201(c)(2) of the Antidumping Act, 1921 [section 160(c)(2) of this title], and the matter previously under investigation shall be subject to the provisions of title VII of the Tariff Act of 1930 [this subtitle] as if the affirmative determination called for in section 732 [section 1673a of this title] were made with respect to such matter on the effective date of title VII of the Tariff Act of 1930.

''(2) If the Secretary has made under the Antidumping Act, 1921 [sections 160 to 171 of this title], a preliminary determination, but not a final determination, that imports from such country are being or are likely to be sold in the United States or elsewhere at less than fair value, the investigation shall be terminated and the matter previously under investigation shall be subject to the provisions of title VII of the Tariff Act of 1930 [this subtitle] as if the preliminary determination under the Antidumping Act, 1921 [sections 160 to 171 of this title], were a preliminary determination under section 733 of that title [section 1673b of this title] made on the effective date of title VII of the Tariff Act of 1930 [see Effective Date note set out above].

''(c) PENDING INVESTIGATIONS OF INJURY.—If, on the effective date of the application of title VII of the Tariff Act of 1930 [see Effective Date note set out above] to imports from a country, the United States International Trade Commission is conducting an investigation under section 303 of the Tariff Act of 1930 [section 1303 of this title] or section 201(a) of the Antidumping Act, 1921 [section 160(a) of this title], as to whether an industry in the United States is being, or is likely to be injured, or is prevented from being established, it shall terminate any such investigation and initiate an investigation, under subtitle A or B of title VII of the Tariff Act of 1930 [part I or II of this subtitle], which shall be completed within 75 days, and—

''(1) treat any final determination of the Secretary of the Treasury under section 303 [section 1303 of this title] as a final determination under section 705(a) of the Tariff Act of 1930 [section 1671d(a) of this title] and consider the net amount of the bounty or grant estimated or determined under section 303 [section 1303 of this title] as the net subsidy amount under subtitle A of that title [part I of this subtitle]; and

''(2) treat any final determination of the Secretary of the Treasury under the Antidumping Act, 1921 [sections 160 to 171 of this title], as a final determination under section 735(a) of the Tariff Act of 1930 [section 1673d(a) of this title].''

TRANSITION RULES FOR COUNTERVAILING DUTY ORDERS

Section 104 of Pub. L. 96–39, as amended by Pub. L. 98–573, title VI, §611(c), Oct. 30, 1984, 98 Stat. 3033, provided that:

''(a) WAIVED COUNTERVAILING DUTY ORDERS.—

''(1) NOTIFICATION OF COMMISSION.—The administering authority shall notify the United States International Trade Commission by January 7, 1980, of any countervailing duty order in effect on January 1, 1980—

''(A)(i) for which the Secretary of the Treasury has waived the imposition of countervailing duties under section 303(d) of the Tariff Act of 1930 (19 U.S.C. 1303(d)), and

''(ii) which applies to merchandise other than quota cheese (as defined in section 701(c)(1) of this Act) [subsec. (c)(1) of this section], which is a product of a country under the Agreement,

''(B) published on or after the date of the enactment of this Act [July 26, 1979], and before January 1, 1980, with respect to products of a country under the Agreement (as defined in section 701(b) of the Tariff Act of 1930) [subsec. (b) of this section], or

''(C) applicable to frozen, boneless beef from the European Communities under Treasury Decision 76–109,

and shall furnish to the Commission the most current information it has with respect to the net subsidy benefitting the merchandise subject to the countervailing duty order.

''(2) DETERMINATION BY THE COMMISSION.—Within 180 days after the date on which it receives the information from the administering authority under paragraph (1), the Commission shall make a determination of whether—

''(A) an industry in the United States—

''(i) is materially injured, or

''(ii) is threatened with material injury, or

''(B) the establishment of an industry in the United States is materially retarded,

by reason of imports of the merchandise subject to the order.

''(3) EFFECT OF DETERMINATION.—

''(A) AFFIRMATIVE DETERMINATION.—Upon being notified by the Commission of an affirmative determination under paragraph (2), the administering authority shall terminate the waiver of imposition of countervailing duties for merchandise subject to the order, if any. The countervailing duty order under section 303 of the Tariff Act of 1930 [section 1303 of this title] which applies to that merchandise shall remain in effect until revoked, in whole or in

part, under section 751(d) of such Act [section 1675(d) of this title].

''(B) NEGATIVE DETERMINATION.—Upon being notified by the Commission of a negative determination under paragraph (2), the administering authority shall revoke the countervailing duty order, and publish notice in the Federal Register of the revocation.

''(b) OTHER COUNTERVAILING DUTY ORDERS.—

''(1) REVIEW BY COMMISSION UPON REQUEST.—In the case of a countervailing duty order issued under section 303 of the Tariff Act of 1930 (19 U.S.C. 1303)—

''(A) which is not a countervailing duty order to which subsection (a) applies,

''(B) which applies to merchandise which is the product of a country under the Agreement, and

''(C) which is in effect on January 1, 1980, or which is issued pursuant to court order in an action brought under section 516(d) of that Act [section 1516(d) of this title] before that date,

the Commission, upon the request of the government of such a country or of exporters accounting for a significant proportion of exports to the United States of merchandise which is covered by the order, submitted within 3 years after the effective date of title VII of the Tariff Act of 1930 [see Effective Date note set out above] shall make a determination under paragraph (2) of this subsection.

''(2) DETERMINATION BY THE COMMISSION.—In a case described in paragraph (1) with respect to which it has received a request for review, the Commission shall commence an investigation to determine whether—

''(A) an industry in the United States—

''(i) would be materially injured, or

''(ii) would be threatened with material injury, or

''(B) the establishment of an industry in the United States would be materially retarded,

by reason of imports of the merchandise covered by the countervailing duty order if the order were to be revoked. A negative determination by the Commission under this paragraph shall not be based, in whole or in part, on any export taxes, duties, or other charges levied on the export of merchandise to the United States specifically intended to offset the subsidy received.

''(3) SUSPENSION OF LIQUIDATION; INVESTIGATION TIME LIMITS.—Whenever the Commission receives a request under paragraph (1), it shall promptly notify the administering authority and the administering authority shall suspend liquidation of entries of the affected merchandise made on or after the date of receipt of the Commission's notification, or in the case of butter from Australia, entries of merchandise subject to the assessment of countervailing duties under Treasury Decision 42937, as amended, and collect estimated countervailing duties pending the determination of the Commission. The Commission shall issue its determination in any investigation under this subsection not later than 3 years after the date of commencement of such investigation.

''(4) EFFECT OF DETERMINATION.—

''(A) AFFIRMATIVE DETERMINATION.—Upon being notified of an affirmative determination under paragraph (2) by the Commission, the administering authority shall liquidate entries of merchandise the liquidation of which was suspended under paragraph (3) of this subsection and impose countervailing duties in the amount of the estimated duties required to be deposited. The countervailing duty order shall remain in effect until revoked, in whole or in part, under section 751(c) of the Tariff Act of 1930 [section 1675(c) of this title].

''(B) NEGATIVE DETERMINATION.—Upon being notified of a negative determination under paragraph (2) by the Commission, the administering authority shall revoke the countervailing duty order then in effect, publish notice thereof in the Federal Register, and refund, without payment of interest, any estimated countervailing duties collected during the period of suspension of liquidation.

''(c) ALL OUTSTANDING COUNTERVAILING DUTY ORDERS.—Subject to the provisions of subsections (a) and (b), any countervailing duty order issued under section 303 of the Tariff Act of 1930 [section 1303 of this title] which is—

''(1) in effect on the effective date of title VII of the Tariff Act of 1930 [see Effective Date note set out above] (as added by section 101 of this Act), or

''(2) issued pursuant to court order in a proceeding brought before that date under section 516(d) of the Tariff Act of 1930 [section 1516(d) of this title],

shall remain in effect after that date and shall be subject to review under section 751 of the Tariff Act of 1930 [section 1675 of this title].

''(d) PUBLICATION OF NOTICE OF DETERMINATIONS.—Whenever the Commission makes a determination under subsection (a) or (b), it shall publish notice of that determination in the Federal Register and notify the administering authority of its determination.

''(e) DEFINITIONS.—Whenever any term which is defined in section 771 of the Tariff Act of 1930 [section 1677 of this title] is used in this section, it has the same meaning as when it is used in title VII of that Act [this subtitle].''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1315, 1337, 1671a, 1671e, 1677 of this title.

§ 1671a. Procedures for initiating a countervailing duty investigation

(a) Initiation by administering authority

A countervailing duty investigation shall be initiated whenever the administering authority determines, from information available to it, that a formal investigation is warranted into the question of whether the elements necessary for the imposition of a duty under section 1671(a) of this title exist.

(b) Initiation by petition

(1) Petition requirements

A countervailing duty proceeding shall be initiated whenever an interested party described in subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title files a petition with the administering authority, on behalf of an industry, which alleges the elements necessary for the imposition of the duty imposed by section 1671(a) of this title, and which is accompanied by information reasonably available to the petitioner supporting those allegations. The petition may be amended at such time, and upon such conditions, as the administering authority and the Commission may permit.

(2) Simultaneous filing with Commission

The petitioner shall file a copy of the petition with the Commission on the same day as it is filed with the administering authority.

(3) Petition based upon a derogation of an international undertaking on official export credits

If the sole basis of a petition filed under paragraph (1) is the derogation of an international undertaking on official export credits, the Administering Authority shall immediately notify the Secretary of the Treasury who shall, in consultation with the Administering Authority, within 5 days after the

date on which the administering authority initiates an investigation under subsection (c) of this section, determine the existence and estimated value of the derogation, if any, and shall publish such determination in the Federal Register.

(4) Action with respect to petitions

(A) Notification of governments

Upon receipt of a petition filed under paragraph (1), the administering authority shall—

(i) notify the government of any exporting country named in the petition by delivering a public version of the petition to an appropriate representative of such country; and

(ii) provide the government of any exporting country named in the petition that is a Subsidies Agreement country an opportunity for consultations with respect to the petition.

(B) Acceptance of communications

The administering authority shall not accept any unsolicited oral or written communication from any person other than an interested party described in section 1677(9)(C), (D), (E), (F), or (G) of this title before the administering authority makes its decision whether to initiate an investigation, except as provided in subparagraph (A)(ii) and subsection (c)(4)(D) of this section, and except for inquiries regarding the status of the administering authority's consideration of the petition.

(C) Nondisclosure of certain information

The administering authority and the Commission shall not disclose information with regard to any draft petition submitted for review and comment before it is filed under paragraph (1).

(c) Petition determination

(1) In general

(A) Time for initial determination

Except as provided in subparagraph (B), within 20 days after the date on which a petition is filed under subsection (b) of this section, the administering authority shall—

(i) after examining, on the basis of sources readily available to the administering authority, the accuracy and adequacy of the evidence provided in the petition, determine whether the petition alleges the elements necessary for the imposition of a duty under section 1671(a) of this title and contains information reasonably available to the petitioner supporting the allegations, and

(ii) determine if the petition has been filed by or on behalf of the industry.

(B) Extension of time

In any case in which the administering authority is required to poll or otherwise determine support for the petition by the industry under paragraph (4)(D), the administering authority may, in exceptional circumstances, apply subparagraph (A) by substituting ''a maximum of 40 days'' for ''20 days''.

(C) Time limits where petition involves same merchandise as an order that has been revoked

If a petition is filed under this section with respect to merchandise that was the subject merchandise of—

(i) a countervailing duty order that was revoked under section 1675(d) of this title in the 24 months preceding the date the petition is filed, or

(ii) a suspended investigation that was terminated under section 1675(d) of this title in the 24 months preceding the date the petition is filed,

the administering authority and the Commission shall, to the maximum extent practicable, expedite any investigation initiated under this section with respect to the petition.

(2) Affirmative determinations

If the determinations under clauses (i) and (ii) of paragraph (1)(A) are affirmative, the administering authority shall initiate an investigation to determine whether a countervailable subsidy is being provided with respect to the subject merchandise.

(3) Negative determinations

If the determination under clause (i) or (ii) of paragraph (1)(A) is negative, the administering authority shall dismiss the petition, terminate the proceeding, and notify the petitioner in writing of the reasons for the determination.

(4) Determination of industry support

(A) General rule

For purposes of this subsection, the administering authority shall determine that the petition has been filed by or on behalf of the industry, if—

(i) the domestic producers or workers who support the petition account for at least 25 percent of the total production of the domestic like product, and

(ii) the domestic producers or workers who support the petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for or opposition to the petition.

(B) Certain positions disregarded

(i) Producers related to foreign producers

In determining industry support under subparagraph (A), the administering authority shall disregard the position of domestic producers who oppose the petition, if such producers are related to foreign producers, as defined in section 1677(4)(B)(ii) of this title, unless such domestic producers demonstrate that their interests as domestic producers would be adversely affected by the imposition of a countervailing duty order.

(ii) Producers who are importers

The administering authority may disregard the position of domestic producers of a domestic like product who are importers of the subject merchandise.

(C) Special rule for regional industries

If the petition alleges that the industry is a regional industry, the administering authority shall determine whether the petition has been filed by or on behalf of the industry by applying subparagraph (A) on the basis of production in the region.

(D) Polling the industry

If the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the administering authority shall—

(i) poll the industry or rely on other information in order to determine if there is support for the petition as required by subparagraph (A), or

(ii) if there is a large number of producers in the industry, the administering authority may determine industry support for the petition by using any statistically valid sampling method to poll the industry.

(E) Comments by interested parties

Before the administering authority makes a determination with respect to initiating an investigation, any person who would qualify as an interested party under section 1677(9) of this title if an investigation were initiated, may submit comments or information on the issue of industry support. After the administering authority makes a determination with respect to initiating an investigation, the determination regarding industry support shall not be reconsidered.

(5) "Domestic producers or workers"defined

For purposes of this subsection, the term "domestic producers or workers" means those interested parties who are eligible to file a petition under subsection (b)(1)(A)[1] of this section.

(d) Notification to Commission of determination

The administering authority shall—

(1) notify the Commission immediately of any determination it makes under subsection (a) or (c) of this section, and

(2) if the determination is affirmative, make available to the Commission such information as it may have relating to the matter under investigation, under such procedures as the administering authority and the Commission may establish to prevent disclosure, other than with the consent of the party providing it or under protective order, of any information to which confidential treatment has been given by the administering authority.

(e) Information regarding critical circumstances

If, at any time after the initiation of an investigation under this part, the administering authority finds a reasonable basis to suspect that the alleged countervailable subsidy is inconsistent with the Subsidies Agreement, the administering authority may request the Commissioner of Customs to compile information on an expedited basis regarding entries of the subject merchandise. Upon receiving such request, the Commissioner of Customs shall collect information regarding the volume and value of entries of the subject merchandise and shall transmit such information to the administering authority at such times as the administering authority shall direct (at least once every 30 days), until a final determination is made under section 1671d(a) of this title, the investigation is terminated, or the administering authority withdraws the request.

(June 17, 1930, ch. 497, title VII, § 702, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 151; amended Nov. 30, 1983, Pub. L. 98–181, title VI, § 650(a), 97 Stat. 1266; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(2), 100 Stat. 2921; Aug. 23, 1988, Pub. L. 100–418, title I, §§ 1324(a)(1), 1326(d)(1), 102 Stat. 1199, 1204; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 211(a), 212(a)(1), (b)(1)(E), 233(a)(5)(B), (6)(A)(i), (ii), 270(a)(1)(A), (d), 108 Stat. 4842, 4843, 4848, 4899, 4901, 4917, 4918.)

AMENDMENTS

1994—Subsecs. (a), (b)(1). Pub. L. 103–465, § 233(a)(6)(A)(i), (ii), substituted "initiated" for "commenced".

Subsec. (b)(3). Pub. L. 103–465, §§ 211(a)(1), 212(b)(1)(E), substituted "paragraph (1)" for "subsection (b)(1) of this section" and "5 days after the date on which the administering authority initiates an investigation under subsection (c) of this section," for "twenty days".

Subsec. (b)(4). Pub. L. 103–465, § 211(a)(2), added par. (4).

Subsec. (c). Pub. L. 103–465, § 212(a)(1), amended heading and text of subsec. (c) generally. Prior to amendment, text read as follows: "Within 20 days after the date on which a petition is filed under subsection (b) of this section, the administering authority shall—

"(1) determine whether the petition alleges the elements necessary for the imposition of a duty under section 1671(a) of this title and contains information reasonably available to the petitioner supporting the allegations,

"(2) if the determination is affirmative, commence an investigation to determine whether a subsidy is being provided with respect to the class or kind of merchandise described in the petition, and provide for the publication of notice of the determination to commence an investigation in the Federal Register, and

"(3) if the determination is negative, dismiss the petition, terminate the proceeding, notify the petitioner in writing of the reasons for the determination, and provide for the publication of notice of the determination in the Federal Register."

Subsec. (e). Pub. L. 103–465, § 270(a)(1)(A), (d), substituted "countervailable subsidy" for "subsidy" and "Subsidies Agreement" for "Agreement".

Pub. L. 103–465, § 233(a)(5)(B), substituted "subject merchandise" for "class or kind of merchandise that is the subject of the investigation" in two places.

1988—Subsec. (b)(1). Pub. L. 100–418, § 1326(d)(1), substituted "(F), or (G)" for "or (F)".

Subsec. (e). Pub. L. 100–418, § 1324(a)(1), added subsec. (e).

1986—Subsec. (b)(1). Pub. L. 99–514 inserted reference to subpar. (F) of section 1677(9) of this title.

1983—Subsec. (b)(3). Pub. L. 98–181 added par. (3).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to in-

[1] So in original. Subsec. (b)(1) of this section does not contain subpars.

vestigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 1324(a)(1) of Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and amendment by section 1326(d)(1) of Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and to reviews initiated under section 1673e(c) or 1675 of this title after Aug. 23, 1988, see section 1337(b), (c) of Pub. L. 100–418, set out as a note under section 1671 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1516a, 1671b, 1671c, 1677, 1677f, 1677i, 3437 of this title.

§ 1671b. Preliminary determinations

(a) Determination by Commission of reasonable indication of injury

(1) General rule

Except in the case of a petition dismissed by the administering authority under section 1671a(c)(3) of this title, the Commission, within the time specified in paragraph (2), shall determine, based on the information available to it at the time of the determination, whether there is a reasonable indication that—

(A) an industry in the United States—

(i) is materially injured, or

(ii) is threatened with material injury, or

(B) the establishment of an industry in the United States is materially retarded,

by reason of imports of the subject merchandise and that imports of the subject merchandise are not negligible. If the Commission finds that imports of the subject merchandise are negligible or otherwise makes a negative determination under this paragraph, the investigation shall be terminated.

(2) Time for Commission determination

The Commission shall make the determination described in paragraph (1)—

(A) in the case of a petition filed under section 1671a(b) of this title—

(i) within 45 days after the date on which the petition is filed, or

(ii) if the time has been extended pursuant to section 1671a(c)(1)(B) of this title, within 25 days after the date on which the Commission receives notice from the administering authority of initiation of the investigation, and

(B) in the case of an investigation initiated under section 1671a(a) of this title, within 45 days after the date on which the Commission receives notice from the administering authority that an investigation has been initiated under such section.

(b) Preliminary determination by administering authority; expedited determinations; waiver of verification

(1) Within 65 days after the date on which the administering authority initiates an investigation under section 1671a(c) of this title, or an investigation is initiated under section 1671a(a) of this title, but not before an affirmative determination by the Commission under subsection (a) of this section, the administering authority shall make a determination, based upon the information available to it at the time of the determination, of whether there is a reasonable basis to believe or suspect that a countervailable subsidy is being provided with respect to the subject merchandise.

(2) Notwithstanding paragraph (1), when the petition is one subject to section 1671a(b)(3) of this title, the Administering Authority shall, taking into account the nature of the countervailable subsidy concerned, make the determination required by paragraph (1) on an expedited basis and within 65 days after the date on which the administering authority initiates an investigation under section 1671a(c) of this title unless the provisions of subsection (c) of this section apply.

(3) Within 55 days after the initiation of an investigation the administering authority shall cause an official designated for such purpose to review the information concerning the case received during the first 50 days of the investigation, and, if there appears to be sufficient information available upon which the determination can reasonably be based, to disclose to the petitioner and any interested party, then a party to the proceedings that requests such disclosure, all available nonconfidential information and all other information which is disclosed pursuant to section 1677f of this title. Within 3 days (not counting Saturdays, Sundays, or legal public holidays) after such disclosure, the petitioner and each party which is an interested party described in subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title to whom such disclosure was made may furnish to the administering authority an irrevocable written waiver of verification of the information received by the authority, and an agreement that it is willing to have a determination made on the basis of the record then available to the authority. If a timely waiver and agreement have been received from the petitioner and each party which is an interested party described in subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title to whom the disclosure was made, and the authority finds that sufficient information is then available upon which the preliminary determination can reasonably be based, a preliminary determination shall be made on an expedited basis on the basis of the record established during the first 50 days after the investigation was initiated.

(4) DE MINIMIS COUNTERVAILABLE SUBSIDY.—

(A) GENERAL RULE.—In making a determination under this subsection, the administering authority shall disregard any de minimis

countervailable subsidy. For purposes of the preceding sentence, a countervailable subsidy is de minimis if the administering authority determines that the aggregate of the net countervailable subsidies is less than 1 percent ad valorem or the equivalent specific rate for the subject merchandise.

(B) EXCEPTION FOR DEVELOPING COUNTRIES.—In the case of subject merchandise imported from a Subsidies Agreement country (other than a country to which subparagraph (C) applies) designated by the Trade Representative as a developing country in accordance with section 1677(36) of this title, a countervailable subsidy is de minimis if the administering authority determines that the aggregate of the net countervailable subsidies does not exceed 2 percent ad valorem or the equivalent specific rate for the subject merchandise.

(C) CERTAIN OTHER DEVELOPING COUNTRIES.—In the case of subject merchandise imported from a Subsidies Agreement country that is—

(i) a least developed country, as determined by the Trade Representative in accordance with section 1677(36) of this title, or

(ii) a developing country with respect to which the Trade Representative has notified the administering authority that the country has eliminated its export subsidies on an expedited basis within the meaning of Article 27.11 of the Subsidies Agreement,

subparagraph (B) shall be applied by substituting ''3 percent'' for ''2 percent''.

(D) LIMITATIONS ON APPLICATION OF SUBPARAGRAPH (C).—

(i) IN GENERAL.—In the case of a country described in subparagraph (C)(i), the provisions of subparagraph (C) shall not apply after the date that is 8 years after the date the WTO Agreement enters into force.

(ii) SPECIAL RULE FOR SUBPARAGRAPH (C)(ii) COUNTRIES.—In the case of a country described in subparagraph (C)(ii), the provisions of subparagraph (C) shall not apply after the earlier of—

(I) the date that is 8 years after the date the WTO Agreement enters into force, or

(II) the date on which the Trade Representative notifies the administering authority that such country is providing an export subsidy.

(5) NOTIFICATION OF ARTICLE 8 VIOLATION.—If the only subsidy under investigation is a subsidy with respect to which the administering authority received notice from the Trade Representative of a violation of Article 8 of the Subsidies Agreement, paragraph (1) shall be applied by substituting ''60 days'' for ''65 days''.

(c) Extension of period in extraordinarily complicated cases

(1) In general

If—

(A) the petitioner makes a timely request for an extension of the period within which the determination must be made under subsection (b) of this section, or

(B) the administering authority concludes that the parties concerned are cooperating and determines that—

(i) the case is extraordinarily complicated by reason of—

(I) the number and complexity of the alleged countervailable subsidy practices;

(II) the novelty of the issues presented;

(III) the need to determine the extent to which particular countervailable subsidies are used by individual manufacturers, producers, and exporters; or

(IV) the number of firms whose activities must be investigated; and

(ii) additional time is necessary to make the preliminary determination,

then the administering authority may postpone making the preliminary determination under subsection (b) of this section until not later than the 130th day after the date on which the administering authority initiates an investigation under section 1671a(c) of this title, or an investigation is initiated under section 1671a(a) of this title.

(2) Notice of postponement

The administering authority shall notify the parties to the investigation, not later than 20 days before the date on which the preliminary determination would otherwise be required under subsection (b) of this section, if it intends to postpone making the preliminary determination under paragraph (1). The notification shall include an explanation of the reasons for the postponement. Notice of the postponement shall be published in the Federal Register.

(d) Effect of determination by the administering authority

If the preliminary determination of the administering authority under subsection (b) of this section is affirmative, the administering authority—

(1)(A) shall—

(i) determine an estimated individual countervailable subsidy rate for each exporter and producer individually investigated, and, in accordance with section 1671d(c)(5) of this title, an estimated all-others rate for all exporters and producers not individually investigated and for new exporters and producers within the meaning of section 1675(a)(2)(B) of this title, or

(ii) if section 1677f–1(e)(2)(B) of this title applies, determine a single estimated country-wide subsidy rate, applicable to all exporters and producers, and

(B) shall order the posting of a cash deposit, bond, or other security, as the administering authority deems appropriate, for each entry of the subject merchandise in an amount based on the estimated individual countervailable subsidy rate, the estimated all-others rate, or the estimated country-wide subsidy rate, whichever is applicable,

(2) shall order the suspension of liquidation of all entries of merchandise subject to the determination which are entered, or withdrawn from warehouse, for consumption on or after the later of—

(A) the date on which notice of the determination is published in the Federal Register, or

(B) the date that is 60 days after the date on which notice of the determination to initiate the investigation is published in the Federal Register, and

(3) shall make available to the Commission all information upon which its determination was based and which the Commission considers relevant to its injury determination, under such procedures as the administering authority and the Commission may establish to prevent disclosure, other than with the consent of the party providing it or under protective order, of any information to which confidential treatment has been given by the administering authority.

The instructions of the administering authority under paragraphs (1) and (2) may not remain in effect for more than 4 months.

(e) Critical circumstances determinations

(1) In general

If a petitioner alleges critical circumstances in its original petition, or by amendment at any time more than 20 days before the date of a final determination by the administering authority, then the administering authority shall promptly (at any time after the initiation of the investigation under this part) determine, on the basis of the information available to it at that time, whether there is a reasonable basis to believe or suspect that—

(A) the alleged countervailable subsidy is inconsistent with the Subsidies Agreement, and

(B) there have been massive imports of the subject merchandise over a relatively short period.

(2) Suspension of liquidation

If the determination of the administering authority under paragraph (1) is affirmative, then any suspension of liquidation ordered under subsection (d)(2) of this section shall apply, or, if notice of such suspension of liquidation is already published, be amended to apply, to unliquidated entries of merchandise entered, or withdrawn from warehouse, for consumption on or after the later of—

(A) the date which is 90 days before the date on which the suspension of liquidation was first ordered, or

(B) the date on which notice of the determination to initiate the investigation is published in the Federal Register.

(f) Notice of determination

Whenever the Commission or the administering authority makes a determination under this section, the Commission or the administering authority, as the case may be, shall notify the petitioner, and other parties to the investigation, and the Commission or the administering authority (whichever is appropriate) of its determination. The administering authority shall include with such notification the facts and conclusions on which its determination is based. Not later than 5 days after the date on which the determination is required to be made under subsection (a)(2) of this section, the Commission shall transmit to the administering authority the facts and conclusions on which its determination is based.

(g) Time period where upstream subsidization is involved

(1) In general

Whenever the administering authority concludes prior to a preliminary determination under subsection (b) of this section, that there is a reasonable basis to believe or suspect that an upstream subsidy is being bestowed, the time period within which a preliminary determination must be made shall be extended to 250 days after the filing of a petition under section 1671a(b) of this title or initiation of an investigation under section 1671a(a) of this title (310 days in cases declared extraordinarily complicated under subsection (c) of this section), if the administering authority concludes that such additional time is necessary to make the required determination concerning upstream subsidization.

(2) Exceptions

Whenever the administering authority concludes, after a preliminary determination under subsection (b) of this section, that there is a reasonable basis to believe or suspect that an upstream subsidy is being bestowed—

(A) in cases in which the preliminary determination was negative, the time period within which a final determination must be made shall be extended to 165 or 225 days, as appropriate, under section 1671d(a)(1) of this title; or

(B) in cases in which the preliminary determination is affirmative, the determination concerning upstream subsidization—

(i) need not be made until the conclusion of the first annual review under section 1675 of this title of any eventual Countervailing Duty Order, or, at the option of the petitioner, or

(ii) will be made in the investigation and the time period within which a final determination must be made shall be extended to 165 or 225 days, as appropriate, under section 1671d(a)(1) of this title, as appropriate,[1] except that the suspension of liquidation ordered in the preliminary determination shall terminate at the end of 120 days from the date of publication of that determination and not be resumed unless and until the publication of a Countervailing Duty Order under section 1671e(a) of this title.

There may be an extension of time for the making of a final determination under this subsection only if the administering authority determines that such additional time is necessary to make the required determination concerning upstream subsidization.

(June 17, 1930, ch. 497, title VII, § 703, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 152; amended Nov. 30, 1983, Pub. L. 98–181, title VI, § 650(b), 97 Stat. 1266; Oct. 30, 1984, Pub. L. 98–573, title VI, §§ 603, 613(c), 98 Stat. 3024, 3036; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(3), 100 Stat. 2921; Aug. 23, 1988, Pub. L. 100–418, title I, §§ 1324(a)(2), 1326(d)(1), 102 Stat.

[1] So in original. The words "as appropriate," probably should not appear.

1200, 1204; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 212(b)(1)(A), (C), (D), (F), 214(a)(1), 215(a), 233(a)(5)(C), (6)(A)(iii), (iv), (B), 263(a), 264(a), (c)(1), (2), 270(a)(1)(B)–(D), (b)(1)(B), 283(a), 108 Stat. 4847, 4848, 4850, 4852, 4899, 4901, 4911, 4912, 4914, 4917, 4930.)

AMENDMENTS

1994—Subsec. (a). Pub. L. 103–465, § 212(b)(1)(A), amended heading and text of subsec. (a) generally. Prior to amendment, text read as follows: ''Except in the case of a petition dismissed by the administering authority under section 1671a(c)(3) of this title, the Commission, within 45 days after the date on which a petition is filed under section 1671a(b) of this title or on which it receives notice from the administering authority of an investigation commenced under section 1671a(a) of this title, shall make a determination, based upon the best information available to it at the time of the determination, of whether there is a reasonable indication that—

''(1) an industry in the United States—

''(A) is materially injured, or

''(B) is threatened with material injury, or

''(2) the establishment of an industry in the United States is materially retarded,

by reason of imports of the merchandise which is the subject of the investigation by the administering authority. If that determination is negative, the investigation shall be terminated.''

Subsec. (b)(1). Pub. L. 103–465, § 270(a)(1)(B), substituted ''countervailable subsidy'' for ''subsidy''.

Pub. L. 103–465, § 233(a)(5)(B), (6)(A)(iii), substituted ''initiated'' for ''commenced'' and ''subject merchandise'' for ''merchandise which is the subject of the investigation''.

Pub. L. 103–465, § 212(b)(1)(C)(i)(II), (III), substituted ''based upon the information'' for ''based upon the best information'' and struck out at end ''If the determination of the administering authority under this subsection is affirmative, the determination shall include an estimate of the net subsidy.''

Pub. L. 103–465, § 212(b)(1)(C)(i)(I), which directed the substitution of ''65 days after the date on which the administering authority initiates an investigation under section 1671a(c) of this title'' for ''85 days after the date on which the petition is filed under section 1671a(b) of this title'', was executed by making the substitution in text which contained the phrase ''a petition'', rather than ''the petition'', to reflect the probable intent of Congress.

Subsec. (b)(2). Pub. L. 103–465, § 270(a)(1)(C), substituted ''countervailable subsidy'' for ''subsidy''.

Pub. L. 103–465, § 264(c)(1), substituted ''paragraph (1)'' for ''subsection (b)(1) of this section'' in two places and made technical amendments to references to section 1671a(b)(3) of this title and subsection (c) of this section to correct references to corresponding provisions of original act.

Pub. L. 103–465, § 212(b)(1)(C)(ii), substituted ''65 days after the date on which the administering authority initiates an investigation under section 1671a(c) of this title'' for ''85 days after the date on which the petition is filed under section 1671a(b) of this title''.

Subsec. (b)(4). Pub. L. 103–465, § 263(a), added par. (4).

Subsec. (b)(5). Pub. L. 103–465, § 283(a), added par. (5).

Subsec. (c)(1). Pub. L. 103–465, §§ 212(b)(1)(D), 233(a)(6)(A)(iv), in concluding provisions, substituted ''130th day after the date on which the administering authority initiates an investigation under section 1671a(c) of this title'' for ''150th day after the date on which a petition is filed under section 1671a(b) of this title'' and ''initiated'' for ''commenced''.

Subsec. (c)(1)(B)(i). Pub. L. 103–465, § 270(a)(1)(D), (b)(1)(B), substituted ''countervailable subsidy'' for ''subsidy'' in subcl. (I) and ''countervailable subsidies'' for ''subsidies'' in subcl. (III).

Subsec. (d). Pub. L. 103–465, § 215(a)(1)(B), inserted concluding provisions.

Subsec. (d)(1). Pub. L. 103–465, § 264(a)(4), added par. (1). Former par. (1) redesignated (2).

Pub. L. 103–465, § 215(a)(1)(A), substituted ''warehouse, for consumption on or after the later of—'' and subpars. (A) and (B), for ''warehouse, for consumption on or after the date of publication of the notice of the determination in the Federal Register,''.

Subsec. (d)(2). Pub. L. 103–465, § 264(a)(1)–(3), redesignated par. (1) as (2), inserted ''and'' at end, and struck out former par. (2) which read as follows: ''shall order the posting of a cash deposit, bond, or other security, as it deems appropriate, for each entry of the merchandise concerned equal to the estimated amount of the net subsidy, and''.

Subsec. (e)(1). Pub. L. 103–465, § 214(a)(1), in introductory provisions, struck out ''best'' before ''information'' and amended subpars. (A) and (B) generally. Prior to amendment, subpars. (A) and (B) read as follows:

''(A) the alleged subsidy is inconsistent with the Agreement, and

''(B) there have been massive imports of the class or kind of merchandise which is the subject of the investigation over a relatively short period.''

Subsec. (e)(2). Pub. L. 103–465, §§ 215(a)(2), 264(c)(2), substituted ''subsection (d)(2)'' for ''subsection (d)(1)'' and ''warehouse, for consumption on or after the later of—'' and subpars. (A) and (B) for ''warehouse, for consumption on or after the date which is 90 days before the date on which suspension of liquidation was first ordered.''

Subsec. (f). Pub. L. 103–465, § 212(b)(1)(F), amended heading and text of subsec. (f) generally. Prior to amendment, text read as follows: ''Whenever the Commission or the administering authority makes a determination under this section, it shall notify the petitioner, other parties to the investigation, and the other agency of its determination and of the facts and conclusions of law upon which the determination is based, and it shall publish notice of its determination in the Federal Register.''

Subsec. (g)(1). Pub. L. 103–465, § 233(a)(6)(B), substituted ''initiation'' for ''commencement''.

1988—Subsec. (b)(3). Pub. L. 100–418, § 1326(d)(1), substituted ''(F), or (G)'' for ''or (F)'' in two places.

Subsec. (e)(1). Pub. L. 100–418, § 1324(a)(2), inserted ''(at any time after the initiation of the investigation under this part)'' after ''promptly'' in introductory provisions.

1986—Subsecs. (g), (h). Pub. L. 99–514 redesignated subsec. (h) as (g) and substituted ''or 225 days, as appropriate, under section 1671d(a)(1) of this title'' for ''days under section 1671d(a)(1) of this title or 225 days under section 1671d(a)(2) of this title, as appropriate'' in par. (2)(A), and ''or 225 days, as appropriate, under section 1671d(a)(1) of this title'' for ''days under section 1671d(a)(2) of this title'' in par. (2)(B)(ii).

1984—Subsec. (b)(3). Pub. L. 98–573, § 603, added par. (3).

Subsec. (h). Pub. L. 98–573, § 613(c), added subsec. (h).

1983—Subsec. (b). Pub. L. 98–181 designated existing provisions as par. (1) and added par. (2).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 1324(a)(2) of Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and amendment by section 1326(d)(1) of Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and to reviews initiated under section 1673e(c) or 1675 of this title after Aug. 23,

1988, see section 1337(b), (c) of Pub. L. 100–418, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 30, 1984, see section 626(a) of Pub. L. 98–573, set out as a note under section 1671 of this title.

URUGUAY ROUND AGREEMENTS: ENTRY INTO FORCE

The Uruguay Round Agreements, including the World Trade Organization Agreement and agreements annexed to that Agreement, as referred to in section 3511(d) of this title, entered into force with respect to the United States on Jan. 1, 1995. See note set out under section 3511 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1516a, 1671, 1671c, 1671d, 1671e, 1671f, 1671g, 1673d, 1677, 1677f, 1677f–1, 1677i, 1677m of this title.

§ 1671c. Termination or suspension of investigation

(a) Termination of investigation upon withdrawal of petition

(1) In general

(A) Withdrawal of petition

Except as provided in paragraphs (2) and (3), an investigation under this part may be terminated by either the administering authority or the Commission, after notice to all parties to the investigation, upon withdrawal of the petition by the petitioner or by the administering authority if the investigation was initiated under section 1671a(a) of this title.

(B) Refiling of petition

If, within 3 months after the withdrawal of a petition under subparagraph (A), a new petition is filed seeking the imposition of duties on both the subject merchandise of the withdrawn petition and the subject merchandise from another country, the administering authority and the Commission may use in the investigation initiated pursuant to the new petition any records compiled in an investigation conducted pursuant to the withdrawn petition. This subparagraph applies only with respect to the first withdrawal of a petition.

(2) Special rules for quantitative restriction agreements

(A) In general

Subject to subparagraphs (B) and (C), the administering authority may not terminate an investigation under paragraph (1) by accepting, with the government of the country in which the countervailable subsidy practice is alleged to occur, an understanding or other kind of agreement to limit the volume of imports into the United States of the subject merchandise unless the administering authority is satisfied that termination on the basis of that agreement is in the public interest.

(B) Public interest factors

In making a decision under subparagraph (A) regarding the public interest, the administering authority shall take into account—

(i) whether, based upon the relative impact on consumer prices and the availability of supplies of the merchandise, the agreement would have a greater adverse impact on United States consumers than the imposition of countervailing duties;

(ii) the relative impact on the international economic interests of the United States; and

(iii) the relative impact on the competitiveness of the domestic industry producing the like merchandise, including any such impact on employment and investment in that industry.

(C) Prior consultations

Before making a decision under subparagraph (A) regarding the public interest, the administering authority shall, to the extent practicable, consult with—

(i) potentially affected consuming industries; and

(ii) potentially affected producers and workers in the domestic industry producing the like merchandise, including producers and workers not party to the investigation.

(3) Limitation on termination by Commission

The Commission may not terminate an investigation under paragraph (1) before a preliminary determination is made by the administering authority under section 1671b(b) of this title.

(b) Agreements to eliminate or offset completely a countervailable subsidy or to cease exports of subject merchandise

The administering authority may suspend an investigation if the government of the country in which the countervailable subsidy practice is alleged to occur agrees, or exporters who account for substantially all of the imports of the subject merchandise agree—

(1) to eliminate the countervailable subsidy completely or to offset completely the amount of the net countervailable subsidy, with respect to that merchandise exported directly or indirectly to the United States, within 6 months after the date on which the investigation is suspended, or

(2) to cease exports of that merchandise to the United States within 6 months after the date on which the investigation is suspended.

(c) Agreements eliminating injurious effect

(1) General rule

If the administering authority determines that extraordinary circumstances are present in a case, it may suspend an investigation upon the acceptance of an agreement from a

government described in subsection (b) of this section, or from exporters described in subsection (b) of this section, if the agreement will eliminate completely the injurious effect of exports to the United States of the subject merchandise.

(2) Certain additional requirements

Except in the case of an agreement by a foreign government to restrict the volume of imports of the subject merchandise into the United States, the administering authority may not accept an agreement under this subsection unless—

(A) the suppression or undercutting of price levels of domestic products by imports of that merchandise will be prevented, and

(B) at least 85 percent of the net countervailable subsidy will be offset.

(3) Quantitative restrictions agreements

The administering authority may accept an agreement with a foreign government under this subsection to restrict the volume of imports of subject merchandise into the United States, but it may not accept such an agreement with exporters.

(4) Definition of extraordinary circumstances

(A) Extraordinary circumstances

For purposes of this subsection, the term ''extraordinary circumstances'' means circumstances in which—

(i) suspension of an investigation will be more beneficial to the domestic industry than continuation of the investigation, and

(ii) the investigation is complex.

(B) Complex

For purposes of this paragraph, the term ''complex'' means—

(i) there are a large number of alleged countervailable subsidy practices and the practices are complicated,

(ii) the issues raised are novel, or

(iii) the number of exporters involved is large.

(d) Additional rules and conditions

(1) Public interest; monitoring

The administering authority shall not accept an agreement under subsection (b) or (c) of this section unless—

(A) it is satisfied that suspension of the investigation is in the public interest, and

(B) effective monitoring of the agreement by the United States is practicable.

Where practicable, the administering authority shall provide to the exporters who would have been subject to the agreement the reasons for not accepting the agreement and, to the extent possible, an opportunity to submit comments thereon. In applying subparagraph (A) with respect to any quantitative restriction agreement under subsection (c) of this section, the administering authority shall take into account, in addition to such other factors as are considered necessary or appropriate, the factors set forth in subsection (a)(2)(B)(i), (ii), and (iii) of this section as they apply to the proposed suspension and agreement, after consulting with the appropriate consuming industries, producers, and workers referred to in subsection (a)(2)(C)(i) and (ii) of this section.

(2) Exports of merchandise to United States not to increase during interim period

The administering authority may not accept any agreement under subsection (b) of this section unless that agreement provides a means of ensuring that the quantity of the merchandise covered by that agreement exported to the United States during the period provided for elimination or offset of the countervailable subsidy or cessation of exports does not exceed the quantity of such merchandise exported to the United States during the most recent representative period determined by the administering authority.

(3) Regulations governing entry or withdrawals

In order to carry out an agreement concluded under subsection (b) or (c) of this section, the administering authority is authorized to prescribe regulations governing the entry, or withdrawal from warehouse, for consumption of subject merchandise.

(e) Suspension of investigation procedure

Before an investigation may be suspended under subsection (b) or (c) of this section the administering authority shall—

(1) notify the petitioner of, and consult with the petitioner concerning, its intention to suspend the investigation, and notify other parties to the investigation and the Commission not less than 30 days before the date on which it suspends the investigation,

(2) provide a copy of the proposed agreement to the petitioner at the time of the notification, together with an explanation of how the agreement will be carried out and enforced (including any action required of foreign governments), and of how the agreement will meet the requirements of subsections (b) and (d) or (c) and (d) of this section, and

(3) permit all interested parties described in section 1677(9) of this title to submit comments and information for the record before the date on which notice of suspension of the investigation is published under subsection (f)(1)(A) of this section.

(f) Effects of suspension of investigation

(1) In general

If the administering authority determines to suspend an investigation upon acceptance of an agreement described in subsection (b) or (c) of this section, then—

(A) it shall suspend the investigation, publish notice of suspension of the investigation, and issue an affirmative preliminary determination under section 1671b(b) of this title with respect to the subject merchandise, unless it has previously issued such a determination in the same investigation,

(B) the Commission shall suspend any investigation it is conducting with respect to that merchandise, and

(C) the suspension of investigation shall take effect on the day on which such notice is published.

(2) Liquidation of entries

(A) Cessation of exports; complete elimination of net countervailable subsidy

If the agreement accepted by the administering authority is an agreement described in subsection (b) of this section, then—

(i) notwithstanding the affirmative preliminary determination required under paragraph (1)(A), the liquidation of entries of subject merchandise shall not be suspended under section 1671b(d)(2) of this title,

(ii) if the liquidation of entries of such merchandise was suspended pursuant to a previous affirmative preliminary determination in the same case with respect to such merchandise, that suspension of liquidation shall terminate, and

(iii) the administering authority shall refund any cash deposit and release any bond or other security deposited under section 1671b(d)(1)(B) of this title.

(B) Other agreements

If the agreement accepted by the administering authority is an agreement described in subsection (c) of this section, then the liquidation of entries of the subject merchandise shall be suspended under section 1671b(d)(2) of this title, or, if the liquidation of entries of such merchandise was suspended pursuant to a previous affirmative preliminary determination in the same case, that suspension of liquidation shall continue in effect, subject to subsection (h)(3) of this section, but the security required under section 1671b(d)(1)(B) of this title may be adjusted to reflect the effect of the agreement.

(3) Where investigation is continued

If, pursuant to subsection (g) of this section, the administering authority and the Commission continue an investigation in which an agreement has been accepted under subsection (b) or (c) of this section, then—

(A) if the final determination by the administering authority or the Commission under section 1671d of this title is negative, the agreement shall have no force or effect and the investigation shall be terminated, or

(B) if the final determinations by the administering authority and the Commission under such section are affirmative, the agreement shall remain in force, but the administering authority shall not issue a countervailing duty order in the case so long as—

(i) the agreement remains in force,

(ii) the agreement continues to meet the requirements of subsections (b) and (d) or (c) and (d) of this section, and

(iii) the parties to the agreement carry out their obligations under the agreement in accordance with its terms.

(g) Investigation to be continued upon request

If the administering authority, within 20 days after the date of publication of the notice of suspension of an investigation, receives a request for the continuation of the investigation from—

(1) the government of the country in which the countervailable subsidy practice is alleged to occur, or

(2) an interested party described in subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title which is a party to the investigation,

then the administering authority and the Commission shall continue the investigation.

(h) Review of suspension

(1) In general

Within 20 days after the suspension of an investigation under subsection (c) of this section, an interested party which is a party to the investigation and which is described in subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title may, by petition filed with the Commission and with notice to the administering authority, ask for a review of the suspension.

(2) Commission investigation

Upon receipt of a review petition under paragraph (1), the Commission shall, within 75 days after the date on which the petition is filed with it, determine whether the injurious effect of imports of the subject merchandise is eliminated completely by the agreement. If the Commission's determination under this subsection is negative, the investigation shall be resumed on the date of publication of notice of such determination as if the affirmative preliminary determination under section 1671b(b) of this title had been made on that date.

(3) Suspension of liquidation to continue during review period

The suspension of liquidation of entries of the subject merchandise shall terminate at the close of the 20-day period beginning on the day after the date on which notice of suspension of the investigation is published in the Federal Register, or, if a review petition is filed under paragraph (1) with respect to the suspension of the investigation, in the case of an affirmative determination by the Commission under paragraph (2), the date on which notice of the affirmative determination by the Commission is published. If the determination of the Commission under paragraph (2) is affirmative, then the administering authority shall—

(A) terminate the suspension of liquidation under section 1671b(d)(2) of this title, and

(B) release any bond or other security, and refund any cash deposit, required under section 1671b(d)(1)(B) of this title.

(i) Violation of agreement

(1) In general

If the administering authority determines that an agreement accepted under subsection (b) or (c) of this section is being, or has been, violated, or no longer meets the requirements of such subsection (other than the requirement, under subsection (c)(1) of this section, of elimination of injury) and subsection (d) of this section, then, on the date of publication of its determination, it shall—

(A) suspend liquidation under section 1671b(d)(2) of this title of unliquidated entries of the merchandise made on or after the later of—

(i) the date which is 90 days before the date of publication of the notice of suspension of liquidation, or

(ii) the date on which the merchandise, the sale or export to the United States of which was in violation of the agreement, or under an agreement which no longer meets the requirements of subsections (b) and (d) or (c) and (d) of this section, was first entered, or withdrawn from warehouse, for consumption,

(B) if the investigation was not completed, resume the investigation as if its affirmative preliminary determination under section 1671b(b) of this title were made on the date of its determination under this paragraph,

(C) if the investigation was completed under subsection (g) of this section, issue a countervailing duty order under section 1671e(a) of this title effective with respect to entries of merchandise the liquidation of which was suspended,

(D) if it considers the violation to be intentional, notify the Commissioner of Customs who shall take appropriate action under paragraph (2), and

(E) notify the petitioner, interested parties who are or were parties to the investigation, and the Commission of its action under this paragraph.

(2) Intentional violation to be punished by civil penalty

Any person who intentionally violates an agreement accepted by the administering authority under subsection (b) or (c) of this section shall be subject to a civil penalty assessed in the same amount, in the same manner, and under the same procedure, as the penalty imposed for a fraudulent violation of section 1592(a) of this title.

(j) Determination not to take agreement into account

In making a final determination under section 1671d of this title, or in conducting a review under section 1675 of this title, in a case in which the administering authority has terminated a suspension of investigation under subsection (i)(1) of this section, or continued an investigation under subsection (g) of this section, the Commission and the administering authority shall consider all of the subject merchandise, without regard to the effect of any agreement under subsection (b) or (c) of this section.

(k) Termination of investigations initiated by administering authority

The administering authority may terminate any investigation initiated by the administering authority under section 1671a(a) of this title after providing notice of such termination to all parties to the investigation.

(*l*) Special rule for regional industry investigations

(1) Suspension agreements

If the Commission makes a regional industry determination under section 1677(4)(C) of this title, the administering authority shall offer exporters of the subject merchandise who account for substantially all exports of that merchandise for sale in the region concerned the opportunity to enter into an agreement described in subsection (b) or (c) of this section.

(2) Requirements for suspension agreements

Any agreement described in paragraph (1) shall be subject to all the requirements imposed under this section for other agreements under subsection (b) or (c) of this section, except that if the Commission makes a regional industry determination described in paragraph (1) in the final affirmative determination under section 1671d(b) of this title but not in the preliminary affirmative determination under section 1671b(a) of this title, any agreement described in paragraph (1) may be accepted within 60 days after the countervailing duty order is published under section 1671e of this title.

(3) Effect of suspension agreement on countervailing duty order

If an agreement described in paragraph (1) is accepted after the countervailing duty order is published, the administering authority shall rescind the order, refund any cash deposit and release any bond or other security deposited under section 1671b(d)(1)(B) of this title, and instruct the Customs Service that entries of the subject merchandise that were made during the period that the order was in effect shall be liquidated without regard to countervailing duties.

(June 17, 1930, ch. 497, title VII, § 704, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 154; amended Oct. 30, 1984, Pub. L. 98–573, title VI, §§ 604(a), 612(b)(2), 98 Stat. 3025, 3034; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(4), 100 Stat. 2921; Aug. 23, 1988, Pub. L. 100–418, title I, § 1326(d)(2), 102 Stat. 1204; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 216(a), 217(a), 218(a)(1), 233(a)(5)(D)–(M), 264(c)(3)–(6), 270(a)(1)(E), (2)(A), (c)(1), 108 Stat. 4853, 4854, 4899, 4914, 4917.)

AMENDMENTS

1994—Subsec. (a)(1). Pub. L. 103–465, § 217(a), designated existing provisions as subpar. (A), inserted heading, realigned margin, and added subpar. (B).

Subsec. (a)(2)(A). Pub. L. 103–465, §§ 233(a)(5)(D), 270(a)(1)(E), substituted ''countervailable subsidy'' for ''subsidy'' and ''subject merchandise'' for ''merchandise that is subject to the investigation''.

Subsec. (b). Pub. L. 103–465, § 270(a)(2)(A), (c)(1), in heading, substituted ''countervailable subsidy'' for ''subsidy'' and ''subject merchandise'' for ''subsidized merchandise''.

Pub. L. 103–465, §§ 233(a)(5)(E), 270(a)(1)(E), in introductory provisions, substituted ''countervailable subsidy'' for ''subsidy'' and ''subject merchandise'' for ''merchandise which is the subject of the investigation''.

Subsec. (b)(1). Pub. L. 103–465, § 270(a)(1)(E), substituted ''countervailable subsidy'' for ''subsidy'' in two places.

Subsec. (c)(1), (2). Pub. L. 103–465, § 233(a)(5)(F), (G), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation''.

Subsec. (c)(2)(B). Pub. L. 103–465, § 270(a)(1)(E), substituted ''countervailable subsidy'' for ''subsidy''.

Subsec. (c)(3). Pub. L. 103–465, § 233(a)(5)(H), substituted ''subject merchandise'' for ''merchandise which is the subject of an investigation''.

Subsec. (c)(4)(B)(i). Pub. L. 103–465, § 270(a)(1)(E), substituted ''countervailable subsidy'' for ''subsidy''.

Subsec. (d)(1). Pub. L. 103–465, § 216(a), in concluding provisions, substituted ''Where practicable, the administering authority shall provide to the exporters who would have been subject to the agreement the reasons for not accepting the agreement and, to the extent possible, an opportunity to submit comments thereon. In applying'' for ''In applying''.

Subsec. (d)(2). Pub. L. 103–465, § 270(a)(1)(E), substituted ''countervailable subsidy'' for ''subsidy''.

Subsec. (d)(3). Pub. L. 103–465, § 233(a)(5)(I), substituted ''subject merchandise'' for ''merchandise covered by such agreement''.

Subsec. (f)(1)(A). Pub. L. 103–465, § 233(a)(5)(J), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation''.

Subsec. (f)(2)(A). Pub. L. 103–465, § 270(a)(1)(E), substituted ''countervailable subsidy'' for ''subsidy'' in heading.

Subsec. (f)(2)(A)(i), (iii). Pub. L. 103–465, §§ 233(a)(5)(K), 264(c)(3), in cl. (i), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation'' and ''1671b(d)(2)'' for ''1671b(d)(1)'', and in cl. (iii), substituted ''1671b(d)(1)(B)'' for ''1671b(d)(1)''.

Subsec. (f)(2)(B). Pub. L. 103–465, §§ 233(a)(5)(K), 264(c)(4), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation'', ''1671b(d)(2)'' for ''1671b(d)(1)'', and ''1671b(d)(1)(B)'' for ''1671b(d)(2)''.

Subsec. (g)(1). Pub. L. 103–465, § 270(a)(1)(E), substituted ''countervailable subsidy'' for ''subsidy''.

Subsec. (h)(2). Pub. L. 103–465, § 233(a)(5)(L), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation''.

Subsec. (h)(3). Pub. L. 103–465, §§ 233(a)(5)(L), 264(c)(5), in introductory provisions, substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation'', in subpar. (A), substituted ''1671b(d)(2)'' for ''1671b(d)(1)'', and in subpar. (B), substituted ''1671b(d)(1)(B)'' for ''1671b(d)(2)''.

Subsec. (i)(1)(A). Pub. L. 103–465, § 264(c)(6), substituted ''1671b(d)(2)'' for ''1671b(d)(1)'' in introductory provisions.

Subsec. (j). Pub. L. 103–465, § 233(a)(5)(M), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation''.

Subsec. (*l*). Pub. L. 103–465, § 218(a)(1), added subsec. (*l*).

1988—Subsecs. (g)(2), (h)(1). Pub. L. 100–418 substituted ''subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title'' for ''subparagraph (C), (D), (E), and (F) of section 1677(9) of this title''.

1986—Subsec. (d)(2), (3). Pub. L. 99–514, § 1886(a)(4)(A), added par. (2) and redesignated former par. (2) as (3).

Subsec. (i)(1)(D). Pub. L. 99–514, § 1886(a)(4)(B), substituted ''intentional'' for ''international''.

1984—Subsec. (a). Pub. L. 98–573, § 604(a)(1), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: ''An investigation under this part may be terminated by either the administering authority or the Commission after notice to all parties to the investigation, upon withdrawal of the petition by the petitioner. The Commission may not terminate an investigation under the preceding sentence before a preliminary determination is made by the administering authority under section 1671b(b) of this title.''

Subsec. (d)(1). Pub. L. 98–573, § 604(a)(2)(A), inserted provision, following subpar. (B), that in applying subpar. (A) with respect to any quantitative restriction agreement under subsec. (c) of this section, the administering authority shall take into account, in addition to such other factors as are considered necessary or appropriate, the factors set forth in subsec. (a)(2)(B)(i), (ii), and (iii) of this section as they apply to the proposed suspension and agreement, after consulting with the appropriate consuming industries, producers, and workers referred to in subsec. (a)(2)(C)(i) and (ii) of this section.

Subsec. (d)(2), (3). Pub. L. 98–573, § 604(a)(2)(B), (C), redesignated par. (3) as (2) and struck out former par. (2) which provided that exports of merchandise to the United States were not to increase during the interim period.

Subsec. (e)(3). Pub. L. 98–573, § 604(a)(3), substituted ''all interested parties described in section 1677(9) of this title'' for ''all parties to the investigation''.

Subsecs. (g)(2), (h)(1). Pub. L. 98–573, § 612(b)(2), substituted reference to subpar. ''(C), (D), (E), and (F)'' for ''(C), (D), or (E)'' of section 1677(9) of this title.

Subsec. (i)(1)(D), (E). Pub. L. 98–573, § 604(a)(4)(A)–(C), added subpar. (D) and redesignated former subpar. (D) as (E).

Subsec. (k). Pub. L. 98–573, § 604(a)(5), added subsec. (k).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and to reviews initiated under section 1673e(c) or 1675 of this title after Aug. 23, 1988, see section 1337(b) of Pub. L. 100–418, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by section 604(a) of Pub. L. 98–573 effective Oct. 30, 1984, and amendment by section 612(b)(2) of Pub. L. 98–573 applicable with respect to investigations initiated by petition or by the administering authority under parts I and II of this subtitle, and to reviews begun under section 1675 of this title, on or after Oct. 30, 1984, see section 626(a), (b)(1) of Pub. L. 98–573, as amended, set out as a note under section 1671 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1516a, 1671, 1675, 1675a, 1675b, 1676, 1676a, 1677, 1677i, 1677m of this title; title 28 section 1582.

§ 1671d. Final determinations

(a) Final determination by administering authority

(1) In general

Within 75 days after the date of the preliminary determination under section 1671b(b) of this title, the administering authority shall make a final determination of whether or not a countervailable subsidy is being provided with respect to the subject merchandise; except that when an investigation under this part is initiated simultaneously with an investigation under part II of this subtitle, which involves imports of the same class or kind of merchandise from the same or other countries,

the administering authority, if requested by the petitioner, shall extend the date of the final determination under this paragraph to the date of the final determination of the administering authority in such investigation initiated under part II of this subtitle.

(2) Critical circumstances determinations

If the final determination of the administering authority is affirmative, then that determination, in any investigation in which the presence of critical circumstances has been alleged under section 1671b(e) of this title, shall also contain a finding as to whether—

(A) the countervailable subsidy is inconsistent with the Subsidies Agreement, and

(B) there have been massive imports of the subject merchandise over a relatively short period.

Such findings may be affirmative even though the preliminary determination under section 1671b(e)(1) of this title was negative.

(3) De minimis countervailable subsidy

In making a determination under this subsection, the administering authority shall disregard any countervailable subsidy that is de minimis as defined in section 1671b(b)(4) of this title.

(b) Final determination by Commission

(1) In general

The Commission shall make a final determination of whether—

(A) an industry in the United States—

(i) is materially injured, or

(ii) is threatened with material injury, or

(B) the establishment of an industry in the United States is materially retarded,

by reason of imports, or sales (or the likelihood of sales) for importation, of the merchandise with respect to which the administering authority has made an affirmative determination under subsection (a) of this section. If the Commission determines that imports of the subject merchandise are negligible, the investigation shall be terminated.

(2) Period for injury determination following affirmative preliminary determination by administering authority

If the preliminary determination by the administering authority under section 1671b(b) of this title is affirmative, then the Commission shall make the determination required by paragraph (1) before the later of—

(A) the 120th day after the day on which the administering authority makes its affirmative preliminary determination under section 1671b(b) of this title, or

(B) the 45th day after the day on which the administering authority makes its affirmative final determination under subsection (a) of this section.

(3) Period for injury determination following negative preliminary determination by administering authority

If the preliminary determination by the administering authority under section 1671b(b) of this title is negative, and its final determination under subsection (a) of this section is affirmative, then the final determination by the Commission under this subsection shall be made within 75 days after the date of that affirmative final determination.

(4) Certain additional findings

(A) COMMISSION STANDARD FOR RETROACTIVE APPLICATION.—

(i) IN GENERAL.—If the finding of the administering authority under subsection (a)(2) of this section is affirmative, then the final determination of the Commission shall include a finding as to whether the imports subject to the affirmative determination under subsection (a)(2) of this section are likely to undermine seriously the remedial effect of the countervailing duty order to be issued under section 1671e of this title.

(ii) FACTORS TO CONSIDER.—In making the evaluation under clause (i), the Commission shall consider, among other factors it considers relevant—

(I) the timing and the volume of the imports,

(II) any rapid increase in inventories of the imports, and

(III) any other circumstances indicating that the remedial effect of the countervailing duty order will be seriously undermined.

(B) If the final determination of the Commission is that there is no material injury but that there is threat of material injury, then its determination shall also include a finding as to whether material injury by reason of imports of the merchandise with respect to which the administering authority has made an affirmative determination under subsection (a) of this section would have been found but for any suspension of liquidation of entries of that merchandise.

(c) Effect of final determinations

(1) Effect of affirmative determination by the administering authority

If the determination of the administering authority under subsection (a) of this section is affirmative, then—

(A) the administering authority shall make available to the Commission all information upon which such determination was based and which the Commission considers relevant to its determination, under such procedures as the administering authority and the Commission may establish to prevent disclosure, other than with the consent of the party providing it or under protective order, of any information to which confidential treatment has been given by the administering authority,

(B)(i) the administering authority shall—

(I) determine an estimated individual countervailable subsidy rate for each exporter and producer individually investigated, and, in accordance with paragraph (5), an estimated all-others rate for all exporters and producers not individually investigated and for new exporters and producers within the meaning of section 1675(a)(2)(B) of this title, or

(II) if 1677f–1(e)(2)(B)[1] of this title applies, determine a single estimated country-wide subsidy rate, applicable to all exporters and producers,

(ii) shall order the posting of a cash deposit, bond, or other security, as the administering authority deems appropriate, for each entry of the subject merchandise in an amount based on the estimated individual countervailable subsidy rate, the estimated all-others rate, or the estimated country-wide subsidy rate, whichever is applicable, and

(C) in cases where the preliminary determination by the administering authority under section 1671b(b) of this title was negative, the administering authority shall order the suspension of liquidation under paragraph (2) of section 1671b(d) of this title.

(2) Issuance of order; effect of negative determination

If the determinations of the administering authority and the Commission under subsections (a)(1) and (b)(1) of this section are affirmative, then the administering authority shall issue a countervailing duty order under section 1671e(a) of this title. If either of such determinations is negative, the investigation shall be terminated upon the publication of notice of that negative determination and the administering authority shall—

(A) terminate the suspension of liquidation under section 1671b(d)(2) of this title, and

(B) release any bond or other security and refund any cash deposit required under section 1671b(d)(1)(B) of this title.

(3) Effect of negative determinations under subsections (a)(2) and (b)(4)(A) of this section

If the determination of the administering authority or the Commission under subsection (a)(2) and (b)(4)(A) of this section, respectively, is negative, then the administering authority shall—

(A) terminate any retroactive suspension of liquidation required under paragraph (4) or section 1671b(e)(2) of this title, and

(B) release any bond or other security, and refund any cash deposit required, under section 1671b(d)(1)(B) of this title with respect to entries of the merchandise the liquidation of which was suspended retroactively under section 1671b(e)(2) of this title.

(4) Effect of affirmative determination under subsection (a)(2) of this section

If the determination of the administering authority under subsection (a)(2) of this section is affirmative, then the administering authority shall—

(A) in cases where the preliminary determinations by the administering authority under sections 1671b(b) and 1671b(e)(1) of this title were both affirmative, continue the retroactive suspension of liquidation and the posting of a cash deposit, bond, or other security previously ordered under section 1671b(e)(2) of this title;

(B) in cases where the preliminary determination by the administering authority under section 1671b(b) of this title was affirmative, but the preliminary determination under section 1671b(e)(1) of this title was negative, shall modify any suspension of liquidation and security requirement previously ordered under section 1671b(d) of this title to apply to unliquidated entries of merchandise entered, or withdrawn from warehouse, for consumption on or after the date which is 90 days before the date on which suspension of liquidation was first ordered; or

(C) in cases where the preliminary determination by the administering authority under section 1671b(b) of this title was negative, shall apply any suspension of liquidation and security requirement ordered under subsection (c)(1)(B) of this section to unliquidated entries of merchandise entered, or withdrawn from warehouse, for consumption on or after the date which is 90 days before the date on which suspension of liquidation is first ordered.

(5) Method for determining the all-others rate and the country-wide subsidy rate

(A) All-others rate

(i) General rule

For purposes of this subsection and section 1671b(d) of this title, the all-others rate shall be an amount equal to the weighted average countervailable subsidy rates established for exporters and producers individually investigated, excluding any zero and de minimis countervailable subsidy rates, and any rates determined entirely under section 1677e of this title.

(ii) Exception

If the countervailable subsidy rates established for all exporters and producers individually investigated are zero or de minimis rates, or are determined entirely under section 1677e of this title, the administering authority may use any reasonable method to establish an all-others rate for exporters and producers not individually investigated, including averaging the weighted average countervailable subsidy rates determined for the exporters and producers individually investigated.

(B) Country-wide subsidy rate

The administering authority may calculate a single country-wide subsidy rate, applicable to all exporters and producers, if the administering authority limits its examination pursuant to section 1677f–1(e)(2)(B) of this title. The estimated country-wide rate determined under section 1671b(d)(1)(A)(ii) of this title or paragraph (1)(B)(i)(II) of this subsection shall be based on industry-wide data regarding the use of subsidies determined to be countervailable.

(d) Publication of notice of determinations

Whenever the administering authority or the Commission makes a determination under this

[1] So in original. Probably should be preceded by ''section''.

section, it shall notify the petitioner, other parties to the investigation, and the other agency of its determination and of the facts and conclusions of law upon which the determination is based, and it shall publish notice of its determination in the Federal Register.

(e) Correction of ministerial errors

The administering authority shall establish procedures for the correction of ministerial errors in final determinations within a reasonable time after the determinations are issued under this section. Such procedures shall ensure opportunity for interested parties to present their views regarding any such errors. As used in this subsection, the term ''ministerial error'' includes errors in addition, subtraction, or other arithmetic function, clerical errors resulting from inaccurate copying, duplication, or the like, and any other type of unintentional error which the administering authority considers ministerial.

(June 17, 1930, ch. 497, title VII, § 705, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 159; amended Oct. 30, 1984, Pub. L. 98–573, title VI, §§ 602(a)(2), 605(a), 606, 98 Stat. 3024, 3028, 3029; Aug. 23, 1988, Pub. L. 100–418, title I, §§ 1324(a)(3), 1333(a), 102 Stat. 1200, 1209; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 212(b)(1)(B), 214(a)(2), 233(a)(5)(N), 263(b), 264(b), (c)(7), (8), 270(a)(1)(F), (G), 108 Stat. 4848, 4850, 4899, 4912–4914, 4917.)

AMENDMENTS

1994—Subsec. (a)(1). Pub. L. 103–465, §§ 233(a)(5)(N), 270(a)(1)(F), substituted ''countervailable subsidy'' for ''subsidy'' and ''the subject merchandise'' for ''the merchandise''.

Subsec. (a)(2)(A). Pub. L. 103–465, §§ 214(a)(2)(A)(i), 270(a)(1)(G), substituted ''countervailable subsidy'' for ''subsidy'' and ''Subsidies Agreement'' for ''Agreement''.

Subsec. (a)(2)(B). Pub. L. 103–465, § 214(a)(2)(A)(ii), substituted ''subject merchandise'' for ''class or kind of merchandise involved''.

Subsec. (a)(3). Pub. L. 103–465, § 263(b), added par. (3).

Subsec. (b)(1). Pub. L. 103–465, § 212(b)(1)(B), inserted at end of concluding provisions ''If the Commission determines that imports of the subject merchandise are negligible, the investigation shall be terminated.''

Subsec. (b)(4)(A). Pub. L. 103–465, § 214(a)(2)(B), amended subpar. (A) generally, substituting present provisions for provisions requiring, in the case of an affirmative critical circumstances determination, an additional finding as to whether retroactive imposition of a countervailing duty would be necessary to prevent recurrence of material injury caused by massive imports of subject merchandise over a relatively short period of time.

Subsec. (c)(1). Pub. L. 103–465, § 264(b)(1), struck out ''and'' at end of subpar. (A), added subpar. (B), and redesignated former subpar. (B) as (C) and substituted ''the suspension of liquidation under paragraph (2) of section 1671b(d) of this title'' for ''under paragraphs (1) and (2) of section 1671b(d) of this title the suspension of liquidation and the posting of a cash deposit, bond, or other security''.

Subsec. (c)(2). Pub. L. 103–465, § 264(c)(7), in subpar. (A), substituted ''1671b(d)(2)'' for ''1671b(d)(1)'' and in subpar. (B), substituted ''1671b(d)(1)(B)'' for ''1671b(d)(2)''.

Subsec. (c)(3)(B). Pub. L. 103–465, § 264(c)(8), substituted ''1671b(d)(1)(B)'' for ''1671b(d)(2)''.

Subsec. (c)(5). Pub. L. 103–465, § 264(b)(2), added par. (5).

1988—Subsec. (b)(4)(A). Pub. L. 100–418, § 1324(a)(3), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: ''If the finding of the administering authority under subsection (a)(2) of this section is affirmative, then the final determination of the Commission shall include findings as to whether—

''(i) there is material injury which will be difficult to repair, and

''(ii) the material injury was by reason of such massive imports of the subsidized merchandise over a relatively short period.''

Subsec. (e). Pub. L. 100–418, § 1333(a), added subsec. (e).

1984—Subsec. (a)(1). Pub. L. 98–573, § 606, inserted provision that when an investigation under this part is initiated simultaneously with an investigation under part II of this subtitle, which involves imports of the same class or kind of merchandise from the same or other countries, the administering authority, if requested by the petitioner, shall extend the date of the final determination under this paragraph to the date of the final determination of the administering authority in such investigation initiated under part II of this subtitle.

Subsec. (a)(2). Pub. L. 98–573, § 605(a)(1), inserted provision after subpar. (B) that such findings may be affirmative even though the preliminary determination under section 1671b(e)(1) of this title was negative.

Subsec. (b)(1). Pub. L. 98–573, § 602(a)(2), inserted '', or sales (or the likelihood of sales for importation,'' in provision after subpar. (B).

Subsec. (c)(3)(A). Pub. L. 98–573, § 605(a)(3), inserted reference to par. (4).

Subsec. (c)(4). Pub. L. 98–573, § 605(a)(2), added par. (4).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 1333(a) of Pub. L. 100–418 effective Aug. 23, 1988, and amendment by section 1324(a)(3) of Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, see section 1337(a), (c) of Pub. L. 100–418, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by section 602(a)(2) of Pub. L. 98–573 applicable with respect to investigations initiated by petition or by the administering authority under parts I and II of this subtitle, and to reviews begun under section 1675 of this title, on or after Oct. 30, 1984, and amendment by sections 605(a) and 606 of Pub. L. 98–573 effective Oct. 30, 1984, see section 626(a), (b)(1) of Pub. L. 98–573, as amended, set out as a note under section 1671 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1516a, 1671, 1671a, 1671b, 1671c, 1671e, 1671f, 1675, 1675a, 1675b, 1676a, 1677, 1677c, 1677f, 1677f–1, 1677m of this title.

§ 1671e. Assessment of duty

(a) Publication of countervailing duty order

Within 7 days after being notified by the Commission of an affirmative determination under section 1671d(b) of this title, the administering authority shall publish a countervailing duty order which—

(1) directs customs officers to assess a countervailing duty equal to the amount of the net countervailable subsidy determined or estimated to exist, within 6 months after the date on which the administering authority receives

satisfactory information upon which the assessment may be based, but in no event later than 12 months after the end of the annual accounting period of the manufacturer or exporter within which the merchandise is entered, or withdrawn from warehouse, for consumption,

(2) includes a description of the subject merchandise, in such detail as the administering authority deems necessary, and

(3) requires the deposit of estimated countervailing duties pending liquidation of entries of merchandise at the same time as estimated normal customs duties on that merchandise are deposited.

(b) Imposition of duties

(1) General rule

If the Commission, in its final determination under section 1671d(b) of this title, finds material injury or threat of material injury which, but for the suspension of liquidation under section 1671b(d)(2) of this title, would have led to a finding of material injury, then entries of the merchandise subject to the countervailing duty order, the liquidation of which has been suspended under section 1671b(d)(2) of this title, shall be subject to the imposition of countervailing duties under section 1671(a) of this title.

(2) Special rule

If the Commission, in its final determination under section 1671d(b) of this title, finds threat of material injury, other than threat of material injury described in paragraph (1), or material retardation of the establishment of an industry in the United States, then merchandise subject to a countervailing duty order which is entered, or withdrawn from warehouse, for consumption on or after the date of publication of notice of an affirmative determination of the Commission under section 1671d(b) of this title shall be subject to the imposition of countervailing duties under section 1671(a) of this title, and the administering authority shall release any bond or other security, and refund any cash deposit made, to secure the payment of countervailing duties with respect to entries of the merchandise entered, or withdrawn from warehouse, for consumption before that date.

(c) Special rule for regional industries

(1) In general

In an investigation under this part in which the Commission makes a regional industry determination under section 1677(4)(C) of this title, the administering authority shall, to the maximum extent possible, direct that duties be assessed only on the subject merchandise of the specific exporters or producers that exported the subject merchandise for sale in the region concerned during the period of investigation.

(2) Exception for new exporters and producers

After publication of the countervailing duty order, if the administering authority finds that a new exporter or producer is exporting the subject merchandise for sale in the region concerned, the administering authority shall direct that duties be assessed on the subject merchandise of the new exporter or producer consistent with the provisions of section 1675(a)(2)(B) of this title.

(June 17, 1930, ch. 497, title VII, § 706, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 160; amended Oct. 30, 1984, Pub. L. 98–573, title VI, § 607, 98 Stat. 3029; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(5), 100 Stat. 2922; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 218(b)(1), 233(a)(5)(O), 264(c)(9), 265, 270(a)(1)(H), 108 Stat. 4855, 4899, 4914, 4917.)

AMENDMENTS

1994—Subsec. (a)(1). Pub. L. 103–465, § 270(a)(1)(H), substituted ''countervailable subsidy'' for ''subsidy''.

Subsec. (a)(2) to (4). Pub. L. 103–465, §§ 233(a)(5)(O), 265, redesignated par. (3) as (2) and substituted ''subject merchandise'' for ''class or kind of merchandise to which it applies'', redesignated par. (4) as (3), and struck out former par. (2) which read as follows:

''(2) shall presumptively apply to all merchandise of such class or kind exported from the country investigated, except that if—

''(A) the administering authority determines there is a significant differential between companies receiving subsidy benefits, or

''(B) a State-owned enterprise is involved,

the order may provide for differing countervailing duties,''.

Subsec. (b)(1). Pub. L. 103–465, § 264(c)(9), substituted ''1671b(d)(2)'' for ''1671b(d)(1)'' in two places.

Subsec. (c). Pub. L. 103–465, § 218(b)(1), added subsec. (c).

1986—Subsec. (a)(2). Pub. L. 99–514 realigned the margins in provisions following subpar. (B), which realignment had been editorially supplied, thereby requiring no change in text.

1984—Subsec. (a)(2) to (4). Pub. L. 98–573 added par. (2) and redesignated pars. (2) and (3) as (3) and (4), respectively.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 30, 1984, see section 626(a) of Pub. L. 98–573, set out as a note under section 1671 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1671, 1671b, 1671c, 1671d, 1671f, 1671g, 1676a, 1677, 1677f, 1677j, 1677m of this title.

§ 1671f. Treatment of difference between deposit of estimated countervailing duty and final assessed duty under countervailing duty orders

(a) Deposit of estimated countervailing duty under section 1671b(d)(1)(B) of this title

If the amount of a cash deposit, or the amount of any bond or other security, required as security for an estimated countervailing duty under section 1671b(d)(1)(B) of this title is different from the amount of the countervailing duty determined under a countervailing duty order issued under section 1671e of this title, then the difference for entries of merchandise entered, or withdrawn from warehouse, for consumption before notice of the affirmative determination of the Commission under section 1671d(b) of this title is published shall be—

(1) disregarded, to the extent that the cash deposit, bond, or other security is lower than the duty under the order, or

(2) refunded or released, to the extent that the cash deposit, bond, or other security is higher than the duty under the order.

(b) Deposit of estimated countervailing duty under section 1671e(a)(3) of this title

If the amount of an estimated countervailing duty deposited under section 1671e(a)(3) of this title is different from the amount of the countervailing duty determined under a countervailing duty order issued under section 1671e of this title, then the difference for entries of merchandise entered, or withdrawn from warehouse, for consumption after notice of the affirmative determination of the Commission under section 1671d(b) of this title is published shall be—

(1) collected, to the extent that the deposit under section 1671e(a)(3) of this title is lower than the duty determined under the order, or

(2) refunded, to the extent that the deposit under section 1671e(a)(3) of this title is higher than the duty determined under the order,

together with interest as provided by section 1677g of this title.

(June 17, 1930, ch. 497, title VII, § 707, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 161; amended Dec. 8, 1994, Pub. L. 103–465, title II, § 264(c)(10), 108 Stat. 4914.)

AMENDMENTS

1994—Subsec. (a). Pub. L. 103–465 substituted ''1671b(d)(1)(B)'' for ''1671b(d)(2)'' in heading and text.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

§ 1671g. Effect of derogation of Export-Import Bank financing

Nothing in this subtitle shall be interpreted as superseding the provisions of section 635a–3 of title 12, except that in the event of an assessment of duty based on a derogation under section 1671e of this title or action under section 1671b(d)(1)(B) of this title, the Secretary of the Treasury shall not authorize the Bank to provide guarantees, insurance and credits to competing United States sellers pursuant to section 635a–3 of title 12.

(June 17, 1930, ch. 497, title VII, § 708, as added Nov. 30, 1983, Pub. L. 98–181, title VI, § 650(c), 97 Stat. 1266; amended Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(6)(A), 100 Stat. 2922; Dec. 8, 1994, Pub. L. 103–465, title II, § 264(c)(11), 108 Stat. 4914.)

AMENDMENTS

1994—Pub. L. 103–465 substituted ''1671b(d)(1)(B)'' for ''1671b(d)(2)''.

1986—Pub. L. 99–514 added section catchline.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

§ 1671h. Conditional payment of countervailing duties

(a) In general

For all entries, or withdrawals from warehouse, for consumption of merchandise subject to a countervailing duty order on or after the date of publication of such order, no customs officer may deliver merchandise of that class or kind to the person by whom or for whose account it was imported unless that person complies with the requirement of subsection (b) of this section and deposits with the appropriate customs officer an estimated countervailing duty in an amount determined by the administering authority.

(b) Importer requirements

In order to meet the requirements of this subsection, a person shall—

(1) furnish, or arrange to have furnished, to the appropriate customs officer such information as the administering authority deems necessary for ascertaining any countervailing duty to be imposed under this part,

(2) maintain and furnish to the customs officer such records concerning such merchandise as the administering authority, by regulation, requires, and

(3) pay, or agree to pay on demand, to the customs officer the amount of countervailing duty imposed under this part on that merchandise.

(June 17, 1930, ch. 497, title VII, § 709, as added Oct. 30, 1984, Pub. L. 98–573, title VI, § 608, 98 Stat. 3029.)

EFFECTIVE DATE

Section effective Oct. 30, 1984, see section 626(a) of Pub. L. 98–573, set out as an Effective Date of 1984 Amendment note under section 1671 of this title.

PART II—IMPOSITION OF ANTIDUMPING DUTIES

CODIFICATION

The designation "PART II" was in the original "Subtitle B" and was editorially changed in order to conform the numbering format of this subtitle to the usages employed in the codification of the remainder of the Tariff Act of 1930 as originally enacted.

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in sections 1337, 1671d, 1677, 1677b–1, 1677c, 1677f, 1677f–1, 1677m, 2033, 2171, 2252 of this title; title 28 section 1582.

§ 1673. Imposition of antidumping duties

If—

(1) the administering authority determines that a class or kind of foreign merchandise is being, or is likely to be, sold in the United States at less than its fair value, and

(2) the Commission determines that—

(A) an industry in the United States—

(i) is materially injured, or

(ii) is threatened with material injury, or

(B) the establishment of an industry in the United States is materially retarded,

by reason of imports of that merchandise or by reason of sales (or the likelihood of sales) of that merchandise for importation,

then there shall be imposed upon such merchandise an antidumping duty, in addition to any other duty imposed, in an amount equal to the amount by which the normal value exceeds the export price (or the constructed export price) for the merchandise. For purposes of this section and section 1673d(b)(1) of this title, a reference to the sale of foreign merchandise includes the entering into of any leasing arrangement regarding the merchandise that is equivalent to the sale of the merchandise.

(June 17, 1930, ch. 497, title VII, § 731, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 162; amended Oct. 30, 1984, Pub. L. 98–573, title VI, § 602(b), 98 Stat. 3024; Dec. 8, 1994, Pub. L. 103–465, title II, § 233(a)(1)(A), (2)(A)(i), 108 Stat. 4898.)

AMENDMENTS

1994—Pub. L. 103–465 substituted "normal value exceeds the export price (or the constructed export price)" for "foreign market value exceeds the United States price" in concluding provisions.

1984—Pub. L. 98–573 inserted "or by reason of sales (or the likelihood of sales) of that merchandise for importation" after "by reason of imports of that merchandise" in par. (2), and inserted sentence at end providing that for purposes of this section and section 1673d(b)(1) of this title, a reference to the sale of foreign merchandise includes the entering into of any leasing arrangement regarding the merchandise that is equivalent to the sale of the merchandise.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 applicable with respect to investigations initiated by petition or by the administering authority under parts I and II of this subtitle, and to reviews begun under section 1675 of this title, on or after Oct. 30, 1984, see section 626(b)(1) of Pub. L. 98–573, as amended, set out as a note under section 1671 of this title.

EFFECTIVE DATE

Part effective Jan. 1, 1980, see section 107 of Pub. L. 96–39, set out as a note under section 1671 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1337, 1673a, 1673e, 1673g, 1673i of this title.

§ 1673a. Procedures for initiating an antidumping duty investigation

(a) Initiation by administering authority

(1) In general

An antidumping duty investigation shall be initiated whenever the administering authority determines, from information available to it, that a formal investigation is warranted into the question of whether the elements necessary for the imposition of a duty under section 1673 of this title exist.

(2) Cases involving persistent dumping

(A) Monitoring

The administering authority may establish a monitoring program with respect to imports of a class or kind of merchandise from any additional supplier country for a period not to exceed one year if—

(i) more than one antidumping order is in effect with respect to that class or kind of merchandise;

(ii) in the judgment of the administering authority there is reason to believe or suspect an extraordinary pattern of persistent injurious dumping from one or more additional supplier countries; and

(iii) in the judgment of the administering authority this extraordinary pattern is causing a serious commercial problem for the domestic industry.

(B) Initiation of investigation

If during the period of monitoring referred to in subparagraph (A), the administering authority determines that there is sufficient information to initiate a formal investigation under this subsection regarding an additional supplier country, the administering authority shall immediately initiate such an investigation.

(C) Definition

For purposes of this paragraph, the term "additional supplier country" means a country regarding which no antidumping investigation is currently pending, and no antidumping duty order is currently in effect, with respect to imports of the class or kind of merchandise covered by subparagraph (A).

(D) Expeditious action

The administering authority and the Commission, to the extent practicable, shall expedite proceedings under this part undertaken as a result of a formal investigation initiated under subparagraph (B).

(b) Initiation by petition

(1) Petition requirements

An antidumping proceeding shall be initiated whenever an interested party described in subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title files a petition with the administering authority, on behalf of an industry, which alleges the elements necessary for the imposition of the duty imposed by section 1673 of this title, and which is accompanied by information reasonably available to the petitioner supporting those allegations. The petition may be amended at such time, and upon such conditions, as the administering authority and the Commission may permit.

(2) Simultaneous filing with Commission

The petitioner shall file a copy of the petition with the Commission on the same day as it is filed with the administering authority.

(3) Action with respect to petitions

(A) Notification of governments

Upon receipt of a petition filed under paragraph (1), the administering authority shall notify the government of any exporting country named in the petition by delivering a public version of the petition to an appropriate representative of such country.

(B) Acceptance of communications

The administering authority shall not accept any unsolicited oral or written communication from any person other than an interested party described in section 1677(9)(C), (D), (E), (F), or (G) of this title before the administering authority makes its decision whether to initiate an investigation, except as provided in subsection (c)(4)(D) of this section, and except for inquiries regarding the status of the administering authority's consideration of the petition.

(C) Nondisclosure of certain information

The administering authority and the Commission shall not disclose information with regard to any draft petition submitted for review and comment before it is filed under paragraph (1).

(c) Petition determination

(1) In general

(A) Time for initial determination

Except as provided in subparagraph (B), within 20 days after the date on which a petition is filed under subsection (b) of this section, the administering authority shall—

(i) after examining, on the basis of sources readily available to the administering authority, the accuracy and adequacy of the evidence provided in the petition, determine whether the petition alleges the elements necessary for the imposition of a duty under section 1673 of this title and contains information reasonably available to the petitioner supporting the allegations, and

(ii) determine if the petition has been filed by or on behalf of the industry.

(B) Extension of time

In any case in which the administering authority is required to poll or otherwise determine support for the petition by the industry under paragraph (4)(D), the administering authority may, in exceptional circumstances, apply subparagraph (A) by substituting ''a maximum of 40 days'' for ''20 days''.

(C) Time limits where petition involves same merchandise as an order that has been revoked

If a petition is filed under this section with respect to merchandise that was the subject merchandise of—

(i) an antidumping duty order or finding that was revoked under section 1675(d) of this title in the 24 months preceding the date the petition is filed, or

(ii) a suspended investigation that was terminated under section 1675(d) of this title in the 24 months preceding the date the petition is filed,

the administering authority and the Commission shall, to the maximum extent practicable, expedite any investigation initiated under this section with respect to the petition.

(2) Affirmative determinations

If the determinations under clauses (i) and (ii) of paragraph (1)(A) are affirmative, the administering authority shall initiate an investigation to determine whether the subject merchandise is being, or is likely to be, sold in the United States at less than its fair value.

(3) Negative determinations

If the determination under clause (i) or (ii) of paragraph (1)(A) is negative, the administering authority shall dismiss the petition, terminate the proceeding, and notify the petitioner in writing of the reasons for the determination.

(4) Determination of industry support

(A) General rule

For purposes of this subsection, the administering authority shall determine that the petition has been filed by or on behalf of the industry, if—

(i) the domestic producers or workers who support the petition account for at least 25 percent of the total production of the domestic like product, and

(ii) the domestic producers or workers who support the petition account for more than 50 percent of the production of the domestic like product produced by that portion of the industry expressing support for or opposition to the petition.

(B) Certain positions disregarded

(i) Producers related to foreign producers

In determining industry support under subparagraph (A), the administering au-

thority shall disregard the position of domestic producers who oppose the petition, if such producers are related to foreign producers, as defined in section 1677(4)(B)(ii) of this title, unless such domestic producers demonstrate that their interests as domestic producers would be adversely affected by the imposition of an antidumping duty order.

(ii) Producers who are importers

The administering authority may disregard the position of domestic producers of a domestic like product who are importers of the subject merchandise.

(C) Special rule for regional industries

If the petition alleges the industry is a regional industry, the administering authority shall determine whether the petition has been filed by or on behalf of the industry by applying subparagraph (A) on the basis of production in the region.

(D) Polling the industry

If the petition does not establish support of domestic producers or workers accounting for more than 50 percent of the total production of the domestic like product, the administering authority shall—

(i) poll the industry or rely on other information in order to determine if there is support for the petition as required by subparagraph (A), or

(ii) if there is a large number of producers in the industry, the administering authority may determine industry support for the petition by using any statistically valid sampling method to poll the industry.

(E) Comments by interested parties

Before the administering authority makes a determination with respect to initiating an investigation, any person who would qualify as an interested party under section 1677(9) of this title if an investigation were initiated, may submit comments or information on the issue of industry support. After the administering authority makes a determination with respect to initiating an investigation, the determination regarding industry support shall not be reconsidered.

(5) "Domestic producers or workers" defined

For purposes of this subsection, the term ''domestic producers or workers'' means those interested parties who are eligible to file a petition under subsection (b)(1)(A)[1] of this section.

(d) Notification to Commission of determination

The administering authority shall—

(1) notify the Commission immediately of any determination it makes under subsection (a) or (c) of this section, and

(2) if the determination is affirmative, make available to the Commission such information as it may have relating to the matter under investigation, under such procedures as the administering authority and the Commission may establish to prevent disclosure, other than with the consent of the party providing it or under protective order, of any information to which confidential treatment has been given by the administering authority.

(e) Information regarding critical circumstances

If, at any time after the initiation of an investigation under this part, the administering authority finds a reasonable basis to suspect that—

(1) there is a history of dumping in the United States or elsewhere of the the[2] subject merchandise, or

(2) the person by whom, or for whose account, the merchandise was imported knew, or should have known, that the exporter was selling the subject merchandise at less than its fair value,

the administering authority may request the Commissioner of Customs to compile information on an expedited basis regarding entries of the subject merchandise. Upon receiving such request, the Commissioner of Customs shall collect information regarding the volume and value of entries of the subject merchandise and shall transmit such information to the administering authority at such times as the administering authority shall direct (at least once every 30 days), until a final determination is made under section 1673d(a) of this title, the investigation is terminated, or the administering authority withdraws the request.

(June 17, 1930, ch. 497, title VII, § 732, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 162; amended Oct. 30, 1984, Pub. L. 98–573, title VI, § 609, 98 Stat. 3030; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(2), 100 Stat. 2921; Aug. 23, 1988, Pub. L. 100–418, title I, §§ 1324(b)(1), 1326(d)(1), 102 Stat. 1200, 1204; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 211(b), 212(a)(2), 233(a)(5)(P)–(R), (6)(A)(v)–(vii), (C), 108 Stat. 4843, 4845, 4900, 4901.)

AMENDMENTS

1994—Subsec. (a)(1). Pub. L. 103–465, § 233(a)(6)(A)(v), substituted ''initiated'' for ''commenced''.

Subsec. (a)(2)(B). Pub. L. 103–465, § 233(a)(6)(C), which directed the amendment of subpar. (B) by striking ''commence'' and inserting ''initiate'', was executed by making the substitution in two places in text to reflect the probable intent of Congress.

Subsec. (a)(2)(D). Pub. L. 103–465, § 233(a)(6)(A)(vi), substituted ''initiated'' for ''commenced''.

Subsec. (b)(1). Pub. L. 103–465, § 233(a)(6)(A)(vii), substituted ''initiated'' for ''commenced''.

Subsec. (b)(3). Pub. L. 103–465, § 211(b), added par. (3).

Subsec. (c). Pub. L. 103–465, § 212(a)(2), amended heading and text of subsec. (c) generally. Prior to amendment, text read as follows: ''Within 20 days after the date on which a petition is filed under subsection (b) of this section, the administering authority shall—

''(1) determine whether the petition alleges the elements necessary for the imposition of a duty under section 1673 of this title and contains information reasonably available to the petitioner supporting the allegations,

''(2) if the determination is affirmative, commence an investigation to determine whether the class or kind of merchandise described in the petition is

[1] So in original. Subsec. (b)(1) of this section does not contain subpars.

[2] So in original.

being, or is likely to be, sold in the United States at less than its fair value, and provide for the publication of notice of the determination in the Federal Register, and

''(3) if the determination is negative, dismiss the petition, terminate the proceeding, notify the petitioner in writing of the reasons for the determination, and provide for the publication of notice of the determination in the Federal Register.''

Subsec. (e). Pub. L. 103–465, § 233(a)(5)(R), in concluding provisions, substituted ''subject merchandise'' for ''class or kind of merchandise that is the subject of the investigation'' in two places.

Subsec. (e)(1). Pub. L. 103–465, § 233(a)(5)(P), substituted ''the subject merchandise'' for ''class or kind of the merchandise which is the subject of the investigation''.

Subsec. (e)(2). Pub. L. 103–465, § 233(a)(5)(Q), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation''.

1988—Subsec. (b)(1). Pub. L. 100–418, § 1326(d)(1), substituted ''(F), or (G)'' for ''or (F)''.

Subsec. (e). Pub. L. 100–418, § 1324(b)(1), added subsec. (e).

1986—Subsec. (b)(1). Pub. L. 99–514 inserted reference to subpar. (F) of section 1677(9) of this title.

1984—Subsec. (a). Pub. L. 98–573 designated existing provisions as par. (1) and added par. (2).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 1324(b)(1) of Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and amendment by section 1326(d)(1) of Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and to reviews initiated under section 1673e(c) or 1675 of this title after Aug. 23, 1988, see section 1337(b), (c) of Pub. L. 100–418, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 applicable with respect to investigations initiated by petition or by the administering authority under parts I and II of this subtitle, and to reviews begun under section 1675 of this title, on or after Oct. 30, 1984, see section 626(b)(1) of Pub. L. 98–573, as amended, set out as a note under section 1671 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1516a, 1673b, 1673c, 1677, 1677b, 1677f, 1677i of this title.

§ 1673b. Preliminary determinations

(a) Determination by Commission of reasonable indication of injury

(1) General rule

Except in the case of a petition dismissed by the administering authority under section 1673a(c)(3) of this title, the Commission, within the time specified in paragraph (2), shall determine, based on the information available to it at the time of the determination, whether there is a reasonable indication that—

(A) an industry in the United States—

(i) is materially injured, or

(ii) is threatened with material injury, or

(B) the establishment of an industry in the United States is materially retarded,

by reason of imports of the subject merchandise and that imports of the subject merchandise are not negligible. If the Commission finds that imports of the subject merchandise are negligible or otherwise makes a negative determination under this paragraph, the investigation shall be terminated.

(2) Time for Commission determination

The Commission shall make the determination described in paragraph (1)—

(A) in the case of a petition filed under section 1673a(b) of this title—

(i) within 45 days after the date on which the petition is filed, or

(ii) if the time has been extended pursuant to section 1673a(c)(1)(B) of this title, within 25 days after the date on which the Commission receives notice from the administering authority of initiation of the investigation, and

(B) in the case of an investigation initiated under section 1673a(a) of this title, within 45 days after the date on which the Commission receives notice from the administering authority that an investigation has been initiated under such section.

(b) Preliminary determination by administering authority

(1) Period of antidumping duty investigation

(A) In general

Except as provided in subparagraph (B), within 140 days after the date on which the administering authority initiates an investigation under section 1673a(c) of this title, or an investigation is initiated under section 1673a(a) of this title, but not before an affirmative determination by the Commission under subsection (a) of this section, the administering authority shall make a determination, based upon the information available to it at the time of the determination, of whether there is a reasonable basis to believe or suspect that the merchandise is being sold, or is likely to be sold, at less than fair value.

(B) If certain short life cycle merchandise involved

If a petition filed under section 1673a(b) of this title, or an investigation initiated under section 1673a(a) of this title, concerns short life cycle merchandise that is included in a product category established under section 1673h(a) of this title, subparagraph (A) shall be applied—

(i) by substituting ''100 days'' for ''140 days'' if manufacturers that are second of-

fenders account for a significant proportion of the merchandise under investigation, and

(ii) by substituting ''80 days'' for ''140 days'' if manufacturers that are multiple offenders account for a significant proportion of the merchandise under investigation.

(C) Definitions of offenders

For purposes of subparagraph (B)—

(i) The term ''second offender'' means a manufacturer that is specified in 2 affirmative dumping determinations (within the meaning of section 1673h of this title) as the manufacturer of short life cycle merchandise that is—

(I) specified in both such determinations, and

(II) within the scope of the product category referred to in subparagraph (B).

(ii) The term ''multiple offender'' means a manufacturer that is specified in 3 or more affirmative dumping determinations (within the meaning of section 1673h of this title) as the manufacturer of short life cycle merchandise that is—

(I) specified in each of such determinations, and

(II) within the scope of the product category referred to in subparagraph (B).

(2) Preliminary determination under waiver of verification

Within 75 days after the initiation of an investigation, the administering authority shall cause an official designated for such purpose to review the information concerning the case received during the first 60 days of the investigation, and, if there appears to be sufficient information available upon which the preliminary determination can reasonably be based, to disclose to the petitioner and any interested party, then a party to the proceedings that requests such disclosure, all available nonconfidential information and all other information which is disclosed pursuant to section 1677f of this title. Within 3 days (not counting Saturdays, Sundays, or legal public holidays) after such disclosure, the petitioner and each party which is an interested party described in subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title to whom such disclosure was made may furnish to the administering authority an irrevocable written waiver of verification of the information received by the authority, and an agreement that it is willing to have a preliminary determination made on the basis of the record then available to the authority. If a timely waiver and agreement have been received from the petitioner and each party which is an interested party described in subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title to whom the disclosure was made, and the authority finds that sufficient information is then available upon which the preliminary determination can reasonably be based, a preliminary determination shall be made within 90 days after the initiation of the investigation on the basis of the record established during the first 60 days after the investigation was initiated.

(3) De minimis dumping margin

In making a determination under this subsection, the administering authority shall disregard any weighted average dumping margin that is de minimis. For purposes of the preceding sentence, a weighted average dumping margin is de minimis if the administering authority determines that it is less than 2 percent ad valorem or the equivalent specific rate for the subject merchandise.

(c) Extension of period in extraordinarily complicated cases

(1) In general

If—

(A) the petitioner makes a timely request for an extension of the period within which the determination must be made under subsection (b)(1) of this section, or

(B) the administering authority concludes that the parties concerned are cooperating and determines that—

(i) the case is extraordinarily complicated by reason of—

(I) the number and complexity of the transactions to be investigated or adjustments to be considered,

(II) the novelty of the issues presented, or

(III) the number of firms whose activities must be investigated, and

(ii) additional time is necessary to make the preliminary determination,

then the administering authority may postpone making the preliminary determination under subsection (b)(1) of this section until not later than the 190th day after the date on which the administering authority initiates an investigation under section 1673a(c) of this title, or an investigation is initiated under section 1673a(a) of this title. No extension of a determination date may be made under this paragraph for any investigation in which a determination date provided for in subsection (b)(1)(B) of this section applies unless the petitioner submits written notice to the administering authority of its consent to the extension.

(2) Notice of postponement

The administering authority shall notify the parties to the investigation, not later than 20 days before the date on which the preliminary determination would otherwise be required under subsection (b)(1) of this section, if it intends to postpone making the preliminary determination under paragraph (1). The notification shall include an explanation of the reasons for the postponement, and notice of the postponement shall be published in the Federal Register.

(d) Effect of determination by the administering authority

If the preliminary determination of the administering authority under subsection (b) of this section is affirmative, the administering authority—

(1)(A) shall—

(i) determine an estimated weighted average dumping margin for each exporter and producer individually investigated, and

(ii) determine, in accordance with section 1673d(c)(5) of this title, an estimated all-others rate for all exporters and producers not individually investigated, and

(B) shall order the posting of a cash deposit, bond, or other security, as the administering authority deems appropriate, for each entry of the subject merchandise in an amount based on the estimated weighted average dumping margin or the estimated all-others rate, whichever is applicable,

(2) shall order the suspension of liquidation of all entries of merchandise subject to the determination which are entered, or withdrawn from warehouse, for consumption on or after the later of—

(A) the date on which notice of the determination is published in the Federal Register, or

(B) the date that is 60 days after the date on which notice of the determination to initiate the investigation is published in the Federal Register, and

(3) shall make available to the Commission all information upon which such determination was based and which the Commission considers relevant to its injury determination, under such procedures as the administering authority and the Commission may establish to prevent disclosure, other than with the consent of the party providing it or under protective order, of any information to which confidential treatment has been given by the administering authority.

The instructions of the administering authority under paragraphs (1) and (2) may not remain in effect for more than 4 months, except that the administering authority may, at the request of exporters representing a significant proportion of exports of the subject merchandise, extend that 4-month period to not more than 6 months.

(e) Critical circumstances determinations

(1) In general

If a petitioner alleges critical circumstances in its original petition, or by amendment at any time more than 20 days before the date of a final determination by the administering authority, then the administering authority shall promptly (at any time after the initiation of the investigation under this part) determine, on the basis of the information available to it at that time, whether there is a reasonable basis to believe or suspect that—

(A)(i) there is a history of dumping and material injury by reason of dumped imports in the United States or elsewhere of the subject merchandise, or

(ii) the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the subject merchandise at less than its fair value and that there was likely to be material injury by reason of such sales, and

(B) there have been massive imports of the subject merchandise over a relatively short period.

The administering authority shall be treated as having made an affirmative determination under subparagraph (A) in any investigation to which subsection (b)(1)(B) of this section is applied.

(2) Suspension of liquidation

If the determination of the administering authority under paragraph (1) is affirmative, then any suspension of liquidation ordered under subsection (d)(2) of this section shall apply, or, if notice of such suspension of liquidation is already published, be amended to apply, to unliquidated entries of merchandise entered, or withdrawn from warehouse, for consumption on or after the later of—

(A) the date which is 90 days before the date on which the suspension of liquidation was first ordered, or

(B) the date on which notice of the determination to initiate the investigation is published in the Federal Register.

(f) Notice of determination

Whenever the Commission or the administering authority makes a determination under this section, the Commission or the administering authority, as the case may be, shall notify the petitioner, and other parties to the investigation, and the Commission or the administering authority (whichever is appropriate) of its determination. The administering authority shall include with such notification the facts and conclusions on which its determination is based. Not later than 5 days after the date on which the determination is required to be made under subsection (a)(2) of this section, the Commission shall transmit to the administering authority the facts and conclusions on which its determination is based.

(June 17, 1930, ch. 497, title VII, § 733, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 163; amended Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(2), 100 Stat. 2921; Aug. 23, 1988, Pub. L. 100–418, title I, §§ 1323(b), 1324(b)(2), 1326(d)(1), 102 Stat. 1198, 1201, 1204; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 212(b)(2)(A), (C)–(E), 213(a), 214(b)(1), 215(b), 219(a), (c)(1), 233(a)(6)(A)(viii)–(x), (B), 108 Stat. 4848–4852, 4855, 4857, 4901.)

AMENDMENTS

1994—Subsec. (a). Pub. L. 103–465, § 212(b)(2)(A), amended heading and text of subsec. (a) generally. Prior to amendment, text read as follows: ''Except in the case of a petition dismissed by the administering authority under section 1673a(c)(3) of this title, the Commission, within 45 days after the date on which a petition is filed under section 1673a(b) of this title or on which it receives notice from the administering authority of an investigation commenced under section 1673a(a) of this title, shall make a determination, based upon the best information available to it at the time of the determination, of whether there is a reasonable indication that—

''(1) an industry in the United States—

''(A) is materially injured, or

''(B) is threatened with material injury, or

''(2) the establishment of an industry in the United States is materially retarded,

by reason of imports of the merchandise which is the subject of the investigation by the administering authority. If that determination is negative, the investigation shall be terminated.''

Subsec. (b)(1)(A). Pub. L. 103–465, § 219(a)(2), struck out at end ''If the determination of the administering authority under this subsection is affirmative, the determination shall include the estimated average amount by which the foreign market value exceeds the United States price.''

Pub. L. 103–465, §§ 212(b)(2)(C)(i), 233(a)(6)(A)(viii), substituted ''140 days after the date on which the administering authority initiates an investigation under section 1673a(c) of this title'' for ''160 days after the date on which a petition is filed under section 1673a(b) of this title'', ''initiated'' for ''commenced'', and ''information'' for ''best information''.

Subsec. (b)(1)(B). Pub. L. 103–465, §§ 212(b)(2)(C)(ii), 233(a)(6)(A)(viii), in introductory provisions, substituted ''initiated'' for ''commenced'', in cl. (i), substituted ''100'' for ''120'' and ''140'' for ''160'', and in cl. (ii), substituted ''80'' for ''100'' and ''140'' for ''160''.

Subsec. (b)(2). Pub. L. 103–465, § 233(a)(6)(A)(ix), (B), substituted ''initiation'' for ''commencement'' after ''90 days after the'' and ''initiated'' for ''commenced''.

Subsec. (b)(3). Pub. L. 103–465, § 213(a), added par. (3).

Subsec. (c)(1). Pub. L. 103–465, §§ 212(b)(2)(D), 233(a)(6)(A)(x), in concluding provisions, substituted ''190th day after the date on which the administering authority initiates an investigation under section 1673a(c) of this title'' for ''210th day after the date on which a petition is filed under section 1673a(b) of this title'' and ''initiated'' for ''commenced''.

Subsec. (d). Pub. L. 103–465, § 215(b)(1)(B), inserted concluding provisions.

Subsec. (d)(1). Pub. L. 103–465, § 219(a)(1)(D), added par. (1). Former par. (1) redesignated (2).

Pub. L. 103–465, § 215(b)(1)(A), substituted ''warehouse, for consumption on or after the later of—'' and subpars. (A) and (B) for ''warehouse, for consumption on or after the date of publication of the notice of the determination in the Federal Register,''.

Subsec. (d)(2). Pub. L. 103–465, § 219(a)(1)(A)–(C), redesignated par. (1) as (2), inserted ''and'' at end, and struck out former par. (2) which read as follows: ''shall order the posting of a cash deposit, bond, or other security, as it deems appropriate, for each entry of the merchandise concerned equal to the estimated average amount by which the foreign market value exceeds the United States price, and''.

Subsec. (e)(1). Pub. L. 103–465, § 214(b)(1), in introductory provisions, substituted ''information'' for ''best information'' and amended subpars. (A) and (B) generally. Prior to amendment, subpars. (A) and (B) read as follows:

''(A)(i) there is a history of dumping in the United States or elsewhere of the class or kind of the merchandise which is the subject of the investigation, or

''(ii) the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the merchandise which is the subject of the investigation at less than its fair value, and

''(B) there have been massive imports of the class or kind of merchandise which is the subject of the investigation over a relatively short period.''

Subsec. (e)(2). Pub. L. 103–465, §§ 215(b)(2), 219(c)(1), substituted ''subsection (d)(2)'' for ''subsection (d)(1)'' and ''warehouse, for consumption on or after the later of—'' and subpars. (A) and (B) for ''warehouse, for consumption on or after the date which is 90 days before the date on which suspension of liquidation was first ordered.''

Subsec. (f). Pub. L. 103–465, § 212(b)(2)(E), amended heading and text of subsec. (f) generally. Prior to amendment, text read as follows: ''Whenever the Commission or the administering authority makes a determination under this section, it shall notify the petitioner, other parties to the investigation, and the other agency of its determination and of the facts and conclusions of law upon which the determination is based, and it shall publish notice of its determination in the Federal Register.''

1988—Subsec. (b)(1). Pub. L. 100–418, § 1323(b)(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''Within 160 days after the date on which a petition is filed under section 1673a(b) of this title, or an investigation is commenced under section 1673a(a) of this title, but not before an affirmative determination by the Commission under subsection (a) of this section, the administering authority shall make a determination, based upon the best information available to it at the time of the determination, of whether there is a reasonable basis to believe or suspect that the merchandise is being sold, or is likely to be sold at less than fair value. If the determination of the administering authority under this subsection is affirmative, the determination shall include the estimated average amount by which the foreign market value exceeds the United States price.''

Subsec. (b)(2). Pub. L. 100–418, § 1326(d)(1), substituted ''(F), or (G)'' for ''or (F)'' in two places.

Subsec. (c)(1). Pub. L. 100–418, § 1323(b)(2), inserted sentence at end relating to notice for extensions under subsec. (b)(1)(B).

Subsec. (e)(1). Pub. L. 100–418, § 1324(b)(2), inserted ''(at any time after the initiation of the investigation under this part)'' after ''promptly'' in introductory provisions.

Pub. L. 100–418, § 1323(b)(3), inserted sentence at end relating to investigations in which subsec. (b)(1)(B) is applied.

1986—Subsec. (b)(2). Pub. L. 99–514 inserted reference to subpar. (F) of section 1677(9) of this title in two places.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 1323(b) of Pub. L. 100–418 effective Aug. 23, 1988, amendment by section 1324(b)(2) of Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and amendment by section 1326(d)(1) of Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and to reviews initiated under section 1673e(c) or 1675 of this title after Aug. 23, 1988, see section 1337(a) to (c) of Pub. L. 100–418, set out as a note under section 1671 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1516a, 1673c, 1673d, 1673e, 1673f, 1673h, 1677, 1677f, 1677f–1, 1677i, 1677m of this title.

§ 1673c. Termination or suspension of investigation

(a) Termination of investigation upon withdrawal of petition

(1) In general

(A) Withdrawal of petition

Except as provided in paragraphs (2) and (3), an investigation under this part may be

terminated by either the administering authority or the Commission, after notice to all parties to the investigation, upon withdrawal of the petition by the petitioner or by the administering authority if the investigation was initiated under section 1673a(a) of this title.

(B) Refiling of petition

If, within 3 months after the withdrawal of a petition under subparagraph (A), a new petition is filed seeking the imposition of duties on both the subject merchandise of the withdrawn petition and the subject merchandise from another country, the administering authority and the Commission may use in the investigation initiated pursuant to the new petition any records compiled in an investigation conducted pursuant to the withdrawn petition. This subparagraph applies only with respect to the first withdrawal of a petition.

(2) Special rules for quantitative restriction agreements

(A) In general

Subject to subparagraphs (B) and (C), the administering authority may not terminate an investigation under paragraph (1) by accepting an understanding or other kind of agreement to limit the volume of imports into the United States of the subject merchandise unless the administering authority is satisfied that termination on the basis of that agreement is in the public interest.

(B) Public interest factors

In making a decision under subparagraph (A) regarding the public interest the administering authority shall take into account—

(i) whether, based upon the relative impact on consumer prices and the availability of supplies of the merchandise, the agreement would have a greater adverse impact on United States consumers than the imposition of antidumping duties;

(ii) the relative impact on the international economic interests of the United States; and

(iii) the relative impact on the competitiveness of the domestic industry producing the like merchandise, including any such impact on employment and investment in that industry.

(C) Prior consultations

Before making a decision under subparagraph (A) regarding the public interest, the administering authority shall, to the extent practicable, consult with—

(i) potentially affected consuming industries; and

(ii) potentially affected producers and workers in the domestic industry producing the like merchandise, including producers and workers not party to the investigation.

(3) Limitation on termination by Commission

The Commission may not terminate an investigation under paragraph (1) before a preliminary determination is made by the administering authority under section 1673b(b) of this title.

(b) Agreements to eliminate completely sales at less than fair value or to cease exports of merchandise

The administering authority may suspend an investigation if the exporters of the subject merchandise who account for substantially all of the imports of that merchandise agree—

(1) to cease exports of the merchandise to the United States within 6 months after the date on which the investigation is suspended, or

(2) to revise their prices to eliminate completely any amount by which the normal value of the merchandise which is the subject of the agreement exceeds the export price (or the constructed export price) of that merchandise.

(c) Agreements eliminating injurious effect

(1) General rule

If the administering authority determines that extraordinary circumstances are present in a case, it may suspend an investigation upon the acceptance of an agreement to revise prices from exporters of the subject merchandise who account for substantially all of the imports of that merchandise into the United States, if the agreement will eliminate completely the injurious effect of exports to the United States of that merchandise and if—

(A) the suppression or undercutting of price levels of domestic products by imports of that merchandise will be prevented, and

(B) for each entry of each exporter the amount by which the estimated normal value exceeds the export price (or the constructed export price) will not exceed 15 percent of the weighted average amount by which the estimated normal value exceeded the export price (or the constructed export price) for all less-than-fair-value entries of the exporter examined during the course of the investigation.

(2) "Extraordinary circumstances" defined

(A) Extraordinary circumstances

For purposes of this subsection, the term ''extraordinary circumstances'' means circumstances in which—

(i) suspension of an investigation will be more beneficial to the domestic industry than continuation of the investigation, and

(ii) the investigation is complex.

(B) "Complex" defined

For purposes of this paragraph, the term ''complex'' means—

(i) there are a large number of transactions to be investigated or adjustments to be considered,

(ii) the issues raised are novel, or

(iii) the number of firms involved is large.

(d) Additional rules and conditions

The administering authority may not accept an agreement under subsection (b) or (c) of this section unless—

(1) it is satisfied that suspension of the investigation is in the public interest, and

(2) effective monitoring of the agreement by the United States is practicable.

Where practicable, the administering authority shall provide to the exporters who would have been subject to the agreement the reasons for not accepting the agreement and, to the extent possible, an opportunity to submit comments thereon.

(e) Suspension of investigation procedure

Before an investigation may be suspended under subsection (b) or (c) of this section the administering authority shall—

(1) notify the petitioner of, and consult with the petitioner concerning, its intention to suspend the investigation, and notify other parties to the investigation and the Commission not less than 30 days before the date on which it suspends the investigation,

(2) provide a copy of the proposed agreement to the petitioner at the time of the notification, together with an explanation of how the agreement will be carried out and enforced, and of how the agreement will meet the requirements of subsections (b) and (d) or (c) and (d) of this section, and

(3) permit all interested parties described in section 1677(9) of this title to submit comments and information for the record before the date on which notice of suspension of the investigation is published under subsection (f)(1)(A) of this section.

(f) Effects of suspension of investigation

(1) In general

If the administering authority determines to suspend an investigation upon acceptance of an agreement described in subsection (b) or (c) of this section, then—

(A) it shall suspend the investigation, publish notice of suspension of the investigation, and issue an affirmative preliminary determination under section 1673b(b) of this title with respect to the subject merchandise, unless it has previously issued such a determination in the same investigation,

(B) the Commission shall suspend any investigation it is conducting with respect to that merchandise, and

(C) the suspension of investigation shall take effect on the day on which such notice is published.

(2) Liquidation of entries

(A) Cessation of exports; complete elimination of dumping margin

If the agreement accepted by the administering authority is an agreement described in subsection (b) of this section, then—

(i) notwithstanding the affirmative preliminary determination required under paragraph (1)(A), the liquidation of entries of subject merchandise shall not be suspended under section 1673b(d)(2) of this title,

(ii) if the liquidation of entries of such merchandise was suspended pursuant to a previous affirmative preliminary determination in the same case with respect to such merchandise, that suspension of liquidation shall terminate, and

(iii) the administering authority shall refund any cash deposit and release any bond or other security deposited under section 1673b(d)(1)(B) of this title.

(B) Other agreements

If the agreement accepted by the administering authority is an agreement described in subsection (c) of this section, the liquidation of entries of the subject merchandise shall be suspended under section 1673b(d)(2) of this title, or, if the liquidation of entries of such merchandise was suspended pursuant to a previous affirmative preliminary determination in the same case, that suspension of liquidation shall continue in effect, subject to subsection (h)(3) of this section, but the security required under section 1673b(d)(1)(B) of this title may be adjusted to reflect the effect of the agreement.

(3) Where investigation is continued

If, pursuant to subsection (g) of this section, the administering authority and the Commission continue an investigation in which an agreement has been accepted under subsection (b) or (c) of this section, then—

(A) if the final determination by the administering authority or the Commission under section 1673d of this title is negative, the agreement shall have no force or effect and the investigation shall be terminated, or

(B) if the final determinations by the administering authority and the Commission under such section are affirmative, the agreement shall remain in force, but the administering authority shall not issue an antidumping duty order in the case so long as—

(i) the agreement remains in force,

(ii) the agreement continues to meet the requirements of subsections (b) and (d), or (c) and (d) of this section, and

(iii) the parties to the agreement carry out their obligations under the agreement in accordance with its terms.

(g) Investigation to be continued upon request

If the administering authority, within 20 days after the date of publication of the notice of suspension of an investigation, receives a request for the continuation of the investigation from—

(1) an exporter or exporters accounting for a significant proportion of exports to the United States of the subject merchandise, or

(2) an interested party described in subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title which is a party to the investigation,

then the administering authority and the Commission shall continue the investigation.

(h) Review of suspension

(1) In general

Within 20 days after the suspension of an investigation under subsection (c) of this section, an interested party which is a party to the investigation and which is described in subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title may, by petition filed with the Commission and with notice to the administering authority, ask for a review of the suspension.

(2) Commission investigation

Upon receipt of a review petition under paragraph (1), the Commission shall, within 75 days after the date on which the petition is filed with it, determine whether the injurious effect of imports of the subject merchandise is eliminated completely by the agreement. If the Commission's determination under this subsection is negative, the investigation shall be resumed on the date of publication of notice of such determination as if the affirmative preliminary determination under section 1673b(b) of this title had been made on that date.

(3) Suspension of liquidation to continue during review period

The suspension of liquidation of entries of the subject merchandise shall terminate at the close of the 20-day period beginning on the day after the date on which notice of suspension of the investigation is published in the Federal Register, or, if a review petition is filed under paragraph (1) with respect to the suspension of the investigation, in the case of an affirmative determination by the Commission under paragraph (2), the date on which notice of an affirmative determination by the Commission is published. If the determination of the Commission under paragraph (2) is affirmative, then the administering authority shall—

(A) terminate the suspension of liquidation under section 1673b(d)(2) of this title, and

(B) release any bond or other security, and refund any cash deposit, required under section 1673b(d)(1)(B) of this title.

(i) Violation of agreement

(1) In general

If the administering authority determines that an agreement accepted under subsection (b) or (c) of this section is being, or has been, violated, or no longer meets the requirements of such subsection (other than the requirement, under subsection (c)(1) of this section, of elimination of injury) and subsection (d) of this section, then, on the date of publication of its determination, it shall—

(A) suspend liquidation under section 1673b(d)(2) of this title of unliquidated entries of the merchandise made on the later of—

(i) the date which is 90 days before the date of publication of the notice of suspension of liquidation, or

(ii) the date on which the merchandise, the sale or export to the United States of which was in violation of the agreement, or under an agreement which no longer meets the requirements of subsections (b) and (d), or (c) and (d) of this section, was first entered, or withdrawn from warehouse, for consumption,

(B) if the investigation was not completed, resume the investigation as if its affirmative preliminary determination were made on the date of its determination under this paragraph,

(C) if the investigation was completed under subsection (g) of this section, issue an antidumping duty order under section 1673e(a) of this title effective with respect to entries of merchandise liquidation of which was suspended,

(D) if it considers the violation to be intentional, notify the Commissioner of Customs who shall take appropriate action under paragraph (2), and

(E) notify the petitioner, interested parties who are or were parties to the investigation, and the Commission of its action under this paragraph.

(2) Intentional violation to be punished by civil penalty

Any person who intentionally violates an agreement accepted by the administering authority under subsection (b) or (c) of this section shall be subject to a civil penalty assessed in the same amount, in the same manner, and under the same procedures, as the penalty imposed for a fraudulent violation of section 1592(a) of this title.

(j) Determination not to take agreement into account

In making a final determination under section 1673d of this title, or in conducting a review under section 1675 of this title, in a case in which the administering authority has terminated a suspension of investigation under subsection (i)(1) of this section, or continued an investigation under subsection (g) of this section, the Commission and the administering authority shall consider all of the subject merchandise without regard to the effect of any agreement under subsection (b) or (c) of this section.

(k) Termination of investigation initiated by administering authority

The administering authority may terminate any investigation initiated by the administering authority under section 1673a(a) of this title after providing notice of such termination to all parties to the investigation.

(*l*) Special rule for nonmarket economy countries

(1) In general

The administering authority may suspend an investigation under this part upon acceptance of an agreement with a nonmarket economy country to restrict the volume of imports into the United States of the merchandise under investigation only if the administering authority determines that—

(A) such agreement satisfies the requirements of subsection (d) of this section, and

(B) will prevent the suppression or undercutting of price levels of domestic products by imports of the merchandise under investigation.

(2) Failure of agreements

If the administering authority determines that an agreement accepted under this subsection no longer prevents the suppression or undercutting of domestic prices of merchandise manufactured in the United States, the provisions of subsection (i) of this section shall apply.

(m) Special rule for regional industry investigations

(1) Suspension agreements

If the Commission makes a regional industry determination under section 1677(4)(C) of this title, the administering authority shall offer exporters of the subject merchandise who account for substantially all exports of that merchandise for sale in the region concerned the opportunity to enter into an agreement described in subsection (b), (c), or (*l*) of this section.

(2) Requirements for suspension agreements

Any agreement described in paragraph (1) shall be subject to all the requirements imposed under this section for other agreements under subsection (b), (c), or (*l*) of this section, except that if the Commission makes a regional industry determination described in paragraph (1) in the final affirmative determination under section 1673d(b) of this title but not in the preliminary affirmative determination under section 1673b(a) of this title, any agreement described in paragraph (1) may be accepted within 60 days after the antidumping order is published under section 1673e of this title.

(3) Effect of suspension agreement on antidumping duty order

If an agreement described in paragraph (1) is accepted after the antidumping duty order is published, the administering authority shall rescind the order, refund any cash deposit and release any bond or other security deposited under section 1673b(d)(1)(B) of this title, and instruct the Customs Service that entries of the subject merchandise that were made during the period that the order was in effect shall be liquidated without regard to antidumping duties.

(June 17, 1930, ch. 497, title VII, § 734, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 165; amended Oct. 30, 1984, Pub. L. 98–573, title VI, §§ 604(b), 612(b)(2), 98 Stat. 3026, 3034; Aug. 23, 1988, Pub. L. 100–418, title I, §§ 1316(c), 1326(d)(2), 102 Stat. 1187, 1204; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 216(b), 217(b), 218(a)(2), 219(c)(2)–(5), 233(a)(1)(B), (2)(A)(ii), (5)(S)–(U), 108 Stat. 4853, 4854, 4857, 4898, 4900.)

AMENDMENTS

1994—Subsec. (a)(1). Pub. L. 103–465, § 217(b), designated existing provisions as subpar. (A), inserted heading and realigned margin, and added subpar. (B).

Subsec. (a)(2)(A). Pub. L. 103–465, § 233(a)(5)(S), substituted ''subject merchandise'' for ''merchandise that is subject to the investigation''.

Subsec. (b). Pub. L. 103–465, § 233(a)(5)(T), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation'' in introductory provisions.

Subsec. (b)(2). Pub. L. 103–465, § 233(a)(1)(B), (2)(A)(ii), substituted ''normal value'' for ''foreign market value'' and ''export price (or the constructed export price)'' for ''United States price''.

Subsec. (c)(1). Pub. L. 103–465, § 233(a)(5)(T), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation'' in introductory provisions.

Subsec. (c)(1)(B). Pub. L. 103–465, § 233(a)(1)(B), (2)(A)(ii), substituted ''normal value'' for ''foreign market value'' in two places and ''export price (or the constructed export price)'' for ''United States price'' in two places.

Subsec. (d). Pub. L. 103–465, § 216(b), inserted concluding provisions.

Subsec. (f)(1)(A). Pub. L. 103–465, § 233(a)(5)(T), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation''.

Subsec. (f)(2)(A)(i). Pub. L. 103–465, §§ 219(c)(2)(A), 233(a)(5)(T), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation'' and ''1673b(d)(2)'' for ''1673b(d)(1)''.

Subsec. (f)(2)(A)(iii). Pub. L. 103–465, § 219(c)(2)(B), substituted ''1673b(d)(1)(B)'' for ''1673b(d)(2)''.

Subsec. (f)(2)(B). Pub. L. 103–465, §§ 219(c)(3), 233(a)(5)(U), substituted ''subject merchandise'' for ''merchandise subject to the investigation'', ''1673b(d)(2)'' for ''1673b(d)(1)'', and ''1673b(d)(1)(B)'' for ''1673b(d)(2)''.

Subsecs. (g)(1), (h)(2). Pub. L. 103–465, § 233(a)(5)(T), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation''.

Subsec. (h)(3). Pub. L. 103–465, §§ 219(c)(4), 233(a)(5)(T), in introductory provisions, substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation'', in subpar. (A), substituted ''1673b(d)(2)'' for ''1673b(d)(1)'', and in subpar. (B), substituted ''1673b(d)(1)(B)'' for ''1673b(d)(2)''.

Subsec. (i)(1)(A). Pub. L. 103–465, § 219(c)(5), substituted ''1673b(d)(2)'' for ''1673b(d)(1)'' in introductory provisions.

Subsec. (j). Pub. L. 103–465, § 233(a)(5)(T), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation''.

Subsec. (m). Pub. L. 103–465, § 218(a)(2), added subsec. (m).

1988—Subsecs. (g)(2), (h)(1). Pub. L. 100–418, § 1326(d)(2), substituted ''(F), or (G)'' for ''and (F)''.

Subsec. (*l*). Pub. L. 100–418, § 1316(c), added subsec. (*l*).

1984—Subsec. (a). Pub. L. 98–573, § 604(b)(1), amended subsec. (a) generally, which prior to amendment read as follows: ''An investigation under this part may be terminated by either the administering authority or the Commission after notice to all parties to the investigation, upon withdrawal of the petition by the petitioner. The Commission may not terminate an investigation under the preceding sentence before a preliminary determination is made by the administering authority under section 1673b(b) of this title.''

Subsec. (d). Pub. L. 98–573, § 604(b)(2), struck out designation ''(1)'' preceding first sentence, substituted ''may not accept'' for ''shall not accept'', redesignated former subpars. (A) and (B) as pars. (1) and (2), respectively, and struck out former par. (2), which had provided that exports of merchandise to the United States were not to increase during the interim period.

Subsec. (e)(3). Pub. L. 98–573, § 604(b)(3), substituted ''all interested parties described in section 1677(9) of this title'' for ''all parties to the investigation''.

Subsecs. (g)(2), (h)(1). Pub. L. 98–573, § 612(b)(2), substituted reference to subpar. ''(C), (D), (E), and (F)'' for ''(C), (D), or (E)'' of section 1677(9) of this title.

Subsec. (i)(1)(D), (E). Pub. L. 98–573, § 604(b)(4), added subpar. (D) and redesignated former subpar. (D) as (E).

Subsec. (k). Pub. L. 98–573, § 604(b)(5), added subsec. (k).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and

to reviews initiated under section 1673e(c) or 1675 of this title after Aug. 23, 1988, see section 1337(b) of Pub. L. 100–418, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by section 604(b) of Pub. L. 98–573 effective Oct. 30, 1984, and amendment by section 612(b)(2) of Pub. L. 98–573 applicable with respect to investigations initiated by petition or by the administering authority under parts I and II of this subtitle, and to reviews begun under section 1675 of this title, on or after Oct. 30, 1984, see section 626(a), (b)(1) of Pub. L. 98–573, as amended, set out as a note under section 1671 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1516a, 1673h, 1675, 1675a, 1677, 1677i, 1677m of this title; title 28 section 1582.

§ 1673d. Final determinations

(a) Final determination by administering authority

(1) General rule

Within 75 days after the date of its preliminary determination under section 1673b(b) of this title, the administering authority shall make a final determination of whether the subject merchandise is being, or is likely to be, sold in the United States at less than its fair value.

(2) Extension of period for determination

The administering authority may postpone making the final determination under paragraph (1) until not later than the 135th day after the date on which it published notice of its preliminary determination under section 1673b(b) of this title if a request in writing for such a postponement is made by—

(A) exporters who account for a significant proportion of exports of the merchandise which is the subject of the investigation, in a proceeding in which the preliminary determination by the administering authority under section 1673b(b) of this title was affirmative, or

(B) the petitioner, in a proceeding in which the preliminary determination by the administering authority under section 1673b(b) of this title was negative.

(3) Critical circumstances determinations

If the final determination of the administering authority is affirmative, then that determination, in any investigation in which the presence of critical circumstances has been alleged under section 1673b(e) of this title, shall also contain a finding of whether—

(A)(i) there is a history of dumping and material injury by reason of dumped imports in the United States or elsewhere of the subject merchandise, or

(ii) the person by whom, or for whose account, the merchandise was imported knew or should have known that the exporter was selling the subject merchandise at less than its fair value and that there would be material injury by reason of such sales, and

(B) there have been massive imports of the subject merchandise over a relatively short period.

Such findings may be affirmative even though the preliminary determination under section 1673b(e)(1) of this title was negative.

(4) De minimis dumping margin

In making a determination under this subsection, the administering authority shall disregard any weighted average dumping margin that is de minimis as defined in section 1673b(b)(3) of this title.

(b) Final determination by Commission

(1) In general

The Commission shall make a final determination of whether—

(A) an industry in the United States—

(i) is materially injured, or

(ii) is threatened with material injury, or

(B) the establishment of an industry in the United States is materially retarded,

by reason of imports, or sales (or the likelihood of sales) for importation, of the merchandise with respect to which the administering authority has made an affirmative determination under subsection (a)(1) of this section. If the Commission determines that imports of the subject merchandise are negligible, the investigation shall be terminated.

(2) Period for injury determination following affirmative preliminary determination by administering authority

If the preliminary determination by the administering authority under section 1673b(b) of this title is affirmative, then the Commission shall make the determination required by paragraph (1) before the later of—

(A) the 120th day after the day on which the administering authority makes its affirmative preliminary determination under section 1673b(b) of this title, or

(B) the 45th day after the day on which the administering authority makes its affirmative final determination under subsection (a) of this section.

(3) Period for injury determination following negative preliminary determination by administering authority

If the preliminary determination by the administering authority under section 1673b(b) of this title is negative, and its final determination under subsection (a) of this section is affirmative, then the final determination by the Commission under this subsection shall be made within 75 days after the date of that affirmative final determination.

(4) Certain additional findings

(A) COMMISSION STANDARD FOR RETROACTIVE APPLICATION.—

(i) IN GENERAL.—If the finding of the administering authority under subsection (a)(3) of this section is affirmative, then the final determination of the Commission shall include a finding as to whether the imports subject to the affirmative determination under subsection (a)(3) of this section are likely to undermine seriously the remedial effect of the antidumping duty order to be issued under section 1673e of this title.

(ii) FACTORS TO CONSIDER.—In making the evaluation under clause (i), the Commission shall consider, among other factors it considers relevant—

(I) the timing and the volume of the imports,

(II) a rapid increase in inventories of the imports, and

(III) any other circumstances indicating that the remedial effect of the antidumping order will be seriously undermined.

(B) If the final determination of the Commission is that there is no material injury but that there is threat of material injury, then its determination shall also include a finding as to whether material injury by reason of the imports of the merchandise with respect to which the administering authority has made an affirmative determination under subsection (a) of this section would have been found but for any suspension of liquidation of entries of the merchandise.

(c) Effect of final determinations

(1) Effect of affirmative determination by the administering authority

If the determination of the administering authority under subsection (a) of this section is affirmative, then—

(A) the administering authority shall make available to the Commission all information upon which such determination was based and which the Commission considers relevant to its determination, under such procedures as the administering authority and the Commission may establish to prevent disclosure, other than with the consent of the party providing it or under protective order, of any information as to which confidential treatment has been given by the administering authority,

(B)(i) the administering authority shall—

(I) determine the estimated weighted average dumping margin for each exporter and producer individually investigated, and

(II) determine, in accordance with paragraph (5), the estimated all-others rate for all exporters and producers not individually investigated, and

(ii) the administering authority shall order the posting of a cash deposit, bond, or other security, as the administering authority deems appropriate, for each entry of the subject merchandise in an amount based on the estimated weighted average dumping margin or the estimated all-others rate, whichever is applicable, and

(C) in cases where the preliminary determination by the administering authority under section 1673b(b) of this title was negative, the administering authority shall order the suspension of liquidation under section 1673b(d)(2) of this title.

(2) Issuance of order; effect of negative determination

If the determinations of the administering authority and the Commission under subsections (a)(1) and (b)(1) of this section are affirmative, then the administering authority shall issue an antidumping duty order under section 1673e(a) of this title. If either of such determinations is negative, the investigation shall be terminated upon the publication of notice of that negative determination and the administering authority shall—

(A) terminate the suspension of liquidation under section 1673b(d)(2) of this title, and

(B) release any bond or other security, and refund any cash deposit, required under section 1673b(d)(1)(B) of this title.

(3) Effect of negative determinations under subsections (a)(3) and (b)(4)(A) of this section

If the determination of the administering authority or the Commission under subsection (a)(3) or (b)(4)(A) of this section, respectively, is negative, then the administering authority shall—

(A) terminate any retroactive suspension of liquidation required under paragraph (4) or section 1673b(e)(2) of this title, and

(B) release any bond or other security, and refund any cash deposit required, under section 1673b(d)(1)(B) of this title with respect to entries of the merchandise the liquidation of which was suspended retroactively under section 1673b(e)(2) of this title.

(4) Effect of affirmative determination under subsection (a)(3) of this section

If the determination of the administering authority under subsection (a)(3) of this section is affirmative, then the administering authority shall—

(A) in cases where the preliminary determinations by the administering authority under sections 1673b(b) and 1673b(e)(1) of this title were both affirmative, continue the retroactive suspension of liquidation and the posting of a cash deposit, bond, or other security previously ordered under section 1673b(e)(2) of this title;

(B) in cases where the preliminary determination by the administering authority under section 1673b(b) of this title was affirmative, but the preliminary determination under section 1673b(e)(1) of this title was negative, shall modify any suspension of liquidation and security requirement previously ordered under section 1673b(d) of this title to apply to unliquidated entries of merchandise entered, or withdrawn from warehouse, for consumption on or after the date which is 90 days before the date on which suspension of liquidation was first ordered; or

(C) in cases where the preliminary determination by the administering authority under section 1673b(b) of this title was negative, shall apply any suspension of liquidation and security requirement ordered under subsection (c)(1)(B) of this section to unliquidated entries of merchandise entered, or withdrawn from warehouse, for consumption on or after the date which is 90 days before the date on which suspension of liquidation is first ordered.

(5) Method for determining estimated all-others rate

(A) General rule

For purposes of this subsection and section 1673b(d) of this title, the estimated all-others rate shall be an amount equal to the weighted average of the estimated weighted average dumping margins established for exporters and producers individually investigated, excluding any zero and de minimis margins, and any margins determined entirely under section 1677e of this title.

(B) Exception

If the estimated weighted average dumping margins established for all exporters and producers individually investigated are zero or de minimis margins, or are determined entirely under section 1677e of this title, the administering authority may use any reasonable method to establish the estimated all-others rate for exporters and producers not individually investigated, including averaging the estimated weighted average dumping margins determined for the exporters and producers individually investigated.

(d) Publication of notice of determinations

Whenever the administering authority or the Commission makes a determination under this section, it shall notify the petitioner, other parties to the investigation, and the other agency of its determination and of the facts and conclusions of law upon which the determination is based, and it shall publish notice of its determination in the Federal Register.

(e) Correction of ministerial errors

The administering authority shall establish procedures for the correction of ministerial errors in final determinations within a reasonable time after the determinations are issued under this section. Such procedures shall ensure opportunity for interested parties to present their views regarding any such errors. As used in this subsection, the term ''ministerial error'' includes errors in addition, subtraction, or other arithmetic function, clerical errors resulting from inaccurate copying, duplication, or the like, and any other type of unintentional error which the administering authority considers ministerial.

(June 17, 1930, ch. 497, title VII, § 735, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 169; amended Oct. 30, 1984, Pub. L. 98–573, title VI, §§ 602(c), 605(b), 98 Stat. 3024, 3028; Aug. 23, 1988, Pub. L. 100–418, title I, §§ 1324(b)(3), 1333(a), 102 Stat. 1201, 1209; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 212(b)(2)(B), 213(b), 214(b)(2), 219(b), (c)(6)–(8), 233(a)(5)(V), 108 Stat. 4849–4851, 4856, 4857, 4900.)

AMENDMENTS

1994—Subsec. (a)(1). Pub. L. 103–465, § 233(a)(5)(V), substituted ''subject merchandise'' for ''merchandise which was the subject of the investigation''.

Subsec. (a)(3)(A)(i). Pub. L. 103–465, § 214(b)(2)(A)(i), inserted ''and material injury by reason of dumped imports'' after ''history of dumping'', and directed the substitution of ''subject merchandise'' for ''class or kind of the merchandise which is the subject of the investigation'', which was executed by making the substitution in text which did not contain ''the'' before ''merchandise'', to reflect the probable intent of Congress.

Subsec. (a)(3)(A)(ii). Pub. L. 103–465, § 214(b)(2)(A)(ii), substituted ''subject merchandise at less than its fair value and that there would be material injury by reason of such sales'' for ''merchandise which is the subject of the investigation at less than its fair value''.

Subsec. (a)(3)(B). Pub. L. 103–465, § 214(b)(2)(A)(iii), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation''.

Subsec. (a)(4). Pub. L. 103–465, § 213(b), added par. (4).

Subsec. (b)(1). Pub. L. 103–465, § 212(b)(2)(B), inserted at end of concluding provisions ''If the Commission determines that imports of the subject merchandise are negligible, the investigation shall be terminated.''

Subsec. (b)(4)(A). Pub. L. 103–465, § 214(b)(2)(B), amended subpar. (A) generally, substituting present provisions for provisions requiring, in the case of an affirmative critical circumstances determination, a further finding as to whether retroactive imposition of antidumping duties on the subject merchandise would be necessary to prevent recurrence of material injury caused by massive imports of the merchandise over a relatively short period of time.

Subsec. (c)(1). Pub. L. 103–465, § 219(b)(1), struck out ''and'' at end of subpar. (A), added subpar. (B), and redesignated former subpar. (B) as (C) and substituted ''the suspension of liquidation under section 1673b(d)(2) of this title'' for ''under paragraphs (1) and (2) of section 1673b(d) of this title the suspension of liquidation and the posting of a cash deposit, bond, or other security''.

Subsec. (c)(2)(A). Pub. L. 103–465, § 219(c)(6), substituted ''1673b(d)(2)'' for ''1671b(d)(1)''.

Subsec. (c)(2)(B). Pub. L. 103–465, § 219(c)(7), substituted ''1673b(d)(1)(B)'' for ''1673b(d)(2)''.

Subsec. (c)(3)(B). Pub. L. 103–465, § 219(c)(8), substituted ''1673b(d)(1)(B)'' for ''1673b(d)(2)''.

Subsec. (c)(5). Pub. L. 103–465, § 219(b)(2), added par. (5).

1988—Subsec. (b)(4)(A). Pub. L. 100–418, § 1324(b)(3), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: ''If the finding of the administering authority under subsection (a)(2) of this section is affirmative, then the final determination of the Commission shall include a finding as to whether the material injury is by reason of massive imports described in subsection (a)(3) of this section to an extent that, in order to prevent such material injury from recurring, it is necessary to impose the duty imposed by section 1673 of this title retroactively on those imports.''

Subsec. (e). Pub. L. 100–418, § 1333(a), added subsec. (e).

1984—Subsec. (a)(3). Pub. L. 98–573, § 605(b)(1), inserted provision that such findings may be affirmative even though the preliminary determination under section 1673b(e)(1) of this title was negative.

Subsec. (b)(1). Pub. L. 98–573, § 602(c), inserted '', or sales (or the likelihood of sales) for importation,'' in provisions after subpar. (B).

Subsec. (c)(3)(A). Pub. L. 98–573, § 605(b)(3), inserted reference to par. (4).

Subsec. (c)(4). Pub. L. 98–573, § 605(b)(2), added par. (4).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 1333(a) of Pub. L. 100–418 effective Aug. 23, 1988, and amendment by section 1324(b)(3) of Pub. L. 100–418 applicable with respect to investiga-

tions initiated after Aug. 23, 1988, see section 1337(a), (c) of Pub. L. 100–418, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by section 602(c) of Pub. L. 98–573 applicable with respect to investigations initiated by petition or by the administering authority under parts I and II of this subtitle, and to reviews begun under section 1675 of this title, on or after Oct. 30, 1984, and amendment by section 605(b) of Pub. L. 98–573 effective Oct. 30, 1984, see section 626(a), (b)(1) of Pub. L. 98–573, as amended, set out as a note under section 1671 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1516a, 1673, 1673a, 1673b, 1673c, 1673e, 1673f, 1673h, 1675, 1675a, 1677, 1677c, 1677f, 1677f–1, 1677m, 1677n of this title.

§ 1673e. Assessment of duty

(a) Publication of antidumping duty order

Within 7 days after being notified by the Commission of an affirmative determination under section 1673d(b) of this title, the administering authority shall publish an antidumping duty order which—

(1) directs customs officers to assess an antidumping duty equal to the amount by which the normal value of the merchandise exceeds the export price (or the constructed export price) of the merchandise, within 6 months after the date on which the administering authority receives satisfactory information upon which the assessment may be based, but in no event later than—

(A) 12 months after the end of the annual accounting period of the manufacturer or exporter within which the merchandise is entered, or withdrawn from warehouse, for consumption, or

(B) in the case of merchandise not sold prior to its importation into the United States, 12 months after the end of the annual accounting period of the manufacturer or exporter within which it is sold in the United States to a person who is not the exporter of that merchandise,

(2) includes a description of the subject merchandise, in such detail as the administering authority deems necessary, and

(3) requires the deposit of estimated antidumping duties pending liquidation of entries of merchandise at the same time as estimated normal customs duties on that merchandise are deposited.

(b) Imposition of duty

(1) General rule

If the Commission, in its final determination under section 1673d(b) of this title, finds material injury or threat of material injury which, but for the suspension of liquidation under section 1673b(d)(2) of this title would have led to a finding of material injury, then entries of the subject merchandise, the liquidation of which has been suspended under section 1673b(d)(2) of this title, shall be subject to the imposition of antidumping duties under section 1673 of this title.

(2) Special rule

If the Commission, in its final determination under section 1673d(b) of this title, finds threat of material injury, other than threat of material injury described in paragraph (1), or material retardation of the establishment of an industry in the United States, then subject merchandise which is entered, or withdrawn from warehouse, for consumption on or after the date of publication of notice of an affirmative determination of the Commission under section 1673d(b) of this title shall be subject to the assessment of antidumping duties under section 1673 of this title, and the administering authority shall release any bond or other security, and refund any cash deposit made, to secure the payment of antidumping duties with respect to entries of the merchandise entered, or withdrawn from warehouse, for consumption before that date.

(c) Security in lieu of estimated duty pending early determination of duty

(1) Conditions for waiver of deposit of estimated duties

The administering authority may permit, for not more than 90 days after the date of publication of an order under subsection (a) of this section, the posting of a bond or other security in lieu of the deposit of estimated antidumping duties required under subsection (a)(3) of this section if—

(A) the investigation has not been designated as extraordinarily complicated by reason of—

(i) the number and complexity of the transactions to be investigated or adjustments to be considered,

(ii) the novelty of the issues presented, or

(iii) the number of firms whose activities must be investigated,

(B) the final determination in the investigation has not been postponed under section 1673d(a)(2)(A) of this title;

(C) on the basis of information presented to the administering authority by any manufacturer, producer, or exporter in such form and within such time as the administering authority may require, the administering authority is satisfied that a determination will be made, within 90 days after the date of publication of an order under subsection (a) of this section, of the normal value and the export price (or the constructed export price) for all merchandise of such manufacturer, producer, or exporter described in that order which was entered, or withdrawn from warehouse, for consumption on or after the date of publication of—

(i) an affirmative preliminary determination by the administering authority under section 1673b(b) of this title, or

(ii) if its determination under section 1673b(b) of this title was negative, an affirmative final determination by the administering authority under section 1673d(a) of this title,

and before the date of publication of the affirmative final determination by the Commission under section 1673d(b) of this title;

(D) the party described in subparagraph (C) provides credible evidence that the

amount by which the normal value of the merchandise exceeds the export price (or the constructed export price) of the merchandise is significantly less than the amount of such excess specified in the antidumping duty order published under subsection (a) of this section; and

(E) the data concerning the normal value and the export price (or the constructed export price) apply to sales in the usual commercial quantities and in the ordinary course of trade and the number of such sales are sufficient to form an adequate basis for comparison.

(2) Notice; hearing

If the administering authority permits the posting of a bond or other security in lieu of the deposit of estimated antidumping duties under paragraph (1), it shall—

(A) publish notice of its action in the Federal Register, and

(B) upon the request of any interested party, hold a hearing in accordance with section 1677c of this title before determining the normal value and the export price (or the constructed export price) of the merchandise.

(3) Determinations to be basis of antidumping duty

The administering authority shall publish notice in the Federal Register of the results of its determination of normal value and export price (or the constructed export price), and that determination shall be the basis for the assessment of antidumping duties on entries of merchandise to which the notice under this subsection applies and also shall be the basis for the deposit of estimated antidumping duties on future entries of merchandise of manufacturers, producers, or exporters described in paragraph (1) to which the order issued under subsection (a) of this section applies.

(4) Provision of business proprietary information; written comments

Before determining whether to permit the posting of bond or other security under paragraph (1) in lieu of the deposit of estimated antidumping duties, the administering authority shall—

(A) make all business proprietary information supplied to the administering authority under paragraph (1) available under a protective order in accordance with section 1677f(c) of this title to all interested parties described in subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title, and

(B) afford all interested parties an opportunity to file written comments on whether the posting of bond or other security under paragraph (1) in lieu of the deposit of estimated antidumping duties should be permitted.

(d) Special rule for regional industries

(1) In general

In an investigation in which the Commission makes a regional industry determination under section 1677(4)(C) of this title, the administering authority shall, to the maximum extent possible, direct that duties be assessed only on the subject merchandise of the specific exporters or producers that exported the subject merchandise for sale in the region concerned during the period of investigation.

(2) Exception for new exporters and producers

After publication of the antidumping duty order, if the administering authority finds that a new exporter or producer is exporting the subject merchandise for sale in the region concerned, the administering authority shall direct that duties be assessed on the subject merchandise of the new exporter or producer consistent with the provisions of section 1675(a)(2)(B) of this title.

(June 17, 1930, ch. 497, title VII, § 736, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 172; amended Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(7), 100 Stat. 2922; Aug. 23, 1988, Pub. L. 100–418, title I, § 1325, 102 Stat. 1201; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 218(b)(2), 219(c)(9), 233(a)(1)(C), (2)(A)(iii), (5)(W)–(Y), 108 Stat. 4855, 4857, 4898, 4900.)

AMENDMENTS

1994—Subsec. (a)(1). Pub. L. 103–465, § 233(a)(1)(C), (2)(A)(iii), substituted ''normal value'' for ''foreign market value'' and ''export price (or the constructed export price)'' for ''United States price''.

Subsec. (a)(2). Pub. L. 103–465, § 233(a)(5)(W), substituted ''subject merchandise'' for ''class or kind of merchandise to which it applies''.

Subsec. (b)(1). Pub. L. 103–465, §§ 219(c)(9), 233(a)(5)(X), substituted ''1673b(d)(2)'' for ''1673b(d)(1)'' in two places and ''subject merchandise'' for ''merchandise subject to the antidumping duty order''.

Subsec. (b)(2). Pub. L. 103–465, § 233(a)(5)(Y), substituted ''subject merchandise'' for ''merchandise subject to an antidumping duty order''.

Subsec. (c). Pub. L. 103–465, § 233(a)(1)(C), (2)(A)(iii), substituted ''normal value'' for ''foreign market value'' and ''export price (or the constructed export price)'' for ''United States price'' in pars. (1)(C) to (E), (2)(B), and (3).

Subsec. (d). Pub. L. 103–465, § 218(b)(2), added subsec. (d).

1988—Subsec. (c)(1). Pub. L. 100–418, § 1325(a), amended par. (1) generally, designating existing provisions as cl. (C) and adding cls. (A), (B), (D), and (E).

Subsec. (c)(4). Pub. L. 100–418, § 1325(b), added par. (4).

1986—Subsec. (c)(1). Pub. L. 99–514 inserted '', and was sold to any person that is not related to such manufacturer, producer, or exporter,'' before ''on or after the date''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and to reviews initiated under section 1673e(c) or 1675 of this title after Aug. 23, 1988, see section 1337(b) of Pub. L. 100–418, set out as a note under section 1671 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147

and 1171–1177] or title XVIII [§§1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1673c, 1673d, 1673f, 1673h, 1675, 1677, 1677f, 1677j, 1677m, 1677n of this title.

§ 1673f. Treatment of difference between deposit of estimated antidumping duty and final assessed duty under antidumping duty order

(a) Deposit of estimated antidumping duty under section 1673b(d)(1)(B) of this title

If the amount of a cash deposit collected as security for an estimated antidumping duty under section 1673b(d)(1)(B) of this title is different from the amount of the antidumping duty determined under an antidumping duty order published under section 1673e of this title, then the difference for entries of merchandise entered, or withdrawn from warehouse, for consumption before notice of the affirmative determination of the Commission under section 1673d(b) of this title is published shall be—

(1) disregarded, to the extent the cash deposit collected is lower than the duty under the order, or

(2) refunded, to the extent the cash deposit is higher than the duty under the order.

(b) Deposit of estimated antidumping duty under section 1673e(a)(3) of this title

If the amount of an estimated antidumping duty deposited under section 1673e(a)(3) of this title is different from the amount of the antidumping duty determined under an antidumping duty order published under section 1673e of this title, then the difference for entries of merchandise entered, or withdrawn from warehouse, for consumption after notice of the affirmative determination of the Commission under section 1673d(b) of this title is published shall be—

(1) collected, to the extent that the deposit under section 1673e(a)(3) of this title is lower than the duty determined under the order, or

(2) refunded, to the extent that the deposit under section 1673e(a)(3) of this title is higher than the duty determined under the order,

together with interest as provided by section 1677g of this title.

(June 17, 1930, ch. 497, title VII, § 737, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 173; amended Dec. 8, 1994, Pub. L. 103–465, title II, § 219(c)(10), 108 Stat. 4857.)

AMENDMENTS

1994—Subsec. (a). Pub. L. 103–465 substituted ''1673b(d)(1)(B)'' for ''1673b(d)(2)'' in heading and text.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

§ 1673g. Conditional payment of antidumping duty

(a) General rule

For all entries, or withdrawals from warehouse, for consumption of merchandise subject to an antidumping duty order on or after the date of publication of such order, no customs officer may deliver merchandise of that class or kind to the person by whom or for whose account it was imported unless that person complies with the requirements of subsection (b) of this section and deposits with the appropriate customs officer an estimated antidumping duty in an amount determined by the administering authority.

(b) Importer requirements

In order to meet the requirements of this subsection, a person shall—

(1) furnish, or arrange to have furnished, to the appropriate customs officer such information as the administering authority deems necessary for determining the export price (or the constructed export price) of the merchandise imported by or for the account of that person, and such other information as the administering authority deems necessary for ascertaining any antidumping duty to be imposed under this subtitle;

(2) maintain and furnish to the customs officer such records concerning the sale of the merchandise as the administering authority, by regulation, requires;

(3) state under oath before the customs officer that he is not an exporter, or if he is an exporter, declare under oath at the time of entry the constructed export price of the merchandise to the customs officer if it is then known, or, if not, so declare within 30 days after the merchandise has been sold, or has been made the subject of an agreement to be sold, in the United States; and

(4) pay, or agree to pay on demand, to the customs officer the amount of antidumping duty imposed under section 1673 of this title on that merchandise.

(June 17, 1930, ch. 497, title VII, § 738, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 174; amended Dec. 8, 1994, Pub. L. 103–465, title II, § 233(a)(2)(A)(iv), (B), 108 Stat. 4898.)

AMENDMENTS

1994—Subsec. (b)(1). Pub. L. 103–465, § 233(a)(2)(A)(iv), substituted ''export price (or the constructed export price)'' for ''United States price''.

Subsec. (b)(3). Pub. L. 103–465, § 233(a)(2)(B), substituted ''constructed export price'' for ''exporter's sales price''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

§ 1673h. Establishment of product categories for short life cycle merchandise

(a) Establishment of product categories

(1) Petitions

(A) In general

An eligible domestic entity may file a petition with the Commission requesting that a product category be established with respect to short life cycle merchandise at any time after the merchandise becomes the subject of 2 or more affirmative dumping determinations.

(B) Contents

A petition filed under subparagraph (A) shall—

(i) identify the short life cycle merchandise that is the subject of the affirmative dumping determinations,

(ii) specify the short life cycle merchandise that the petitioner seeks to have included in the same product category as the merchandise that is subject to the affirmative dumping determinations,

(iii) specify any short life cycle merchandise the petitioner particularly seeks to have excluded from the product category,

(iv) provide reasons for the inclusions and exclusions specified under clauses (ii) and (iii), and

(v) identify such merchandise in terms of the designations used in the Harmonized Tariff Schedule of the United States.

(2) Determinations on sufficiency of petition

Upon receiving a petition under paragraph (1), the Commission shall—

(A) request the administering authority to confirm promptly the affirmative determinations on which the petition is based, and

(B) upon receipt of such confirmation, determine whether the merchandise covered by the confirmed affirmative determinations is short life cycle merchandise and whether the petitioner is an eligible domestic entity.

(3) Notice; hearings

If the determinations under paragraph (2)(B) are affirmative, the Commission shall—

(A) publish notice in the Federal Register that the petition has been received, and

(B) provide opportunity for the presentation of views regarding the establishment of the requested product category, including a public hearing if requested by any interested person.

(4) Determinations

(A) In general

By no later than the date that is 90 days after the date on which a petition is filed under paragraph (1), the Commission shall determine the scope of the product category into which the short life cycle merchandise that is the subject of the affirmative dumping determinations identified in such petition shall be classified for purposes of this section.

(B) Modifications not requested by petition

(i) In general

The Commission may, on its own initiative, make a determination modifying the scope of any product category established under subparagraph (A) at any time.

(ii) Notice and hearing

Determinations may be made under clause (i) only after the Commission has—

(I) published in the Federal Register notice of the proposed modification, and

(II) provided interested parties an opportunity for a hearing, and a period for the submission of written comments, on the classification of merchandise into the product categories to be affected by such determination.

(C) Basis of determinations

In making determinations under subparagraph (A) or (B), the Commission shall ensure that each product category consists of similar short life cycle merchandise which is produced by similar processes under similar circumstances and has similar uses.

(b) Definitions

For purposes of this section—

(1) Eligible domestic entity

The term ''eligible domestic entity'' means a manufacturer or producer in the United States, or a certified union or recognized union or group of workers which is representative of an industry in the United States, that manufactures or produces short life cycle merchandise that is—

(A) like or directly competitive with other merchandise that is the subject of 2 or more affirmative dumping determinations, or

(B) is similar enough to such other merchandise as to be considered for inclusion with such merchandise in a product monitoring category established under this section.

(2) Affirmative dumping determination

The term ''affirmative dumping determination'' means—

(A) any affirmative final determination made by the administering authority under section 1673d(a) of this title during the 8-year period preceding the filing of the petition under this section that results in the issuance of an antidumping duty order under section 1673e of this title which requires the deposit of estimated antidumping duties at a rate of not less than 15 percent ad valorem, or

(B) any affirmative preliminary determination that—

(i) is made by the administering authority under section 1673b(b) of this title during the 8-year period preceding the filing of the petition under this section in the course of an investigation for which no final determination is made under section 1673d of this title by reason of a suspension of the investigation under section 1673c of this title, and

(ii) includes a determination that the estimated average amount by which the normal value of the merchandise exceeds the export price (or the constructed export price) of the merchandise is not less than 15 percent ad valorem.

(3) Subject of affirmative dumping determination

(A) In general

Short life cycle merchandise of a manufacturer shall be treated as being the subject of an affirmative dumping determination only if the administering authority—

(i) makes a separate determination of the amount by which the normal value of such merchandise of the manufacturer exceeds the export price (or the constructed export price) of such merchandise of the manufacturer, and

(ii) specifically identifies the manufacturer by name with such amount in the affirmative dumping determination or in an antidumping duty order issued as a result of the affirmative dumping determination.

(B) Exclusion

Short life cycle merchandise of a manufacturer shall not be treated as being the subject of an affirmative dumping determination if—

(i) such merchandise of the manufacturer is part of a group of merchandise to which the administering authority assigns (in lieu of making separate determinations described in subparagraph (A)(i)(I)) an amount determined to be the amount by which the normal value of the merchandise in such group exceeds the export price (or the constructed export price) of the merchandise in such group, and

(ii) the merchandise and the manufacturer are not specified by name in the affirmative dumping determination or in any antidumping duty order issued as a result of such affirmative dumping determination.

(4) Short life cycle merchandise

The term ''short life cycle merchandise'' means any product that the Commission determines is likely to become outmoded within 4 years, by reason of technological advances, after the product is commercially available. For purposes of this paragraph, the term ''outmoded'' refers to a kind of style that is no longer state-of-the-art.

(c) Transitional rules

(1) For purposes of this section and section 1673b(b)(1)(B) and (C) of this title, all affirmative dumping determinations described in subsection (b)(2)(A) of this section that were made after December 31, 1980, and before August 23, 1988, and all affirmative dumping determinations described in subsection (b)(2)(B) of this section that were made after December 31, 1984, and before August 23, 1988, with respect to each category of short life cycle merchandise of the same manufacturer shall be treated as one affirmative dumping determination with respect to that category for that manufacturer which was made on the date on which the latest of such determinations was made.

(2) No affirmative dumping determination that—

(A) is described in subsection (b)(2)(A) of this section and was made before January 1, 1981, or

(B) is described in subsection (b)(2)(B) of this section and was made before January 1, 1985,

may be taken into account under this section or section 1673b(b)(1)(B) and (C) of this title.

(June 17, 1930, ch. 497, title VII, § 739, as added Aug. 23, 1988, Pub. L. 100–418, title I, § 1323(a), 102 Stat. 1195; amended Aug. 20, 1990, Pub. L. 101–382, title I, § 139(a)(2), 104 Stat. 653; Dec. 8, 1994, Pub. L. 103–465, title II, § 233(a)(1)(D), (2)(A)(v), 108 Stat. 4898.)

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States, referred to in subsec. (a)(1)(B)(v), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

PRIOR PROVISIONS

A prior section, act June 17, 1930, ch. 497, title VII, § 739, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 174, related to duties of customs officers, prior to repeal by Pub. L. 98–573, title VI, § 610(a), Oct. 30, 1984, 98 Stat. 3031.

AMENDMENTS

1994—Subsec. (b)(2)(B)(ii), (3)(A)(i), (B)(i). Pub. L. 103–465 substituted ''normal value'' for ''foreign market value'' and ''export price (or the constructed export price)'' for ''United States price''.

1990—Subsec. (a)(1)(B)(v). Pub. L. 101–382 substituted ''Harmonized Tariff Schedule'' for ''Tariff Schedules''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1673b of this title.

§ 1673i. Repealed. Pub. L. 98–573, title VI, § 622(a)(1), Oct. 30, 1984, 98 Stat. 3039

Section, act June 17, 1930, ch. 497, title VII, § 740, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 175, provided that the antidumping duty imposed by section 1673 of this title was to be treated as a normal customs duty for drawback purposes. See section 1677h of this title.

EFFECTIVE DATE OF REPEAL

Section repealed effective Oct. 30, 1984, see section 626(a) of Pub. L. 98–573, set out as an Effective Date of 1984 Amendment note under section 1671 of this title.

PART III—REVIEWS; OTHER ACTIONS REGARDING AGREEMENTS

CODIFICATION

The designation ''PART III'' was in the original ''Subtitle C'' and was editorially changed in order to conform the numbering format of this subtitle to the usages employed in the codification of the remainder of the Tariff Act of 1930 as originally enacted.

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in sections 1677, 3571 of this title.

SUBPART A—REVIEW OF AMOUNT OF DUTY AND AGREEMENTS OTHER THAN QUANTITATIVE RESTRICTION AGREEMENTS

§ 1675. Administrative review of determinations

(a) Periodic review of amount of duty

(1) In general

At least once during each 12-month period beginning on the anniversary of the date of publication of a countervailing duty order under this subtitle or under section 1303[1] of this title, an antidumping duty order under this subtitle or a finding under the Antidumping Act, 1921, or a notice of the suspension of an investigation, the administering authority, if a request for such a review has been received and after publication of notice of such review in the Federal Register, shall—

(A) review and determine the amount of any net countervailable subsidy,

(B) review, and determine (in accordance with paragraph (2)), the amount of any antidumping duty, and

(C) review the current status of, and compliance with, any agreement by reason of which an investigation was suspended, and review the amount of any net countervailable subsidy or dumping margin involved in the agreement,

and shall publish in the Federal Register the results of such review, together with notice of any duty to be assessed, estimated duty to be deposited, or investigation to be resumed.

(2) Determination of antidumping duties

(A) In general

For the purpose of paragraph (1)(B), the administering authority shall determine—

(i) the normal value and export price (or constructed export price) of each entry of the subject merchandise, and

(ii) the dumping margin for each such entry.

(B) Determination of antidumping or countervailing duties for new exporters and producers

(i) In general

If the administering authority receives a request from an exporter or producer of the subject merchandise establishing that—

(I) such exporter or producer did not export the merchandise that was the subject of an antidumping duty or countervailing duty order to the United States (or, in the case of a regional industry, did not export the subject merchandise for sale in the region concerned) during the period of investigation, and

(II) such exporter or producer is not affiliated (within the meaning of section 1677(33) of this title) with any exporter or producer who exported the subject merchandise to the United States (or in the case of a regional industry, who exported the subject merchandise for sale in the region concerned) during that period,

the administering authority shall conduct a review under this subsection to establish an individual weighted average dumping margin or an individual countervailing duty rate (as the case may be) for such exporter or producer.

(ii) Time for review under clause (i)

The administering authority shall commence a review under clause (i) in the calendar month beginning after—

(I) the end of the 6-month period beginning on the date of the countervailing duty or antidumping duty order under review, or

(II) the end of any 6-month period occurring thereafter,

if the request for the review is made during that 6-month period.

(iii) Posting bond or security

The administering authority shall, at the time a review under this subparagraph is initiated, direct the Customs Service to allow, at the option of the importer, the posting, until the completion of the review, of a bond or security in lieu of a cash deposit for each entry of the subject merchandise.

(iv) Time limits

The administering authority shall make a preliminary determination in a review conducted under this subparagraph within 180 days after the date on which the review is initiated, and a final determination within 90 days after the date the preliminary determination is issued, except that if the administering authority concludes that the case is extraordinarily complicated, it may extend the 180-day period to 300 days and may extend the 90-day period to 150 days.

(C) Results of determinations

The determination under this paragraph shall be the basis for the assessment of countervailing or antidumping duties on entries of merchandise covered by the determination and for deposits of estimated duties.

(3) Time limits

(A) Preliminary and final determinations

The administering authority shall make a preliminary determination under subparagraph (A), (B), or (C) of paragraph (1) within 245 days after the last day of the month in which occurs the anniversary of the date of publication of the order, finding, or suspension agreement for which the review under paragraph (1) is requested, and a final determination under paragraph (1) within 120 days after the date on which the preliminary determination is published. If it is not practicable to complete the review within the foregoing time, the administering authority may extend that 245-day period to 365 days and may extend that 120-day period to 180 days. The administering authority may ex-

[1] See References in Text note below.

tend the time for making a final determination without extending the time for making a preliminary determination, if such final determination is made not later than 300 days after the date on which the preliminary determination is published.

(B) Liquidation of entries

If the administering authority orders any liquidation of entries pursuant to a review under paragraph (1), such liquidation shall be made promptly and, to the greatest extent practicable, within 90 days after the instructions to Customs are issued. In any case in which liquidation has not occurred within that 90-day period, the Secretary of the Treasury shall, upon the request of the affected party, provide an explanation thereof.

(C) Effect of pending review under section 1516a

In a case in which a final determination under paragraph (1) is under review under section 1516a of this title and a liquidation of entries covered by the determination is enjoined under section 1516a(c)(2) of this title or suspended under section 1516a(g)(5)(C) of this title, the administering authority shall, within 10 days after the final disposition of the review under section 1516a of this title, transmit to the Federal Register for publication the final disposition and issue instructions to the Customs Service with respect to the liquidation of entries pursuant to the review. In such a case, the 90-day period referred to in subparagraph (B) shall begin on the day on which the administering authority issues such instructions.

(4) Absorption of antidumping duties

During any review under this subsection initiated 2 years or 4 years after the publication of an antidumping duty order under section 1673e(a) of this title, the administering authority, if requested, shall determine whether antidumping duties have been absorbed by a foreign producer or exporter subject to the order if the subject merchandise is sold in the United States through an importer who is affiliated with such foreign producer or exporter. The administering authority shall notify the Commission of its findings regarding such duty absorption for the Commission to consider in conducting a review under subsection (c) of this section.

(b) Reviews based on changed circumstances

(1) In general

Whenever the administering authority or the Commission receives information concerning, or a request from an interested party for a review of—

(A) a final affirmative determination that resulted in an antidumping duty order under this subtitle or a finding under the Antidumping Act, 1921, or in a countervailing duty order under this subtitle or section 1303[1] of this title,

(B) a suspension agreement accepted under section 1671c or 1673c of this title, or

(C) a final affirmative determination resulting from an investigation continued pursuant to section 1671c(g) or 1673c(g) of this title,

which shows changed circumstances sufficient to warrant a review of such determination or agreement, the administering authority or the Commission (as the case may be) shall conduct a review of the determination or agreement after publishing notice of the review in the Federal Register.

(2) Commission review

In conducting a review under this subsection, the Commission shall—

(A) in the case of a countervailing duty order or antidumping duty order or finding, determine whether revocation of the order or finding is likely to lead to continuation or recurrence of material injury,

(B) in the case of a determination made pursuant to section 1671c(h)(2) or 1673c(h)(2) of this title, determine whether the suspension agreement continues to eliminate completely the injurious effects of imports of the subject merchandise, and

(C) in the case of an affirmative determination resulting from an investigation continued under section 1671c(g) or 1673c(g) of this title, determine whether termination of the suspended investigation is likely to lead to continuation or recurrence of material injury.

(3) Burden of persuasion

During a review conducted by the Commission under this subsection—

(A) the party seeking revocation of an order or finding described in paragraph (1)(A) shall have the burden of persuasion with respect to whether there are changed circumstances sufficient to warrant such revocation, and

(B) the party seeking termination of a suspended investigation or a suspension agreement shall have the burden of persuasion with respect to whether there are changed circumstances sufficient to warrant such termination.

(4) Limitation on period for review

In the absence of good cause shown—

(A) the Commission may not review a determination made under section 1671d(b) or 1673d(b) of this title, or an investigation suspended under section 1671c or 1673c of this title, and

(B) the administering authority may not review a determination made under section 1671d(a) or 1673d(a) of this title, or an investigation suspended under section 1671c or 1673c of this title,

less than 24 months after the date of publication of notice of that determination or suspension.

(c) Five-year review

(1) In general

Notwithstanding subsection (b) of this section and except in the case of a transition order defined in paragraph (6), 5 years after the date of publication of—

(A) a countervailing duty order (other than a countervailing duty order to which

subparagraph (B) applies or which was issued without an affirmative determination of injury by the Commission under section 1303[1] of this title), an antidumping duty order, or a notice of suspension of an investigation, described in subsection (a)(1) of this section,

(B) a notice of injury determination under section 1675b of this title with respect to a countervailing duty order, or

(C) a determination under this section to continue an order or suspension agreement,

the administering authority and the Commission shall conduct a review to determine, in accordance with section 1675a of this title, whether revocation of the countervailing or antidumping duty order or termination of the investigation suspended under section 1671c or 1673c of this title would be likely to lead to continuation or recurrence of dumping or a countervailable subsidy (as the case may be) and of material injury.

(2) Notice of initiation of review

Not later than 30 days before the fifth anniversary of the date described in paragraph (1), the administering authority shall publish in the Federal Register a notice of initiation of a review under this subsection and request that interested parties submit—

(A) a statement expressing their willingness to participate in the review by providing information requested by the administering authority and the Commission,

(B) a statement regarding the likely effects of revocation of the order or termination of the suspended investigation, and

(C) such other information or industry data as the administering authority or the Commission may specify.

(3) Responses to notice of initiation

(A) No response

If no interested party responds to the notice of initiation under this subsection, the administering authority shall issue a final determination, within 90 days after the initiation of a review, revoking the order or terminating the suspended investigation to which such notice relates. For purposes of this paragraph, an interested party means a party described in section 1677(9)(C), (D), (E), (F), or (G) of this title.

(B) Inadequate response

If interested parties provide inadequate responses to a notice of initiation, the administering authority, within 120 days after the initiation of the review, or the Commission, within 150 days after such initiation, may issue, without further investigation, a final determination based on the facts available, in accordance with section 1677e of this title.

(4) Waiver of participation by certain interested parties

(A) In general

An interested party described in section 1677(9)(A) or (B) of this title may elect not to participate in a review conducted by the administering authority under this subsection and to participate only in the review conducted by the Commission under this subsection.

(B) Effect of waiver

In a review in which an interested party waives its participation pursuant to this paragraph, the administering authority shall conclude that revocation of the order or termination of the investigation would be likely to lead to continuation or recurrence of dumping or a countervailable subsidy (as the case may be) with respect to that interested party.

(5) Conduct of review

(A) Time limits for completion of review

Unless the review has been completed pursuant to paragraph (3) or paragraph (4) applies, the administering authority shall make its final determination pursuant to section 1675a(b) or (c) of this title within 240 days after the date on which a review is initiated under this subsection. If the administering authority makes a final affirmative determination, the Commission shall make its final determination pursuant to section 1675a(a) of this title within 360 days after the date on which a review is initiated under this subsection.

(B) Extension of time limit

The administering authority or the Commission (as the case may be) may extend the period of time for making their respective determinations under this subsection by not more than 90 days, if the administering authority or the Commission (as the case may be) determines that the review is extraordinarily complicated. In a review in which the administering authority extends the time for making a final determination, but the Commission does not extend the time for making a determination, the Commission's determination shall be made not later than 120 days after the date on which the final determination of the administering authority is published.

(C) Extraordinarily complicated

For purposes of this subsection, the administering authority or the Commission (as the case may be) may treat a review as extraordinarily complicated if—

(i) there is a large number of issues,

(ii) the issues to be considered are complex,

(iii) there is a large number of firms involved,

(iv) the orders or suspended investigations have been grouped as described in subparagraph (D), or

(v) it is a review of a transition order.

(D) Grouped reviews

The Commission, in consultation with the administering authority, may group orders or suspended investigations for review if it considers that such grouping is appropriate and will promote administrative efficiency. Where orders or suspended investigations have been grouped, the Commission shall, subject to subparagraph (B), make its final

determination under this subsection not later than 120 days after the date that the administering authority publishes notice of its final determination with respect to the last order or agreement in the group.

(6) Special transition rules

(A) Schedule for reviews of transition orders

(i) Initiation

The administering authority shall begin its review of transition orders in the 42d calendar month after the date such orders are issued. A review of all transition orders shall be initiated not later than the 5th anniversary after the date such orders are issued.

(ii) Completion

A review of a transition order shall be completed not later than 18 months after the date such review is initiated. Reviews of all transition orders shall be completed not later than 18 months after the 5th anniversary of the date such orders are issued.

(iii) Subsequent reviews

The time limits set forth in clauses (i) and (ii) shall be applied to all subsequent 5-year reviews of transition orders by substituting ''date of the determination to continue such orders'' for ''date such orders are issued''.

(iv) Revocation and termination

No transition order may be revoked under this subsection before the date that is 5 years after the date the WTO Agreement enters into force with respect to the United States.

(B) Sequence of transition reviews

The administering authority, in consultation with the Commission, shall determine such sequence of review of transition orders as it deems appropriate to promote administrative efficiency. To the extent practicable, older orders shall be reviewed first.

(C) "Transition order" defined

For purposes of this section, the term ''transition order'' means—

(i) a countervailing duty order under this subtitle or under section 1303[2] of this title,

(ii) an antidumping duty order under this subtitle or a finding under the Antidumping Act, 1921, or

(iii) a suspension of an investigation under section 1671c or 1673c of this title,

which is in effect on the date the WTO Agreement enters into force with respect to the United States.

(D) Issue date for transition orders

For purposes of this subsection, a transition order shall be treated as issued on the date the WTO Agreement enters into force with respect to the United States, if such order is based on an investigation conducted by both the administering authority and the Commission.

[2] See References in Text note below.

(d) Revocation of order or finding; termination of suspended investigation

(1) In general

The administering authority may revoke, in whole or in part, a countervailing duty order or an antidumping duty order or finding, or terminate a suspended investigation, after review under subsection (a) or (b) of this section. The administering authority shall not revoke, in whole or in part, a countervailing duty order or terminate a suspended investigation on the basis of any export taxes, duties, or other charges levied on the export of the subject merchandise to the United States which are specifically intended to offset the countervailable subsidy received.

(2) Five-year reviews

In the case of a review conducted under subsection (c) of this section, the administering authority shall revoke a countervailing duty order or an antidumping duty order or finding, or terminate a suspended investigation, unless—

(A) the administering authority makes a determination that dumping or a countervailable subsidy, as the case may be, would be likely to continue or recur, and

(B) the Commission makes a determination that material injury would be likely to continue or recur as described in section 1675a(a) of this title.

(3) Application of revocation or termination

A determination under this section to revoke an order or finding or terminate a suspended investigation shall apply with respect to unliquidated entries of the subject merchandise which are entered, or withdrawn from warehouse, for consumption on or after the date determined by the administering authority.

(e) Hearings

Whenever the administering authority or the Commission conducts a review under this section, it shall, upon the request of an interested party, hold a hearing in accordance with section 1677c(b) of this title in connection with that review.

(f) Determination that basis for suspension no longer exists

If the determination of the Commission under subsection (b)(2)(B) of this section is negative, the suspension agreement shall be treated as not accepted, beginning on the date of publication of the Commission's determination, and the administering authority and the Commission shall proceed, under section 1671c(i) or 1673c(i) of this title, as if the suspension agreement had been violated on that date, except that no duty under any order subsequently issued shall be assessed on merchandise entered, or withdrawn from warehouse, for consumption before that date.

(g) Reviews to implement results of subsidies enforcement proceeding

(1) Violations of article 8 of the subsidies agreement

If—

(A) the administering authority receives notice from the Trade Representative of a

violation of Article 8 of the Subsidies Agreement,

(B) the administering authority has reason to believe that merchandise subject to an existing countervailing duty order or suspended investigation is benefiting from the subsidy or subsidy program found to have been in violation of Article 8 of the Subsidies Agreement, and

(C) no review pursuant to subsection (a)(1) of this section is in progress,

the administering authority shall conduct a review of the order or suspended investigation to determine whether the subject merchandise benefits from the subsidy or subsidy program found to have been in violation of Article 8 of the Subsidies Agreement. If the administering authority determines that the subject merchandise is benefiting from the subsidy or subsidy program, it shall make appropriate adjustments in the estimated duty to be deposited or appropriate revisions to the terms of the suspension agreement.

(2) Withdrawal of subsidy or imposition of countermeasures

If the Trade Representative notifies the administering authority that, pursuant to Article 4 or Article 7 of the Subsidies Agreement—

(A)(i) the United States has imposed countermeasures, and

(ii) such countermeasures are based on the effects in the United States of imports of merchandise that is the subject of a countervailing duty order, or

(B) a WTO member country has withdrawn a countervailable subsidy provided with respect to merchandise subject to a countervailing duty order,

the administering authority shall conduct a review to determine if the amount of the estimated duty to be deposited should be adjusted or the order should be revoked.

(3) Expedited review

The administering authority shall conduct reviews under this subsection on an expedited basis, and shall publish the results of such reviews in the Federal Register.

(h) Correction of ministerial errors

The administering authority shall establish procedures for the correction of ministerial errors in final determinations within a reasonable time after the determinations are issued under this section. Such procedures shall ensure opportunity for interested parties to present their views regarding any such errors. As used in this subsection, the term ''ministerial error'' includes errors in addition, subtraction, or other arithmetic function, clerical errors resulting from inaccurate copying, duplication, or the like, and any other type of unintentional error which the administering authority considers ministerial.

(June 17, 1930, ch. 497, title VII, § 751, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 175; amended Oct. 30, 1984, Pub. L. 98–573, title VI, § 611(a)(2), (3), 98 Stat. 3031; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(8), 100 Stat. 2922; Aug. 23, 1988, Pub. L. 100–418, title I, § 1333(b), 102 Stat. 1209; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 220(a), 283(c), 108 Stat. 4857, 4930.)

REFERENCES IN TEXT

Section 1303 of this title, referred to in subsecs. (a)(1), (b)(1)(A), and (c)(1)(A), (6)(C)(i), is defined in section 1677(26) of this title to mean section 1330 as in effect on the day before Jan. 1, 1995.

The Antidumping Act, 1921, referred to in subsecs. (a)(1), (b)(1)(A), and (c)(6)(C)(ii), is act May 27, 1921, ch. 14, title II, 42 Stat. 11, as amended, which was classified generally to sections 160 to 171 of this title, and was repealed by Pub. L. 96–39, title I, § 106(a), July 26, 1979, 93 Stat. 193.

AMENDMENTS

1994—Pub. L. 103–465, § 283(c), added subsec. (g) and redesignated former subsec. (g) as (h).

Pub. L. 103–465, § 220(a), amended section generally, substituting present provisions for provisions relating to administrative review of determinations, which provided for periodic review of amount of duty in subsec. (a), review upon information or request in subsec. (b), revocation of countervailing duty order or antidumping duty order in subsec. (c), hearings in subsec. (d), determination that basis for suspension no longer existed in subsec. (e), and correction of ministerial errors in subsec. (f).

1988—Subsec. (f). Pub. L. 100–418 added subsec. (f).

1986—Subsec. (b)(1). Pub. L. 99–514 inserted ''or countervailing duty'' after ''antidumping'' in two places in last sentence.

1984—Subsec. (a)(1). Pub. L. 98–573, § 611(a)(2)(A), inserted ''if a request for such a review has been received and'' in provisions preceding subpar. (A).

Subsec. (b)(1). Pub. L. 98–573, § 611(a)(2)(B), substituted ''1671c of this title (other than a quantitative restriction agreement described in subsection (a)(2) or (c)(3)) or 1673c of this title (other than a quantitative restriction agreement described in subsection (a)(2))'' for ''1671c or 1673c of this title'', inserted reference to section 1676a(a)(1) or 1676a(a)(2) of this title, and inserted provision that during an investigation by the Commission, the party seeking revocation of an antidumping order shall have the burden of persuasion with respect to whether there are changed circumstances sufficient to warrant revocation of the antidumping order.

Subsec. (c). Pub. L. 98–573, § 611(a)(3), inserted provision that the administering authority shall not revoke, in whole or in part, a countervailing duty order or terminate a suspended investigation on the basis of any export taxes, duties, or other charges levied on the export of merchandise to the United States specifically intended to offset the subsidy received.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 applicable with respect to investigations initiated by petition or by the administering authority under parts I and II of this subtitle, and to reviews begun under section 1675 of this title, on or after Oct. 30, 1984, see section 626(b)(1) of Pub. L. 98–573, as amended, set out as a note under section 1671 of this title.

EFFECTIVE DATE

Part effective Jan. 1, 1980, see section 107 of Pub. L. 96–39, set out as a note under section 1671 of this title.

URUGUAY ROUND AGREEMENTS: ENTRY INTO FORCE

The Uruguay Round Agreements, including the World Trade Organization Agreement and agreements an-

nexed to that Agreement, as referred to in section 3511(d) of this title, entered into force with respect to the United States on Jan. 1, 1995. See note set out under section 3511 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1504, 1516a, 1671, 1671a, 1671b, 1671c, 1671d, 1671e, 1673a, 1673c, 1673e, 1675a, 1675b, 1677, 1677b, 1677e, 1677f, 1677f–1, 1677m, 1677n of this title.

§ 1675a. Special rules for section 1675(b) and 1675(c) reviews

(a) Determination of likelihood of continuation or recurrence of material injury

(1) In general

In a review conducted under section 1675(b) or (c) of this title, the Commission shall determine whether revocation of an order, or termination of a suspended investigation, would be likely to lead to continuation or recurrence of material injury within a reasonably foreseeable time. The Commission shall consider the likely volume, price effect, and impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated. The Commission shall take into account—

(A) its prior injury determinations, including the volume, price effect, and impact of imports of the subject merchandise on the industry before the order was issued or the suspension agreement was accepted,

(B) whether any improvement in the state of the industry is related to the order or the suspension agreement,

(C) whether the industry is vulnerable to material injury if the order is revoked or the suspension agreement is terminated, and

(D) in an antidumping proceeding under section 1675(c) of this title, the findings of the administering authority regarding duty absorption under section 1675(a)(4) of this title.

(2) Volume

In evaluating the likely volume of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether the likely volume of imports of the subject merchandise would be significant if the order is revoked or the suspended investigation is terminated, either in absolute terms or relative to production or consumption in the United States. In so doing, the Commission shall consider all relevant economic factors, including—

(A) any likely increase in production capacity or existing unused production capacity in the exporting country,

(B) existing inventories of the subject merchandise, or likely increases in inventories,

(C) the existence of barriers to the importation of such merchandise into countries other than the United States, and

(D) the potential for product-shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products.

(3) Price

In evaluating the likely price effects of imports of the subject merchandise if the order is revoked or the suspended investigation is terminated, the Commission shall consider whether—

(A) there is likely to be significant price underselling by imports of the subject merchandise as compared to domestic like products, and

(B) imports of the subject merchandise are likely to enter the United States at prices that otherwise would have a significant depressing or suppressing effect on the price of domestic like products.

(4) Impact on the industry

In evaluating the likely impact of imports of the subject merchandise on the industry if the order is revoked or the suspended investigation is terminated, the Commission shall consider all relevant economic factors which are likely to have a bearing on the state of the industry in the United States, including, but not limited to—

(A) likely declines in output, sales, market share, profits, productivity, return on investments, and utilization of capacity,

(B) likely negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment, and

(C) likely negative effects on the existing development and production efforts of the industry, including efforts to develop a derivative or more advanced version of the domestic like product.

The Commission shall evaluate all relevant economic factors described in this paragraph within the context of the business cycle and the conditions of competition that are distinctive to the affected industry.

(5) Basis for determination

The presence or absence of any factor which the Commission is required to consider under this subsection shall not necessarily give decisive guidance with respect to the Commission's determination of whether material injury is likely to continue or recur within a reasonably foreseeable time if the order is revoked or the suspended investigation is terminated. In making that determination, the Commission shall consider that the effects of revocation or termination may not be imminent, but may manifest themselves only over a longer period of time.

(6) Magnitude of margin of dumping and net countervailable subsidy; nature of countervailable subsidy

In making a determination under section 1675(b) or (c) of this title, the Commission may

consider the magnitude of the margin of dumping or the magnitude of the net countervailable subsidy. If a countervailable subsidy is involved the Commission shall consider information regarding the nature of the countervailable subsidy and whether the subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement.

(7) Cumulation

For purposes of this subsection, the Commission may cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which reviews under section 1675(b) or (c) of this title were initiated on the same day, if such imports would be likely to compete with each other and with domestic like products in the United States market. The Commission shall not cumulatively assess the volume and effects of imports of the subject merchandise in a case in which it determines that such imports are likely to have no discernible adverse impact on the domestic industry.

(8) Special rule for regional industries

In a review under section 1675(b) or (c) of this title involving a regional industry, the Commission may base its determination on the regional industry defined in the original investigation under this subtitle, another region that satisfies the criteria established in section 1677(4)(C) of this title, or the United States as a whole. In determining if a regional industry analysis is appropriate for the determination in the review, the Commission shall consider whether the criteria established in section 1677(4)(C) of this title are likely to be satisfied if the order is revoked or the suspended investigation is terminated.

(b) Determination of likelihood of continuation or recurrence of a countervailable subsidy

(1) In general

In a review conducted under section 1675(c) of this title, the administering authority shall determine whether revocation of a countervailing duty order or termination of a suspended investigation under section 1671c of this title would be likely to lead to continuation or recurrence of a countervailable subsidy. The administering authority shall consider—

(A) the net countervailable subsidy determined in the investigation and subsequent reviews, and

(B) whether any change in the program which gave rise to the net countervailable subsidy described in subparagraph (A) has occurred that is likely to affect that net countervailable subsidy.

(2) Consideration of other factors

If good cause is shown, the administering authority shall also consider—

(A) programs determined to provide countervailable subsidies in other investigations or reviews under this subtitle, but only to the extent that such programs—

(i) can potentially be used by the exporters or producers subject to the review under section 1675(c) of this title, and

(ii) did not exist at the time that the countervailing duty order was issued or the suspension agreement was accepted, and

(B) programs newly alleged to provide countervailable subsidies but only to the extent that the administering authority makes an affirmative countervailing duty determination with respect to such programs and with respect to the exporters or producers subject to the review.

(3) Net countervailable subsidy

The administering authority shall provide to the Commission the net countervailable subsidy that is likely to prevail if the order is revoked or the suspended investigation is terminated. The administering authority shall normally choose a net countervailable subsidy that was determined under section 1671d of this title or subsection (a) or (b)(1) of section 1675 of this title.

(4) Special rule

(A) Treatment of zero and de minimis rates

A net countervailable subsidy described in paragraph (1)(A) that is zero or de minimis shall not by itself require the administering authority to determine that revocation of a countervailing duty order or termination of a suspended investigation would not be likely to lead to continuation or recurrence of a countervailable subsidy.

(B) Application of de minimis standards

For purposes of this paragraph, the administering authority shall apply the de minimis standards applicable to reviews conducted under subsections (a) and (b)(1) of section 1675 of this title.

(c) Determination of likelihood of continuation or recurrence of dumping

(1) In general

In a review conducted under section 1675(c) of this title, the administering authority shall determine whether revocation of an antidumping duty order or termination of a suspended investigation under section 1673c of this title would be likely to lead to continuation or recurrence of sales of the subject merchandise at less than fair value. The administering authority shall consider—

(A) the weighted average dumping margins determined in the investigation and subsequent reviews, and

(B) the volume of imports of the subject merchandise for the period before and the period after the issuance of the antidumping duty order or acceptance of the suspension agreement.

(2) Consideration of other factors

If good cause is shown, the administering authority shall also consider such other price, cost, market, or economic factors as it deems relevant.

(3) Magnitude of the margin of dumping

The administering authority shall provide to the Commission the magnitude of the margin of dumping that is likely to prevail if the

order is revoked or the suspended investigation is terminated. The administering authority shall normally choose a margin that was determined under section 1673d of this title or under subsection (a) or (b)(1) of section 1675 of this title.

(4) Special rule

(A) Treatment of zero or de minimis margins

A dumping margin described in paragraph (1)(A) that is zero or de minimis shall not by itself require the administering authority to determine that revocation of an antidumping duty order or termination of a suspended investigation would not be likely to lead to continuation or recurrence of sales at less than fair value.

(B) Application of de minimis standards

For purposes of this paragraph, the administering authority shall apply the de minimis standards applicable to reviews conducted under subsections (a) and (b) of section 1675 of this title.

(June 17, 1930, ch. 497, title VII, § 752, as added Dec. 8, 1994, Pub. L. 103–465, title II, § 221(a), 108 Stat. 4865.)

EFFECTIVE DATE

Section effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as an Effective Date of 1994 Amendment note under section 1671 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1675, 1677 of this title.

§ 1675b. Special rules for injury investigations for certain section 1303 countervailing duty orders and investigations

(a) In general

(1) Investigation by the commission upon request

In the case of a countervailing duty order described in paragraph (2), which—

(A) applies to merchandise that is the product of a Subsidies Agreement country, and

(B)(i) is in effect on the date on which such country becomes a Subsidies Agreement country, or

(ii) is issued on a date that is after the date described in clause (i) pursuant to a court order in an action brought under section 1516a of this title,

the Commission, upon receipt of a request from an interested party described in section 1677(9)(C), (D), (E), (F), or (G) of this title for an injury investigation with respect to such order, shall initiate an investigation and shall determine whether an industry in the United States is likely to be materially injured by reason of imports of the subject merchandise if the order is revoked.

(2) Description of countervailing duty orders

A countervailing duty order described in this paragraph is an order issued under section 1303[1] of this title with respect to which the requirement of an affirmative determination of material injury under section 1303(a)(2)[1] of this title was not applicable at the time such order was issued.

(3) Requirements of request for investigation

A request for an investigation under this subsection shall be submitted—

(A) in the case of an order described in paragraph (1)(B)(i), within 6 months after the date on which the country described in paragraph (1)(A) becomes a Subsidies Agreement country, or

(B) in the case of an order described in paragraph (1)(B)(ii), within 6 months after the date the order is issued.

(4) Suspension of liquidation

With respect to entries of subject merchandise made on or after—

(A) in the case of an order described in paragraph (1)(B)(i), the date on which the country described in paragraph (1)(A) becomes a Subsidies Agreement country, or

(B) in the case of an order described in paragraph (1)(B)(ii), the date on which the order is issued,

liquidation shall be suspended at the cash deposit rate in effect on the date described in subparagraph (A) or (B) (whichever is applicable).

(b) Investigation procedure and schedule

(1) Commission procedure

(A) In general

Except as otherwise provided in this section, the provisions of this subtitle regarding evidence in and procedures for investigations conducted under part I of this subtitle shall apply to investigations conducted by the Commission under this section.

(B) Time for Commission determination

Except as otherwise provided in subparagraph (C), the Commission shall issue its determination under subsection (a)(1) of this section, to the extent possible, not later than 1 year after the date on which the investigation is initiated under this section.

(C) Special rule to permit administrative flexibility

In the case of requests for investigations received under this section within 1 year after the date on which the WTO Agreement enters into force with respect to the United States, the Commission may, after consulting with the administering authority, initiate its investigations in a manner that results in determinations being made in all such investigations during the 4-year period beginning on such date.

(2) Net countervailable subsidy; nature of subsidy

(A) Net countervailable subsidy

The administering authority shall provide to the Commission the net countervailable

[1] See References in Text note below.

subsidy that is likely to prevail if the order which is the subject of the investigation is revoked. The administering authority normally shall choose a net countervailable subsidy that was determined under section 1671d of this title or subsection (a) or (b)(1) of section 1675 of this title. If the Commission considers the magnitude of the net countervailable subsidy in making its determination under this section, the Commission shall use the net countervailable subsidy provided by the administering authority.

(B) Nature of subsidy

The administering authority shall inform the Commission of, and the Commission, in making its determination under this section, shall consider, the nature of the countervailable subsidy and whether the countervailable subsidy is a subsidy described in Article 3 or Article 6.1 of the Subsidies Agreement.

(3) Effect of Commission determination

(A) Affirmative determination

Upon being notified by the Commission that it has made an affirmative determination under subsection (a)(1) of this section—

(i) the administering authority shall order the termination of the suspension of liquidation required pursuant to subsection (a)(4) of this section, and

(ii) the countervailing duty order shall remain in effect until revoked, in whole or in part, under section 1675(d) of this title.

For purposes of section 1675(c) of this title, a countervailing duty order described in this section shall be treated as issued on the date of publication of the Commission's determination under this subsection.

(B) Negative determination

(i) In general

Upon being notified by the Commission that it has made a negative determination under subsection (a)(1) of this section, the administering authority shall revoke the countervailing duty order, and shall refund, with interest, any estimated countervailing duties collected during the period liquidation was suspended pursuant to subsection (a)(4) of this section.

(ii) Limitation on negative determination

A determination by the Commission that revocation of the order is not likely to result in material injury to an industry by reason of imports of the subject merchandise shall not be based, in whole or in part, on any export taxes, duties, or other charges levied on the export of the subject merchandise to the United States that were specifically intended to offset the countervailable subsidy received.

(4) Countervailing duty orders with respect to which no request for injury investigation is made

If, with respect to a countervailing duty order described in subsection (a) of this section, a request for an investigation is not made within the time required by subsection (a)(3) of this section, the Commission shall notify the administering authority that a negative determination has been made under subsection (a) of this section and the provisions of paragraph (3)(B) shall apply with respect to the order.

(c) Pending and suspended countervailing duty investigations

If, on the date on which a country becomes a Subsidies Agreement country, there is a countervailing duty investigation in progress or suspended under section 1303[2] of this title that applies to merchandise which is a product of that country and with respect to which the requirement of an affirmative determination of material injury under section 1303(a)(2)[2] of this title was not applicable at the time the investigation was initiated, the Commission shall—

(1) in the case of an investigation in progress, make a final determination under section 1671d(b) of this title within 75 days after the date of an affirmative final determination, if any, by the administering authority,

(2) in the case of a suspended investigation to which section 1671c(i)(1)(B) of this title applies, make a final determination under section 1671d(b) of this title within 120 days after receiving notice from the administering authority of the resumption of the investigation pursuant to section 1671c(i) of this title, or within 45 days after the date of an affirmative final determination, if any, by the administering authority, whichever is later, or

(3) in the case of a suspended investigation to which section 1671c(i)(1)(C) of this title applies, treat the countervailing duty order issued pursuant to such section as if it were—

(A) an order issued under subsection (a)(1)(B)(ii) of this section for purposes of subsection (a)(3) of this section; and

(B) an order issued under subsection (a)(1)(B)(i) of this section for purposes of subsection (a)(4) of this section.

(d) Publication in Federal Register

The administering authority or the Commission, as the case may be, shall publish in the Federal Register a notice of the initiation of any investigation, and a notice of any determination or revocation, made pursuant to this section.

(e) Request for simultaneous expedited review under section 1675(c)

(1) General rule

(A) Requests for reviews

Notwithstanding section 1675(c)(6)(A) of this title and except as provided in subparagraph (B), an interested party may request a review of an order under section 1675(c) of this title at the same time the party requests an investigation under subsection (a) of this section, if the order involves the same or comparable subject merchandise. Upon receipt of such request, the administering authority, after consulting with the

[2] See References in Text note below.

Commission, shall initiate a review of the order under section 1675(c) of this title. The Commission shall combine such review with the investigation under this section.

(B) Exception

If the administering authority determines that the interested party who requested an investigation under this section is a related party or an importer within the meaning of section 1677(4)(B) of this title, the administering authority may decline a request by such party to initiate a review of an order under section 1675(c) of this title which involves the same or comparable subject merchandise.

(2) Cumulation

If a review under section 1675(c) of this title is initiated under paragraph (1), such review shall be treated as having been initiated on the same day as the investigation under this section, and the Commission may, in accordance with section 1677(7)(G) of this title, cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which such investigations are treated as initiated on the same day.

(3) Time and procedure for Commission determination

The Commission shall render its determination in the investigation conducted under this section at the same time as the Commission's determination is made in the review under section 1675(c) of this title that is initiated pursuant to this subsection. The Commission shall in all other respects apply the procedures and standards set forth in section 1675(c) of this title to such section 1675(c) of this title reviews.

(June 17, 1930, ch. 497, title VII, § 753, as added Dec. 8, 1994, Pub. L. 103–465, title II, § 271(a), 108 Stat. 4918.)

REFERENCES IN TEXT

Section 1303 of this title, referred to in subsecs. (a)(2) and (c), is defined in section 1677(26) of this title to mean section 1330 as in effect on the day before Jan. 1, 1995.

EFFECTIVE DATE

Section effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as an Effective Date of 1994 Amendment note under section 1671 of this title.

URUGUAY ROUND AGREEMENTS: ENTRY INTO FORCE

The Uruguay Round Agreements, including the World Trade Organization Agreement and agreements annexed to that Agreement, as referred to in section 3511(d) of this title, entered into force with respect to the United States on Jan. 1, 1995. See note set out under section 3511 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1516a, 1675, 1677e, 1677f, 1677m of this title.

SUBPART B—CONSULTATIONS AND DETERMINATIONS REGARDING QUANTITATIVE RESTRICTION AGREEMENTS

§ 1676. Required consultations

(a) Agreements in response to countervailable subsidies

Within 90 days after the administering authority accepts a quantitative restriction agreement under section 1671c(a)(2) or (c)(3) of this title, the President shall enter into consultations with the government that is party to the agreement for purposes of—

(1) eliminating the countervailable subsidy completely, or

(2) reducing the net countervailable subsidy to a level that eliminates completely the injurious effect of exports to the United States of the merchandise.

(b) Modification of agreements on basis of consultations

At the direction of the President, the administering authority shall modify a quantitative restriction agreement as a result of consultations entered into under subsection (a) of this section.

(c) Special rule regarding agreements under section 1671c(c)(3) of this title

This chapter shall cease to apply to a quantitative restriction agreement described in section 1671c(c)(3) of this title at such time as that agreement ceases to have force and effect under section 1671c(f) of this title or violation is found under section 1671c(i) of this title.

(June 17, 1930, ch. 497, title VII, § 761, as added Oct. 30, 1984, Pub. L. 98–573, title VI, § 611(a)(4), 98 Stat. 3031; amended Dec. 8, 1994, Pub. L. 103–465, title II, § 270(a)(1)(I), (b)(1)(C), (2), 108 Stat. 4917.)

AMENDMENTS

1994—Subsec. (a). Pub. L. 103–465, § 270(b)(1)(C), (2), inserted "countervailable" before "subsidies" in heading.

Subsec. (a)(1), (2). Pub. L. 103–465, § 270(a)(1)(I), inserted "countervailable" before "subsidy".

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE

Section applicable with respect to investigations initiated by petition or by the administering authority under parts I and II of this subtitle, and to reviews begun under section 1675 of this title, on or after Oct. 30, 1984, see section 626(b)(1) of Pub. L. 98–573, as amended, set out as an Effective Date of 1984 Amendment note under section 1671 of this title.

§ 1676a. Required determinations

(a) In general

Before the expiration date, if any, of a quantitative restriction agreement accepted under section 1671c(a)(2) or 1671c(c)(3) of this title (if suspension of the related investigation is still in effect)—

(1) the administering authority shall, at the direction of the President, initiate a proceeding to determine whether any countervailable subsidy is being provided with respect to the subject merchandise and, if being so provided, the net countervailable subsidy; and

(2) if the administering authority initiates a proceeding under paragraph (1), the Commission shall determine whether imports of the merchandise of the kind subject to the agreement will, upon termination of the agreement, materially injure, or threaten with material injury, an industry in the United States or materially retard the establishment of such an industry.

(b) Determinations

The determinations required to be made by the administering authority and the Commission under subsection (a) of this section shall be made under such procedures as the administering authority and the Commission, respectively, shall by regulation prescribe, and shall be treated as final determinations made under section 1671d of this title for purposes of judicial review under section 1516a of this title. If the determinations by each are affirmative, the administering authority shall—

(1) issue a countervailing duty order under section 1671e of this title effective with respect to merchandise entered on and after the date on which the agreement terminates; and

(2) order the suspension of liquidation of all entries of subject merchandise which are entered, or withdrawn from warehouse for consumption, on or after the date of publication of the order in the Federal Register.

(c) Hearings

The determination proceedings required to be prescribed under subsection (b) of this section shall provide that the administering authority and the Commission must, upon the request of any interested party, hold a hearing in accordance with section 1677c of this title on the issues involved.

(June 17, 1930, ch. 497, title VII, § 762, as added Oct. 30, 1984, Pub. L. 98–573, title VI, § 611(a)(4), 98 Stat. 3032; amended Dec. 8, 1994, Pub. L. 103–465, title II, §§ 233(a)(5)(Z), (AA), 270(a)(1)(J), 108 Stat. 4900, 4917.)

AMENDMENTS

1994—Subsec. (a)(1). Pub. L. 103–465, §§ 233(a)(5)(Z), 270(a)(1)(J), inserted ''countervailable'' before ''subsidy'' in two places and substituted ''subject merchandise'' for ''merchandise subject to the agreement''.

Subsec. (b)(2). Pub. L. 103–465, § 233(a)(5)(AA), substituted ''subject merchandise'' for ''merchandise subject to the order''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE

Section applicable with respect to investigations initiated by petition or by the administering authority under parts I and II of this subtitle, or reviews begun under section 1675 of this title, on or after Oct. 30, 1984, see section 626(b)(1) of Pub. L. 98–573, as amended, set out as an Effective Date of 1984 Amendment note under section 1671 of this title.

PART IV—GENERAL PROVISIONS

CODIFICATION

The designation ''PART IV'' was in the original ''Subtitle D'' and was editorially changed in order to conform the numbering format of this subtitle to the usages employed in the codification of the remainder of the Tariff Act of 1930 as originally enacted.

§ 1677. Definitions; special rules

For purposes of this subtitle—

(1) Administering authority

The term ''administering authority'' means the Secretary of Commerce, or any other officer of the United States to whom the responsibility for carrying out the duties of the administering authority under this subtitle are transferred by law.

(2) Commission

The term ''Commission'' means the United States International Trade Commission.

(3) Country

The term ''country'' means a foreign country, a political subdivision, dependent territory, or possession of a foreign country, and, except for the purpose of antidumping proceedings, may include an association of 2 or more foreign countries, political subdivisions, dependent territories, or possessions of countries into a customs union outside the United States.

(4) Industry

(A) In general

The term ''industry'' means the producers as a whole of a domestic like product, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of the product.

(B) Related parties

(i) If a producer of a domestic like product and an exporter or importer of the subject merchandise are related parties, or if a producer of the domestic like product is also an importer of the subject merchandise, the producer may, in appropriate circumstances, be excluded from the industry.

(ii) For purposes of clause (i), a producer and an exporter or importer shall be considered to be related parties, if—

(I) the producer directly or indirectly controls the exporter or importer,

(II) the exporter or importer directly or indirectly controls the producer,

(III) a third party directly or indirectly controls the producer and the exporter or importer, or

(IV) the producer and the exporter or importer directly or indirectly control a third party and there is reason to believe that the relationship causes the producer to act differently than a nonrelated producer.

For purposes of this subparagraph, a party shall be considered to directly or indirectly control another party if the party is legally or operationally in a position to exercise restraint or direction over the other party.

(C) Regional industries

In appropriate circumstances, the United States, for a particular product market, may be divided into 2 or more markets and the producers within each market may be treated as if they were a separate industry if—

(i) the producers within such market sell all or almost all of their production of the domestic like product in question in that market, and

(ii) the demand in that market is not supplied, to any substantial degree, by producers of the product in question located elsewhere in the United States.

In such appropriate circumstances, material injury, the threat of material injury, or material retardation of the establishment of an industry may be found to exist with respect to an industry even if the domestic industry as a whole, or those producers whose collective output of a domestic like product constitutes a major proportion of the total domestic production of that product, is not injured, if there is a concentration of dumped imports or imports of merchandise benefiting from a countervailable subsidy into such an isolated market and if the producers of all, or almost all, of the production within that market are being materially injured or threatened by material injury, or if the establishment of an industry is being materially retarded, by reason of the dumped imports or imports of merchandise benefiting from a countervailable subsidy. The term ''regional industry'' means the domestic producers within a region who are treated as a separate industry under this subparagraph.

(D) Product lines

The effect of dumped imports or imports of merchandise benefiting from a countervailable subsidy shall be assessed in relation to the United States production of a domestic like product if available data permit the separate identification of production in terms of such criteria as the production process or the producer's profits. If the domestic production of the domestic like product has no separate identity in terms of such criteria, then the effect of the dumped imports or imports of merchandise benefiting from a countervailable subsidy shall be assessed by the examination of the production of the narrowest group or range of products, which includes a domestic like product, for which the necessary information can be provided.

(E) Industry producing processed agricultural products

(i) In general

Subject to clause (v), in an investigation involving a processed agricultural product produced from any raw agricultural product, the producers or growers of the raw agricultural product may be considered part of the industry producing the processed product if—

(I) the processed agricultural product is produced from the raw agricultural product through a single continuous line of production; and

(II) there is a substantial coincidence of economic interest between the producers or growers of the raw agricultural product and the processors of the processed agricultural product based upon relevant economic factors, which may, in the discretion of the Commission, include price, added market value, or other economic interrelationships (regardless of whether such coincidence of economic interest is based upon any legal relationship).

(ii) Processing

For purposes of this subparagraph, the processed agricultural product shall be considered to be processed from a raw agricultural product through a single continuous line of production if—

(I) the raw agricultural product is substantially or completely devoted to the production of the processed agricultural product; and

(II) the processed agricultural product is produced substantially or completely from the raw product.

(iii) Relevant economic factors

For purposes of clause (i)(II), in addition to such other factors it considers relevant to the question of coincidence of economic interest, the Commission shall—

(I) if price is taken into account, consider the degree of correlation between the price of the raw agricultural product and the price of the processed agricultural product; and

(II) if added market value is taken into account, consider whether the value of the raw agricultural product constitutes a significant percentage of the value of the processed agricultural product.

(iv) Raw agricultural product

For purposes of this subparagraph, the term ''raw agricultural product'' means any farm or fishery product.

(v) Termination of this subparagraph

This subparagraph shall cease to have effect if the United States Trade Representative notifies the administering authority and the Commission that the application of this subparagraph is inconsistent with the international obligations of the United States.

(5) Countervailable subsidy

(A) In general

Except as provided in paragraph (5B), a countervailable subsidy is a subsidy described in this paragraph which is specific as described in paragraph (5A).

(B) Subsidy described

A subsidy is described in this paragraph in the case in which an authority—

(i) provides a financial contribution,

(ii) provides any form of income or price support within the meaning of Article XVI of the GATT 1994, or

(iii) makes a payment to a funding mechanism to provide a financial contribution, or entrusts or directs a private entity to make a financial contribution, if providing the contribution would normally be vested in the government and the practice does not differ in substance from practices normally followed by governments,

to a person and a benefit is thereby conferred. For purposes of this paragraph and paragraphs (5A) and (5B), the term ''authority'' means a government of a country or any public entity within the territory of the country.

(C) Other factors

The determination of whether a subsidy exists shall be made without regard to whether the recipient of the subsidy is publicly or privately owned and without regard to whether the subsidy is provided directly or indirectly on the manufacture, production, or export of merchandise. The administering authority is not required to consider the effect of the subsidy in determining whether a subsidy exists under this paragraph.

(D) Financial contribution

The term ''financial contribution'' means—

(i) the direct transfer of funds, such as grants, loans, and equity infusions, or the potential direct transfer of funds or liabilities, such as loan guarantees,

(ii) foregoing or not collecting revenue that is otherwise due, such as granting tax credits or deductions from taxable income,

(iii) providing goods or services, other than general infrastructure, or

(iv) purchasing goods.

(E) Benefit conferred

A benefit shall normally be treated as conferred where there is a benefit to the recipient, including—

(i) in the case of an equity infusion, if the investment decision is inconsistent with the usual investment practice of private investors, including the practice regarding the provision of risk capital, in the country in which the equity infusion is made,

(ii) in the case of a loan, if there is a difference between the amount the recipient of the loan pays on the loan and the amount the recipient would pay on a comparable commercial loan that the recipient could actually obtain on the market,

(iii) in the case of a loan guarantee, if there is a difference, after adjusting for any difference in guarantee fees, between the amount the recipient of the guarantee pays on the guaranteed loan and the amount the recipient would pay for a comparable commercial loan if there were no guarantee by the authority, and

(iv) in the case where goods or services are provided, if such goods or services are provided for less than adequate remuneration, and in the case where goods are purchased, if such goods are purchased for more than adequate remuneration.

For purposes of clause (iv), the adequacy of remuneration shall be determined in relation to prevailing market conditions for the good or service being provided or the goods being purchased in the country which is subject to the investigation or review. Prevailing market conditions include price, quality, availability, marketability, transportation, and other conditions of purchase or sale.

(F) Change in ownership

A change in ownership of all or part of a foreign enterprise or the productive assets of a foreign enterprise does not by itself require a determination by the administering authority that a past countervailable subsidy received by the enterprise no longer continues to be countervailable, even if the change in ownership is accomplished through an arm's length transaction.

(5A) Specificity

(A) In general

A subsidy is specific if it is an export subsidy described in subparagraph (B) or an import substitution subsidy described in subparagraph (C), or if it is determined to be specific pursuant to subparagraph (D).

(B) Export subsidy

An export subsidy is a subsidy that is, in law or in fact, contingent upon export performance, alone or as 1 of 2 or more conditions.

(C) Import substitution subsidy

An import substitution subsidy is a subsidy that is contingent upon the use of domestic goods over imported goods, alone or as 1 of 2 or more conditions.

(D) Domestic subsidy

In determining whether a subsidy (other than a subsidy described in subparagraph (B) or (C)) is a specific subsidy, in law or in fact, to an enterprise or industry within the jurisdiction of the authority providing the subsidy, the following guidelines shall apply:

(i) Where the authority providing the subsidy, or the legislation pursuant to which the authority operates, expressly limits access to the subsidy to an enterprise or industry, the subsidy is specific as a matter of law.

(ii) Where the authority providing the subsidy, or the legislation pursuant to which the authority operates, establishes objective criteria or conditions governing the eligibility for, and the amount of, a subsidy, the subsidy is not specific as a matter of law, if—

(I) eligibility is automatic,

(II) the criteria or conditions for eligibility are strictly followed, and

(III) the criteria or conditions are clearly set forth in the relevant statute, regulation, or other official document so as to be capable of verification.

For purposes of this clause, the term ''objective criteria or conditions'' means criteria or conditions that are neutral and that do not favor one enterprise or industry over another.

(iii) Where there are reasons to believe that a subsidy may be specific as a matter of fact, the subsidy is specific if one or more of the following factors exist:

(I) The actual recipients of the subsidy, whether considered on an enterprise or industry basis, are limited in number.

(II) An enterprise or industry is a predominant user of the subsidy.

(III) An enterprise or industry receives a disproportionately large amount of the subsidy.

(IV) The manner in which the authority providing the subsidy has exercised discretion in the decision to grant the subsidy indicates that an enterprise or industry is favored over others.

In evaluating the factors set forth in subclauses (I), (II), (III), and (IV), the administering authority shall take into account the extent of diversification of economic activities within the jurisdiction of the authority providing the subsidy, and the length of time during which the subsidy program has been in operation.

(iv) Where a subsidy is limited to an enterprise or industry located within a designated geographical region within the jurisdiction of the authority providing the subsidy, the subsidy is specific.

For purposes of this paragraph and paragraph (5B), any reference to an enterprise or industry is a reference to a foreign enterprise or foreign industry and includes a group of such enterprises or industries.

(5B) Categories of noncountervailable subsidies

(A) In general

Notwithstanding the provisions of paragraphs (5) and (5A), in the case of merchandise imported from a Subsidies Agreement country, a subsidy shall be treated as noncountervailable if the administering authority determines in an investigation under part I of this subtitle or a review under part III of this subtitle that the subsidy meets all of the criteria described in subparagraph (B), (C), or (D), as the case may be, or the provisions of subparagraph (E)(i) apply.

(B) Research subsidy

(i) In general

Except for a subsidy provided on the manufacture, production, or export of civil aircraft, a subsidy for research activities conducted by a person, or by a higher education or research establishment on a contract basis with a person, shall be treated as noncountervailable, if the subsidy covers not more than 75 percent of the costs of industrial research or not more than 50 percent of the costs of precompetitive development activity, and such subsidy is limited exclusively to—

(I) the costs of researchers, technicians, and other supporting staff employed exclusively in the research activity,

(II) the costs of instruments, equipment, land, or buildings that are used exclusively and permanently (except when disposed of on a commercial basis) for the research activity,

(III) the costs of consultancy and equivalent services used exclusively for the research activity, including costs for bought-in research, technical knowledge, and patents,

(IV) additional overhead costs incurred directly as a result of the research activity, and

(V) other operating costs (such as materials and supplies) incurred directly as a result of the research activity.

(ii) Definitions

For purposes of this subparagraph—

(I) Industrial research

The term ''industrial research'' means planned search or critical investigation aimed at the discovery of new knowledge, with the objective that such knowledge may be useful in developing new products, processes, or services, or in bringing about a significant improvement to existing products, processes, or services.

(II) Precompetitive development activity

The term ''precompetitive development activity'' means the translation of industrial research findings into a plan, blueprint, or design for new, modified, or improved products, processes, or services, whether intended for sale or use, including the creation of a first prototype that would not be capable of commercial use. The term also may include the conceptual formulation and design of products, processes, or services alternatives and initial demonstration or pilot projects, if these same projects cannot be converted or used for industrial application or commercial exploitation. The term does not include routine or periodic alterations to existing products, production lines, manufacturing processes, services, or other ongoing operations even if those alterations may represent improvements.

(iii) Calculation rules

(I) In general

In the case of a research activity that spans both industrial research and precompetitive development activity, the allowable level of the noncountervailable subsidy shall not exceed 62.5 percent of the costs set forth in subclauses (I), (II), (III), (IV), and (V) of clause (i).

(II) Total eligible costs

The allowable level of a noncountervailable subsidy described in clause (i) shall be based on the total eligible costs

incurred over the duration of a particular project.

(C) Subsidy to disadvantaged regions

(i) In general

A subsidy provided, pursuant to a general framework of regional development, to a person located in a disadvantaged region within a country shall be treated as noncountervailable, if it is not specific (within the meaning of paragraph (5A)) within eligible regions and if the following conditions are met:

(I) Each region identified as disadvantaged within the territory of a country is a clearly designated, contiguous geographical area with a definable economic and administrative identity.

(II) Each region is considered a disadvantaged region on the basis of neutral and objective criteria indicating that the region is disadvantaged because of more than temporary circumstances, and such criteria are clearly stated in the relevant statute, regulation, or other official document so as to be capable of verification.

(III) The criteria described in subclause (II) include a measurement of economic development.

(IV) Programs provided within a general framework of regional development include ceilings on the amount of assistance that can be granted to a subsidized project. Such ceilings are differentiated according to the different levels of development of assisted regions, and are expressed in terms of investment costs or costs of job creation. Within such ceilings, the distribution of assistance is sufficiently broad and even to avoid the predominant use of a subsidy by, or the provision of disproportionately large amounts of a subsidy to, an enterprise or industry as described in paragraph (5A)(D).

(ii) Measurement of economic development

For purposes of clause (i), the measurement of economic development shall be based on one or more of the following factors:

(I) Per capita income, household per capita income, or per capita gross domestic product that does not exceed 85 percent of the average for the country subject to investigation or review.

(II) An unemployment rate that is at least 110 percent of the average unemployment rate for the country subject to investigation or review.

The measurement of economic development shall cover a 3-year period, but may be a composite measurement and may include factors other than those set forth in this clause.

(iii) Definitions

For purposes of this subparagraph—

(I) General framework of regional development

The term ''general framework of regional development'' means that the regional subsidy programs are part of an internally consistent and generally applicable regional development policy, and that regional development subsidies are not granted in isolated geographical points having no, or virtually no, influence on the development of a region.

(II) Neutral and objective criteria

The term ''neutral and objective criteria'' means criteria that do not favor certain regions beyond what is appropriate for the elimination or reduction of regional disparities within the framework of the regional development policy.

(D) Subsidy for adaptation of existing facilities to new environmental requirements

(i) In general

A subsidy that is provided to promote the adaptation of existing facilities to new environmental requirements that are imposed by statute or by regulation, and that result in greater constraints and financial burdens on the recipient of the subsidy, shall be treated as noncountervailable, if the subsidy—

(I) is a one-time nonrecurring measure,

(II) is limited to 20 percent of the cost of adaptation,

(III) does not cover the cost of replacing and operating the subsidized investment, a cost that must be fully borne by the recipient,

(IV) is directly linked and proportionate to the recipient's planned reduction of nuisances and pollution, and does not cover any manufacturing cost savings that may be achieved, and

(V) is available to all persons that can adopt the new equipment or production processes.

(ii) Existing facilities

For purposes of this subparagraph, the term ''existing facilities'' means facilities that have been in operation for at least 2 years before the date on which the new environmental requirements are imposed.

(E) Notified subsidy program

(i) General rule

If a subsidy is provided pursuant to a program that has been notified in accordance with Article 8.3 of the Subsidies Agreement, the subsidy shall be treated as noncountervailable and shall not be subject to investigation or review under this subtitle.

(ii) Exception

Notwithstanding clause (i), a subsidy shall be treated as countervailable if—

(I) the Trade Representative notifies the administering authority that a determination has been made pursuant to Article 8.4 or 8.5 of the Subsidies Agreement that the subsidy, or the program pursuant to which the subsidy was provided, does not satisfy the conditions and criteria of Article 8.2 of the Subsidies Agreement; and

(II) the subsidy is specific within the meaning of paragraph (5A).

(F) Certain subsidies on agricultural products

Domestic support measures that are provided with respect to products listed in Annex 1 to the Agreement on Agriculture, and that the administering authority determines conform fully to the provisions of Annex 2 to that Agreement, shall be treated as noncountervailable. Upon request by the administering authority, the Trade Representative shall provide advice regarding the interpretation and application of Annex 2.

(G) Provisional application

(i) Subparagraphs (B), (C), (D), and (E) shall not apply on or after the first day of the month that is 66 months after the WTO Agreement enters into force, unless the provisions of such subparagraphs are extended pursuant to section 3572(c) of this title.

(ii) Subparagraph (F) shall not apply to imports from a WTO member country at the end of the 9-year period beginning on January 1, 1995. The Trade Representative shall determine the precise termination date for each WTO member country in accordance with paragraph (i) of Article 1 of the Agreement on Agriculture and such date shall be notified to the administering authority.

(6) Net countervailable subsidy

For the purpose of determining the net countervailable subsidy, the administering authority may subtract from the gross countervailable subsidy the amount of—

(A) any application fee, deposit, or similar payment paid in order to qualify for, or to receive, the benefit of the countervailable subsidy,

(B) any loss in the value of the countervailable subsidy resulting from its deferred receipt, if the deferral is mandated by Government order, and

(C) export taxes, duties, or other charges levied on the export of merchandise to the United States specifically intended to offset the countervailable subsidy received.

(7) Material injury

(A) In general

The term ''material injury'' means harm which is not inconsequential, immaterial, or unimportant.

(B) Volume and consequent impact

In making determinations under sections 1671b(a), 1671d(b), 1673b(a), and 1673d(b) of this title, the Commission, in each case—

(i) shall consider—

(I) the volume of imports of the subject merchandise,

(II) the effect of imports of that merchandise on prices in the United States for domestic like products, and

(III) the impact of imports of such merchandise on domestic producers of domestic like products, but only in the context of production operations within the United States; and

(ii) may consider such other economic factors as are relevant to the determination regarding whether there is material injury by reason of imports.

In the notification required under section 1671d(d) or 1673d(d) of this title, as the case may be, the Commission shall explain its analysis of each factor considered under clause (i), and identify each factor considered under clause (ii) and explain in full its relevance to the determination.

(C) Evaluation of relevant factors

For purposes of subparagraph (B)—

(i) Volume

In evaluating the volume of imports of merchandise, the Commission shall consider whether the volume of imports of the merchandise, or any increase in that volume, either in absolute terms or relative to production or consumption in the United States, is significant.

(ii) Price

In evaluating the effect of imports of such merchandise on prices, the Commission shall consider whether—

(I) there has been significant price underselling by the imported merchandise as compared with the price of domestic like products of the United States, and

(II) the effect of imports of such merchandise otherwise depresses prices to a significant degree or prevents price increases, which otherwise would have occurred, to a significant degree.

(iii) Impact on affected domestic industry

In examining the impact required to be considered under subparagraph (B)(i)(III), the Commission shall evaluate all relevant economic factors which have a bearing on the state of the industry in the United States, including, but not limited to—

(I) actual and potential decline in output, sales, market share, profits, productivity, return on investments, and utilization of capacity,

(II) factors affecting domestic prices,

(III) actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment,

(IV) actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and

(V) in a proceeding under part II of this subtitle, the magnitude of the margin of dumping.

The Commission shall evaluate all relevant economic factors described in this clause within the context of the business cycle and conditions of competition that are distinctive to the affected industry.

(iv) Captive production

If domestic producers internally transfer significant production of the domestic like

product for the production of a downstream article and sell significant production of the domestic like product in the merchant market, and the Commission finds that—

(I) the domestic like product produced that is internally transferred for processing into that downstream article does not enter the merchant market for the domestic like product,

(II) the domestic like product is the predominant material input in the production of that downstream article, and

(III) the production of the domestic like product sold in the merchant market is not generally used in the production of that downstream article,

then the Commission, in determining market share and the factors affecting financial performance set forth in clause (iii), shall focus primarily on the merchant market for the domestic like product.

(D) Special rules for agricultural products

(i) The Commission shall not determine that there is no material injury or threat of material injury to United States producers of an agricultural commodity merely because the prevailing market price is at or above the minimum support price.

(ii) In the case of agricultural products, the Commission shall consider any increased burden on government income or price support programs.

(E) Special rules

For purposes of this paragraph—

(i) Nature of countervailable subsidy

In determining whether there is a threat of material injury, the Commission shall consider information provided to it by the administering authority regarding the nature of the countervailable subsidy granted by a foreign country (particularly whether the countervailable subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement) and the effects likely to be caused by the countervailable subsidy.

(ii) Standard for determination

The presence or absence of any factor which the Commission is required to evaluate under subparagraph (C) or (D) shall not necessarily give decisive guidance with respect to the determination by the Commission of material injury.

(F) Threat of material injury

(i) In general

In determining whether an industry in the United States is threatened with material injury by reason of imports (or sales for importation) of the subject merchandise, the Commission shall consider, among other relevant economic factors—

(I) if a countervailable subsidy is involved, such information as may be presented to it by the administering authority as to the nature of the subsidy (particularly as to whether the countervailable subsidy is a subsidy described in Article 3 or 6.1 of the Subsidies Agreement), and whether imports of the subject merchandise are likely to increase,

(II) any existing unused production capacity or imminent, substantial increase in production capacity in the exporting country indicating the likelihood of substantially increased imports of the subject merchandise into the United States, taking into account the availability of other export markets to absorb any additional exports,

(III) a significant rate of increase of the volume or market penetration of imports of the subject merchandise indicating the likelihood of substantially increased imports,

(IV) whether imports of the subject merchandise are entering at prices that are likely to have a significant depressing or suppressing effect on domestic prices, and are likely to increase demand for further imports,

(V) inventories of the subject merchandise,

(VI) the potential for product-shifting if production facilities in the foreign country, which can be used to produce the subject merchandise, are currently being used to produce other products,

(VII) in any investigation under this subtitle which involves imports of both a raw agricultural product (within the meaning of paragraph (4)(E)(iv)) and any product processed from such raw agricultural product, the likelihood that there will be increased imports, by reason of product shifting, if there is an affirmative determination by the Commission under section 1671d(b)(1) or 1673d(b)(1) of this title with respect to either the raw agricultural product or the processed agricultural product (but not both),

(VIII) the actual and potential negative effects on the existing development and production efforts of the domestic industry, including efforts to develop a derivative or more advanced version of the domestic like product, and

(IX) any other demonstrable adverse trends that indicate the probability that there is likely to be material injury by reason of imports (or sale for importation) of the subject merchandise (whether or not it is actually being imported at the time).

(ii) Basis for determination

The Commission shall consider the factors set forth in clause (i) as a whole in making a determination of whether further dumped or subsidized imports are imminent and whether material injury by reason of imports would occur unless an order is issued or a suspension agreement is accepted under this subtitle. The presence or absence of any factor which the Commission is required to consider under clause (i) shall not necessarily give decisive guidance with respect to the deter-

mination. Such a determination may not be made on the basis of mere conjecture or supposition.

(iii) Effect of dumping in third-country markets

(I) In general

In investigations under part II of this subtitle, the Commission shall consider whether dumping in the markets of foreign countries (as evidenced by dumping findings or antidumping remedies in other WTO member markets against the same class or kind of merchandise manufactured or exported by the same party as under investigation) suggests a threat of material injury to the domestic industry. In the course of its investigation, the Commission shall request information from the foreign manufacturer, exporter, or United States importer concerning this issue.

(II) WTO member market

For purposes of this clause, the term ''WTO member market'' means the market of any country which is a WTO member.

(III) European Communities

For purposes of this clause, the European Communities shall be treated as a foreign country.

(G) Cumulation for determining material injury

(i) In general

For purposes of clauses (i) and (ii) of subparagraph (C), and subject to clause (ii), the Commission shall cumulatively assess the volume and effect of imports of the subject merchandise from all countries with respect to which—

(I) petitions were filed under section 1671a(b) or 1673a(b) of this title on the same day,

(II) investigations were initiated under section 1671a(a) or 1673a(a) of this title on the same day, or

(III) petitions were filed under section 1671a(b) or 1673a(b) of this title and investigations were initiated under section 1671a(a) or 1673a(a) of this title on the same day,

if such imports compete with each other and with domestic like products in the United States market.

(ii) Exceptions

The Commission shall not cumulatively assess the volume and effect of imports under clause (i)—

(I) with respect to which the administering authority has made a preliminary negative determination, unless the administering authority subsequently made a final affirmative determination with respect to those imports before the Commission's final determination is made;

(II) from any country with respect to which the investigation has been terminated;

(III) from any country designated as a beneficiary country under the Caribbean Basin Economic Recovery Act (19 U.S.C. 2701 et seq.) for purposes of making a determination with respect to that country, except that the volume and effect of imports of the subject merchandise from such country may be cumulatively assessed with imports of the subject merchandise from any other country designated as such a beneficiary country to the extent permitted by clause (i); or

(IV) from any country that is a party to an agreement with the United States establishing a free trade area, which entered into force and effect before January 1, 1987, unless the Commission determines that a domestic industry is materially injured or threatened with material injury by reason of imports from that country.

(iii) Records in final investigations

In each final determination in which it cumulatively assesses the volume and effect of imports under clause (i), the Commission shall make its determinations based on the record compiled in the first investigation in which it makes a final determination, except that when the administering authority issues its final determination in a subsequently completed investigation, the Commission shall permit the parties in the subsequent investigation to submit comments concerning the significance of the administering authority's final determination, and shall include such comments and the administering authority's final determination in the record for the subsequent investigation.

(iv) Regional industry determinations

In an investigation which involves a regional industry, and in which the Commission decides that the volume and effect of imports should be cumulatively assessed under this subparagraph, such assessment shall be based upon the volume and effect of imports into the region or regions determined by the Commission. The provisions of clause (iii) shall apply to such investigations.

(H) Cumulation for determining threat of material injury

To the extent practicable and subject to subparagraph (G)(ii), for purposes of clause (i)(III) and (IV) of subparagraph (F), the Commission may cumulatively assess the volume and price effects of imports of the subject merchandise from all countries with respect to which—

(i) petitions were filed under section 1671a(b) or 1673a(b) of this title on the same day,

(ii) investigations were initiated under section 1671a(a) or 1673a(a) of this title on the same day, or

(iii) petitions were filed under section 1671a(b) or 1673a(b) of this title and investigations were initiated under section 1671a(a) or 1673a(a) of this title on the same day,

if such imports compete with each other and with domestic like products in the United States market.

(I) Consideration of post-petition information

The Commission shall consider whether any change in the volume, price effects, or impact of imports of the subject merchandise since the filing of the petition in an investigation under part I or II of this subtitle is related to the pendency of the investigation and, if so, the Commission may reduce the weight accorded to the data for the period after the filing of the petition in making its determination of material injury, threat of material injury, or material retardation of the establishment of an industry in the United States.

(8) Subsidies Agreement; Agreement on Agriculture

(A) Subsidies Agreement

The term ''Subsidies Agreement'' means the Agreement on Subsidies and Countervailing Measures referred to in section 3511(d)(12) of this title.

(B) Agreement on Agriculture

The term ''Agreement on Agriculture'' means the Agreement on Agriculture referred to in section 3511(d)(2) of this title.

(9) Interested party

The term ''interested party'' means—

(A) a foreign manufacturer, producer, or exporter, or the United States importer, of subject merchandise or a trade or business association a majority of the members of which are producers, exporters, or importers of such merchandise,

(B) the government of a country in which such merchandise is produced or manufactured or from which such merchandise is exported,

(C) a manufacturer, producer, or wholesaler in the United States of a domestic like product,

(D) a certified union or recognized union or group of workers which is representative of an industry engaged in the manufacture, production, or wholesale in the United States of a domestic like product,

(E) a trade or business association a majority of whose members manufacture, produce, or wholesale a domestic like product in the United States,

(F) an association, a majority of whose members is composed of interested parties described in subparagraph (C), (D), or (E) with respect to a domestic like product, and

(G) in any investigation under this subtitle involving an industry engaged in producing a processed agricultural product, as defined in paragraph (4)(E), a coalition or trade association which is representative of either—

(i) processors,

(ii) processors and producers, or

(iii) processors and growers,

but this subparagraph shall cease to have effect if the United States Trade Representative notifies the administering authority and the Commission that the application of this subparagraph is inconsistent with the international obligations of the United States.

(10) Domestic like product

The term ''domestic like product'' means a product which is like, or in the absence of like, most similar in characteristics and uses with, the article subject to an investigation under this subtitle.

(11) Affirmative determinations by divided Commission

If the Commissioners voting on a determination by the Commission, including a determination under section 1675 of this title, are evenly divided as to whether the determination should be affirmative or negative, the Commission shall be deemed to have made an affirmative determination. For the purpose of applying this paragraph when the issue before the Commission is to determine whether there is—

(A) material injury to an industry in the United States,

(B) threat of material injury to such an industry, or

(C) material retardation of the establishment of an industry in the United States,

by reason of imports of the merchandise, an affirmative vote on any of the issues shall be treated as a vote that the determination should be affirmative.

(12) Attribution of merchandise to country of manufacture or production

For purposes of part I of this subtitle, merchandise shall be treated as the product of the country in which it was manufactured or produced without regard to whether it is imported directly from that country and without regard to whether it is imported in the same condition as when exported from that country or in a changed condition by reason of remanufacture or otherwise.

(13) Repealed. Pub. L. 103–465, title II, § 222(i)(2), Dec. 8, 1994, 108 Stat. 4876

(14) Sold or, in the absence of sales, offered for sale

The term ''sold or, in the absence of sales, offered for sale'' means sold or, in the absence of sales, offered—

(A) to all purchasers in commercial quantities, or

(B) in the ordinary course of trade to one or more selected purchasers in commercial quantities at a price which fairly reflects the market value of the merchandise,

without regard to restrictions as to the disposition or use of the merchandise by the purchaser except that, where such restrictions are found to affect the market value of the merchandise, adjustment shall be made therefor in calculating the price at which the merchandise is sold or offered for sale.

(15) Ordinary course of trade

The term ''ordinary course of trade'' means the conditions and practices which, for a reasonable time prior to the exportation of the

subject merchandise, have been normal in the trade under consideration with respect to merchandise of the same class or kind. The administering authority shall consider the following sales and transactions, among others, to be outside the ordinary course of trade:

(A) Sales disregarded under section 1677b(b)(1) of this title.

(B) Transactions disregarded under section 1677b(f)(2) of this title.

(16) Foreign like product

The term ''foreign like product'' means merchandise in the first of the following categories in respect of which a determination for the purposes of part II of this subtitle can be satisfactorily made:

(A) The subject merchandise and other merchandise which is identical in physical characteristics with, and was produced in the same country by the same person as, that merchandise.

(B) Merchandise—

(i) produced in the same country and by the same person as the subject merchandise,

(ii) like that merchandise in component material or materials and in the purposes for which used, and

(iii) approximately equal in commercial value to that merchandise.

(C) Merchandise—

(i) produced in the same country and by the same person and of the same general class or kind as the merchandise which is the subject of the investigation,

(ii) like that merchandise in the purposes for which used, and

(iii) which the administering authority determines may reasonably be compared with that merchandise.

(17) Usual commercial quantities

The term ''usual commercial quantities'', in any case in which the subject merchandise is sold in the market under consideration at different prices for different quantities, means the quantities in which such merchandise is there sold at the price or prices for one quantity in an aggregate volume which is greater than the aggregate volume sold at the price or prices for any other quantity.

(18) Nonmarket economy country

(A) In general

The term ''nonmarket economy country'' means any foreign country that the administering authority determines does not operate on market principles of cost or pricing structures, so that sales of merchandise in such country do not reflect the fair value of the merchandise.

(B) Factors to be considered

In making determinations under subparagraph (A) the administering authority shall take into account—

(i) the extent to which the currency of the foreign country is convertible into the currency of other countries;[1]

(ii) the extent to which wage rates in the foreign country are determined by free bargaining between labor and management,

(iii) the extent to which joint ventures or other investments by firms of other foreign countries are permitted in the foreign country,

(iv) the extent of government ownership or control of the means of production,

(v) the extent of government control over the allocation of resources and over the price and output decisions of enterprises, and

(vi) such other factors as the administering authority considers appropriate.

(C) Determination in effect

(i) Any determination that a foreign country is a nonmarket economy country shall remain in effect until revoked by the administering authority.

(ii) The administering authority may make a determination under subparagraph (A) with respect to any foreign country at any time.

(D) Determinations not in issue

Notwithstanding any other provision of law, any determination made by the administering authority under subparagraph (A) shall not be subject to judicial review in any investigation conducted under part II of this subtitle.

(E) Collection of information

Upon request by the administering authority, the Commissioner of Customs shall provide the administering authority a copy of all public and proprietary information submitted to, or obtained by, the Commissioner of Customs that the administering authority considers relevant to proceedings involving merchandise from nonmarket economy countries. The administering authority shall protect proprietary information obtained under this section from public disclosure in accordance with section 1677f of this title.

(19) Equivalency of leases to sales

In determining whether a lease is equivalent to a sale for purposes of this subtitle, the administering authority shall consider—

(A) the terms of the lease,

(B) commercial practice within the industry,

(C) the circumstances of the transaction,

(D) whether the product subject to the lease is integrated into the operations of the lessee or importer,

(E) whether in practice there is a likelihood that the lease will be continued or renewed for a significant period of time, and

(F) other relevant factors, including whether the lease transaction would permit avoidance of antidumping or countervailing duties.

(20) Application to governmental importations

(A) In general

Except as otherwise provided by this paragraph, merchandise imported by, or for the

[1] So in original. The semicolon probably should be a comma.

use of, a department or agency of the United States Government (including merchandise provided for under chapter 98 of the Harmonized Tariff Schedule of the United States) is subject to the imposition of countervailing duties or antidumping duties under this subtitle or section 1303 of this title.

(B) Exceptions

Merchandise imported by, or for the use of, the Department of Defense shall not be subject to the imposition of countervailing or antidumping duties under this subtitle if—

(i) the merchandise is acquired by, or for use of, such Department—

(I) from a country with which such Department had a Memorandum of Understanding which was in effect on January 1, 1988, and has continued to have a comparable agreement (including renewals) or superceding agreements, and

(II) in accordance with terms of the Memorandum of Understanding in effect at the time of importation, or

(ii) the merchandise has no substantial nonmilitary use.

(21) United States-Canada Agreement

The term ''United States-Canada Agreement'' means the United States-Canada Free-Trade Agreement.

(22) NAFTA

The term ''NAFTA'' means the North American Free Trade Agreement.

(23) Entry

The term ''entry'' includes, in appropriate circumstances as determined by the administering authority, a reconciliation entry created under a reconciliation process, defined in section 1401(s) of this title, that is initiated by an importer. The liability of an importer under an antidumping or countervailing duty proceeding for entries of merchandise subject to the proceeding will attach to the corresponding reconciliation entry or entries. Suspension of liquidation of the reconciliation entry or entries, for the purpose of enforcing this subtitle, is equivalent to the suspension of liquidation of the corresponding individual entries; but the suspension of liquidation of the reconciliation entry or entries for such purpose does not preclude liquidation for any other purpose.

(24) Negligible imports

(A) In general

(i) Less than 3 percent

Except as provided in clauses (ii) and (iv), imports from a country of merchandise corresponding to a domestic like product identified by the Commission are ''negligible'' if such imports account for less than 3 percent of the volume of all such merchandise imported into the United States in the most recent 12-month period for which data are available that precedes—

(I) the filing of the petition under section 1671a(b) or 1673a(b) of this title, or

(II) the initiation of the investigation, if the investigation was initiated under section 1671a(a) or 1673a(a) of this title.

(ii) Exception

Imports that would otherwise be negligible under clause (i) shall not be negligible if the aggregate volume of imports of the merchandise from all countries described in clause (i) with respect to which investigations were initiated on the same day exceeds 7 percent of the volume of all such merchandise imported into the United States during the applicable 12-month period.

(iii) Determination of aggregate volume

In determining aggregate volume under clause (ii) or (iv), the Commission shall not consider imports from any country specified in paragraph (7)(G)(ii).

(iv) Negligibility in threat analysis

Notwithstanding clauses (i) and (ii), the Commission shall not treat imports as negligible if it determines that there is a potential that imports from a country described in clause (i) will imminently account for more than 3 percent of the volume of all such merchandise imported into the United States, or that the aggregate volumes of imports from all countries described in clause (ii) will imminently exceed 7 percent of the volume of all such merchandise imported into the United States. The Commission shall consider such imports only for purposes of determining threat of material injury.

(B) Negligibility for certain countries in countervailing duty investigations

In the case of an investigation under section 1671 of this title, subparagraph (A) shall be applied to imports of subject merchandise from developing countries by substituting ''4 percent'' for ''3 percent'' in subparagraph (A)(i) and by substituting ''9 percent'' for ''7 percent'' in subparagraph (A)(ii).

(C) Computation of import volumes

In computing import volumes for purposes of subparagraphs (A) and (B), the Commission may make reasonable estimates on the basis of available statistics.

(D) Regional industries

In an investigation in which the Commission makes a regional industry determination under paragraph (4)(C), the Commission's examination under subparagraphs (A) and (B) shall be based upon the volume of subject merchandise exported for sale in the regional market in lieu of the volume of all subject merchandise imported into the United States.

(25) Subject merchandise

The term ''subject merchandise'' means the class or kind of merchandise that is within the scope of an investigation, a review, a suspension agreement, an order under this subtitle or section 1303 of this title, or a finding under the Antidumping Act, 1921.

(26) Section 1303

The terms ''section 1303'' and ''1303'' mean section 1303 of this title as in effect on the day before the effective date of title II of the Uruguay Round Agreements Act.

(27) Suspension agreement

The term ''suspension agreement'' means an agreement described in section 1671c(b), 1671c(c), 1673c(b), 1673c(c), or 1673c(*l*) of this title.

(28) Exporter or producer

The term ''exporter or producer'' means the exporter of the subject merchandise, the producer of the subject merchandise, or both where appropriate. For purposes of section 1677b of this title, the term ''exporter or producer'' includes both the exporter of the subject merchandise and the producer of the same subject merchandise to the extent necessary to accurately calculate the total amount incurred and realized for costs, expenses, and profits in connection with production and sale of that merchandise.

(29) WTO Agreement

The term ''WTO Agreement'' means the Agreement defined in section 3501(9) of this title.

(30) WTO member and WTO member country

The terms ''WTO member'' and ''WTO member country'' mean a state, or separate customs territory (within the meaning of Article XII of the WTO Agreement), with respect to which the United States applies the WTO agreement.[2]

(31) GATT 1994

The term ''GATT 1994'' means the General Agreement on Tariffs and Trade annexed to the WTO Agreement.

(32) Trade representative

The term ''Trade Representative'' means the United States Trade Representative.

(33) Affiliated persons

The following persons shall be considered to be ''affiliated'' or ''affiliated persons'':

(A) Members of a family, including brothers and sisters (whether by the whole or half blood), spouse, ancestors, and lineal descendants.

(B) Any officer or director of an organization and such organization.

(C) Partners.

(D) Employer and employee.

(E) Any person directly or indirectly owning, controlling, or holding with power to vote, 5 percent or more of the outstanding voting stock or shares of any organization and such organization.

(F) Two or more persons directly or indirectly controlling, controlled by, or under common control with, any person.

(G) Any person who controls any other person and such other person.

For purposes of this paragraph, a person shall be considered to control another person if the person is legally or operationally in a position to exercise restraint or direction over the other person.

(34) Dumped; dumping

The terms ''dumped'' and ''dumping'' refer to the sale or likely sale of goods at less than fair value.

(35) Dumping margin; weighted average dumping margin

(A) Dumping margin

The term ''dumping margin'' means the amount by which the normal value exceeds the export price or constructed export price of the subject merchandise.

(B) Weighted average dumping margin

The term ''weighted average dumping margin'' is the percentage determined by dividing the aggregate dumping margins determined for a specific exporter or producer by the aggregate export prices and constructed export prices of such exporter or producer.

(C) Magnitude of the margin of dumping

The magnitude of the margin of dumping used by the Commission shall be—

(i) in making a preliminary determination under section 1673b(a) of this title in an investigation (including any investigation in which the Commission cumulatively assesses the volume and effect of imports under paragraph (7)(G)(i)), the dumping margin or margins published by the administering authority in its notice of initiation of the investigation;

(ii) in making a final determination under section 1673d(b) of this title, the dumping margin or margins most recently published by the administering authority prior to the closing of the Commission's administrative record;

(iii) in a review under section 1675(b)(2) of this title, the most recent dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title, if any, or under section 1673b(b) or 1673d(a) of this title; and

(iv) in a review under section 1675(c) of this title, the dumping margin or margins determined by the administering authority under section 1675a(c)(3) of this title.

(36) Developing and least developed country

(A) Developing country

The term ''developing country'' means a country designated as a developing country by the Trade Representative.

(B) Least developed country

The term ''least developed country'' means a country which the Trade Representative determines is—

(i) a country referred to as a least developed country within the meaning of paragraph (a) of Annex VII to the Subsidies Agreement, or

(ii) any other country listed in Annex VII to the Subsidies Agreement, but only if the country has a per capita gross national product of less than $1,000 per

[2] So in original. Probably should be capitalized.

annum as measured by the most recent data available from the World Bank.

(C) Publication of list

The Trade Representative shall publish in the Federal Register, and update as necessary, a list of—

(i) developing countries that have eliminated their export subsidies on an expedited basis within the meaning of Article 27.11 of the Subsidies Agreement, and

(ii) countries determined by the Trade Representative to be least developed or developing countries.

(D) Factors to consider

In determining whether a country is a developing country under subparagraph (A), the Trade Representative shall consider such economic, trade, and other factors which the Trade Representative considers appropriate, including the level of economic development of such country (the assessment of which shall include a review of the country's per capita gross national product) and the country's share of world trade.

(E) Limitation on designation

A determination that a country is a developing or least developed country pursuant to this paragraph shall be for purposes of this subtitle only and shall not affect the determination of a country's status as a developing or least developed country with respect to any other law.

(June 17, 1930, ch. 497, title VII, § 771, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 176; amended Oct. 30, 1984, Pub. L. 98–573, title VI, § 612(a), 98 Stat. 3033; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(9), 100 Stat. 2922; Aug. 23, 1988, Pub. L. 100–418, title I, §§ 1312, 1316(b), 1326(a)–(c), 1327–1330, 1335, 102 Stat. 1184, 1187, 1203–1206, 1210; Sept. 28, 1988, Pub. L. 100–449, title IV, § 403(d), 102 Stat. 1887; Nov. 10, 1988, Pub. L. 100–647, title IX, § 9001(a)(5), 102 Stat. 3807; Aug. 20, 1990, Pub. L. 101–382, title I, § 139(a)(3), title II, § 224(a), (b), 104 Stat. 653, 659, 660; Dec. 8, 1993, Pub. L. 103–182, title IV, § 412(b), title VI, § 637(b), 107 Stat. 2146, 2203; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 221(b), 222, 229(b), 233(a)(3), (4), (5)(BB)–(FF), (b), 251, 266, 267, 270(c)(2), (e), 108 Stat. 4869, 4890, 4898–4902, 4915, 4917, 4918.)

REFERENCES IN TEXT

The Caribbean Basin Economic Recovery Act, referred to in par. (7)(G)(ii)(III), is title II of Pub. L. 98–67, Aug. 5, 1983, 97 Stat. 384, as amended, which is classified principally to chapter 15 (§ 2701 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

The Harmonized Tariff Schedule of the United States, referred to in par. (20)(A), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

Section 1303 of this title, referred to in pars. (20)(A), (25), and (26), was repealed, effective Jan. 1, 1995, by Pub. L. 103–465, title II, § 261(a), Dec. 8, 1994, 108 Stat. 4908. For savings provisions and treatment of references to section 1303 in other laws, see section 261(b), (d)(1)(C) of Pub. L. 103–465, set out as notes under section 1303 of this title.

The Antidumping Act, 1921, referred to in par. (25), is act May 27, 1921, ch. 14, title II, 42 Stat. 11, as amended, which was classified generally to sections 160 to 171 of this title, and was repealed by Pub. L. 96–39, title I, § 106(a), July 26, 1979, 93 Stat. 193.

For the effective date of title II of the Uruguay Round Agreements Act, referred to in par. (26), as Jan. 1, 1995, see Effective Date of 1994 Amendment note set out under section 1671 of this title.

AMENDMENTS

1994—Par. (1). Pub. L. 103–465, § 233(b)(2), substituted "Secretary of Commerce" for "Secretary of the Treasury".

Par. (4)(A). Pub. L. 103–465, § 222(a)(1), amended heading and text of subpar. (A) generally. Prior to amendment, text read as follows: "The term 'industry' means the domestic producers as a whole of a like product, or those producers whose collective output of the like product constitutes a major proportion of the total domestic production of that product; except that in the case of wine and grape products subject to investigation under this subtitle, the term also means the domestic producers of the principal raw agricultural product (determined on either a volume or value basis) which is included in the like domestic product, if those producers allege material injury, or threat of material injury, as a result of imports of such wine and grape products."

Par. (4)(B). Pub. L. 103–465, § 222(a)(1), amended heading and text of subpar. (B) generally. Prior to amendment, text read as follows: "When some producers are related to the exporters or importers, or are themselves importers of the allegedly subsidized or dumped merchandise, the term 'industry' may be applied in appropriate circumstances by excluding such producers from those included in that industry."

Par. (4)(C). Pub. L. 103–465, § 270(c)(2), in concluding provisions, substituted "dumped imports or imports of merchandise benefiting from a countervailable subsidy" for "subsidized or dumped imports" in two places.

Pub. L. 103–465, §§ 222(a)(2), 233(a)(3)(A)(i), substituted "domestic like product" for "like product" in cl. (i) and concluding provisions, and inserted at end of concluding provisions "The term 'regional industry' means the domestic producers within a region who are treated as a separate industry under this subparagraph."

Par. (4)(D). Pub. L. 103–465, §§ 233(a)(3)(A)(i), 270(c)(2), substituted "domestic like product" for "like product" wherever appearing and "dumped imports or imports of merchandise benefiting from a countervailable subsidy" for "subsidized or dumped imports" in two places.

Pars. (5) to (5B). Pub. L. 103–465, § 251(a), added pars. (5) to (5B), and struck out former par. (5) which defined "subsidy".

Par. (6). Pub. L. 103–465, § 251(b), inserted "countervailable" before "subsidy" wherever appearing in heading and text.

Par. (7)(B)(i)(I). Pub. L. 103–465, § 233(a)(5)(BB), substituted "subject merchandise" for "merchandise which is the subject of the investigation".

Par. (7)(B)(i)(II), (III), (C)(ii)(I). Pub. L. 103–465, § 233(a)(3)(B), substituted "domestic like products" for "like products".

Par. (7)(C)(iii). Pub. L. 103–465, § 222(b)(3), substituted "subparagraph (B)(i)(III)" for "subparagraph (B)(iii)" in introductory provisions.

Par. (7)(C)(iii)(IV). Pub. L. 103–465, § 233(a)(3)(A)(ii), substituted "domestic like product" for "like product".

Par. (7)(C)(iii)(V). Pub. L. 103–465, § 222(b)(1), added subcl. (V).

Par. (7)(C)(iv). Pub. L. 103–465, § 222(b)(2), added cl. (iv) and struck out former cl. (iv) which directed that Commission cumulatively assess volume and effect of imports from two or more countries of like products subject to investigation if such imports compete with each other and with like products of domestic industry in United States market, with an exception for imports which are products of country designated as beneficiary country under Caribbean Basin Economic Recovery Act.

Par. (7)(C)(v). Pub. L. 103–465, § 222(d)(1), struck out heading and text of cl. (v). Prior to amendment, text read as follows: ''The Commission is not required to apply clause (iv) or subparagraph (F)(iv) in any case in which the Commission determines that imports of the merchandise subject to investigation are negligible and have no discernable adverse impact on the domestic industry. For purposes of making such determination, the Commission shall evaluate all relevant economic factors regarding the imports, including, but not limited to, whether—

''(I) the volume and market share of the imports are negligible,

''(II) sales transactions involving the imports are isolated and sporadic, and

''(III) the domestic market for the like product is price sensitive by reason of the nature of the product, so that a small quantity of imports can result in price suppression or depression.

For purposes of this clause, the Commission may treat as negligible and having no discernable adverse impact on the domestic industry imports that are the product of any country that is a party to a free trade area agreement with the United States which entered into force and effect before January 1, 1987, if the Commission determines that the domestic industry is not being materially injured by reason of such imports.''

Par. (7)(E)(i). Pub. L. 103–465, § 266, amended heading and text of cl. (i) generally. Prior to amendment, text read as follows: ''In determining whether there is a threat of material injury, the Commission shall consider such information as may be presented to it by the administering authority as to the nature of the subsidy (particularly as to whether the subsidy is an export subsidy inconsistent with the Agreement) provided by a foreign country and the effects likely to be caused by the subsidy.''

Par. (7)(F)(i), (ii). Pub. L. 103–465, § 222(c), amended cls. (i) and (ii) generally, substituting present provisions for provisions which listed factors in determining as well as basis for determining that an industry is threatened with material injury by reason of imports (or sales for importation) of the subject merchandise.

Par. (7)(F)(iii)(I), (II). Pub. L. 103–465, § 233(b)(1)(A), in subcl. (I), substituted ''WTO member'' for ''GATT member'', and in subcl. (II), substituted ''WTO member'' for ''GATT member'' in heading and text before ''market'', and ''WTO member.'' for ''signatory to The Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade (relating to antidumping measures).''

Par. (7)(F)(iv). Pub. L. 103–465, § 222(e)(1), struck out heading and text of cl. (iv). Prior to amendment, text read as follows: ''To the extent practicable and subject to subparagraph (C)(iv)(II) and (v), for purposes of clause (i)(III) and (IV) the Commission may cumulatively assess the volume and price effects of imports from two or more countries if such imports—

''(I) compete with each other, and with like products of the domestic industry, in the United States market, and

''(II) are subject to any investigation under section 1303, 1671, or 1673 of this title.''

Par. (7)(G), (H). Pub. L. 103–465, § 222(e)(2), added subpars. (G) and (H).

Par. (7)(I). Pub. L. 103–465, § 222(f), added subpar. (I).

Par. (8). Pub. L. 103–465, § 270(e), amended heading and text of par. (8) generally. Prior to amendment, text read as follows: ''The terms 'Agreement on Subsidies and Countervailing Measures' and 'Agreement' mean the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade (relating to subsidies and countervailing measures) approved under section 2503(a) of this title.''

Par. (9)(A). Pub. L. 103–465, §§ 222(g)(1), 233(a)(5)(CC), substituted ''subject merchandise'' for ''merchandise which is the subject of an investigation under this subtitle'' and inserted ''producers, exporters, or'' before ''importers''.

Par. (9)(B). Pub. L. 103–465, § 222(g)(2), inserted ''or from which such merchandise is exported'' after ''manufactured''.

Par. (9)(C) to (F). Pub. L. 103–465, § 233(a)(3)(A)(iii), substituted ''domestic like product'' for ''like product''.

Par. (10). Pub. L. 103–465, § 233(a)(3)(A)(iii), substituted ''domestic like product'' for ''like product'' in heading and text.

Par. (11). Pub. L. 103–465, § 221(b), inserted '', including a determination under section 1675 of this title,'' after ''determination by the Commission'' in introductory provisions.

Par. (13). Pub. L. 103–465, § 222(i)(2), struck out heading and text of par. (13). Text read as follows: ''For the purpose of determining United States price, the term 'exporter' includes the person by whom or for whose account the merchandise is imported into the United States if—

''(A) such person is the agent or principal of the exporter, manufacturer, or producer;

''(B) such person owns or controls, directly or indirectly, through stock ownership or control or otherwise, any interest in the business of the exporter, manufacturer, or producer;

''(C) the exporter, manufacturer, or producer owns or controls, directly or indirectly, through stock ownership or control or otherwise, any interest in any business conducted by such person; or

''(D) any person or persons, jointly or severally, directly or indirectly, through stock ownership or control or otherwise, own or control in the aggregate 20 percent or more of the voting power or control in the business carried on by the person by whom or for whose account the merchandise is imported into the United States, and also 20 percent or more of such power or control in the business of the exporter, manufacturer, or producer.''

Par. (15). Pub. L. 103–465, § 222(h), substituted ''subject merchandise'' for ''merchandise which is the subject of an investigation'' and inserted at end ''The administering authority shall consider the following sales and transactions, among others, to be outside the ordinary course of trade:

''(A) Sales disregarded under section 1677b(b)(1) of this title.

''(B) Transactions disregarded under section 1677b(f)(2) of this title.''

Par. (16). Pub. L. 103–465, § 233(a)(4), substituted ''Foreign like product'' for ''Such or similar merchandise'' as heading and ''foreign like product'' for ''such or similar merchandise'' in introductory provisions.

Par. (16)(A). Pub. L. 103–465, § 233(a)(5)(DD), substituted ''subject merchandise'' for ''merchandise which is the subject of an investigation''.

Par. (16)(B)(i). Pub. L. 103–465, § 233(a)(5)(EE), which directed the substitution of ''subject merchandise'' for ''merchandise which is the subject of an investigation'', was executed by making the substitution for text which contained the words ''the investigation'' rather than ''an investigation'', to reflect the probable intent of Congress.

Par. (17). Pub. L. 103–465, § 233(a)(5)(FF), substituted ''subject merchandise'' for ''merchandise which is the subject of the investigation''.

Par. (24). Pub. L. 103–465, § 222(d)(2), added par. (24).

Pars. (25) to (34). Pub. L. 103–465, § 222(i)(1), added pars. (25) to (34).

Par. (35). Pub. L. 103–465, § 229(b), added par. (35).

Par. (36). Pub. L. 103–465, § 267, added par. (36).

1993—Pars. (18), (21). Pub. L. 103–182, § 412(b)(1), redesignated par. (18), relating to United States-Canada Agreement, as (21).

Par. (22). Pub. L. 103–182, § 412(b)(2), added (22).

Par. (23). Pub. L. 103–182, § 637(b), added par. (23).

1990—Par. (7)(C)(iv). Pub. L. 101–382, § 224(a), amended cl. (iv) generally. Prior to amendment, cl. (iv) read as follows: ''For purposes of clauses (i) and (ii), the Commission shall cumulatively assess the volume and effect of imports from two or more countries of like products subject to investigation if such imports compete

with each other and with like products of the domestic industry in the United States market.''

Par. (7)(F)(iv). Pub. L. 101–382, § 224(b), substituted ''(C)(iv)(II) and (v)'' for ''(C)(v)''.

Par. (20)(A). Pub. L. 101–382, § 139(a)(3), substituted ''chapter 98 of the Harmonized Tariff Schedule'' for ''schedule 8 of the Tariff Schedules''.

1988—Par. (4)(E). Pub. L. 100–418, § 1326(a), added subpar. (E).

Par. (5). Pub. L. 100–418, § 1312, amended par. (5) generally. Prior to amendment, par. (5) read as follows: ''The term 'subsidy' has the same meaning as the term 'bounty or grant' as that term is used in section 1303 of this title, and includes, but is not limited to, the following:

''(A) Any export subsidy described in Annex A to the Agreement (relating to illustrative list of export subsidies).

''(B) The following domestic subsidies, if provided or required by government action to a specific enterprise or industry, or group of enterprises or industries, whether publicly or privately owned, and whether paid or bestowed directly or indirectly on the manufacture, production, or export of any class or kind of merchandise:

''(i) The provision of capital, loans, or loan guarantees on terms inconsistent with commercial considerations.

''(ii) The provision of goods or services at preferential rates.

''(iii) The grant of funds or forgiveness of debt to cover operating losses sustained by a specific industry.

''(iv) The assumption of any costs or expenses of manufacture, production, or distribution.''

Par. (7)(B). Pub. L. 100–418, § 1328(1), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: ''In making its determinations under sections 1671b(a), 1671d(b), 1673b(a), and 1673d(b) of this title, the Commission shall consider, among other factors—

''(i) the volume of imports of the merchandise which is the subject of the investigation,

''(ii) the effect of imports of that merchandise on prices in the United States for like products, and

''(iii) the impact of imports of such merchandise on domestic producers of like products.''

Par. (7)(C). Pub. L. 100–418, § 1328(2), in heading substituted ''relevant factors'' for ''volume and of price effects'', in cl. (ii)(I) substituted ''underselling'' for ''undercutting'', and in cl. (iii) inserted ''domestic'' in heading and amended text generally. Prior to amendment, text of cl. (iii) read as follows: ''In examining the impact on the affected industry, the Commission shall evaluate all relevant economic factors which have a bearing on the state of the industry, including, but not limited to—

''(I) actual and potential decline in output, sales, market share, profits, productivity, return on investments, and utilization of capacity,

''(II) factors affecting domestic prices, and

''(III) actual and potential negative effects on cash flow, inventories, employment, wages, growth, ability to raise capital, and investment.''

Par. (7)(C)(v). Pub. L. 100–418, § 1330(b), added cl. (v).

Par. (7)(F)(i)(IX). Pub. L. 100–418, § 1326(b), which directed that par. (7)(F) be amended by adding subcl. (IX), was executed by adding subcl. (IX) to par. (7)(F)(i) to reflect the probable intent of Congress.

Par. (7)(F)(i)(X). Pub. L. 100–418, § 1329(1)–(3), added subcl. (X).

Par. (7)(F)(iii). Pub. L. 100–418, § 1329(4), added cl. (iii).

Par. (7)(F)(iv). Pub. L. 100–418, § 1330(a), added cl. (iv).

Par. (9)(G). Pub. L. 100–418, § 1326(c), added subpar. (G).

Par. (18). Pub. L. 100–449 added par. (18) relating to United States-Canada Agreement.

Pub. L. 100–418, § 1316(b), added par. (18) relating to nonmarket economy country.

Par. (19). Pub. L. 100–647 redesignated par. (19), relating to application to governmental importations, as (20).

Pub. L. 100–418, § 1335, added par. (19) relating to application to governmental importations.

Pub. L. 100–418, § 1327, added par. (19) relating to equivalency of leases to sales.

Par. (20). Pub. L. 100–647 redesignated par. (19), relating to application to governmental importations, as (20).

1986—Par. (7)(F)(i). Pub. L. 99–514 substituted ''the merchandise'' for ''any merchandise'' in introductory provisions and ''final orders'' for ''find orders'' in subcl. (VIII).

1984—Par. (4)(A). Pub. L. 98–573, § 612(a)(1), inserted provision that in the case of wine and grape products subject to investigation under this subtitle, the term also means the domestic producers of the principal raw agricultural product (determined on either a volume or value basis) which is included in the like domestic product, if those producers allege material injury, or threat of material injury, as a result of imports of such wine and grape products.

Par. (7)(C)(iv). Pub. L. 98–623, § 612(a)(2)(A), added cl. (iv).

Par. (7)(F). Pub. L. 98–573, § 612(a)(2)(B), added subpar. (F).

Par. (9)(F). Pub. L. 98–573, § 612(a)(3), added subpar. (F).

Par. (14)(A), (B). Pub. L. 98–573, § 612(a)(4), substituted ''in commercial quantities'' for ''at wholesale''.

Par. (17). Pub. L. 98–573, § 612(a)(5), substituted ''commercial quantities'' for ''wholesale quantities''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by section 412(b) of Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], but not applicable to any final determination described in section 1516a(a)(1)(B) or (2)(B)(i), (ii), or (iii) of this title, notice of which is published in the Federal Register before such date, or to a determination described in section 1516a(a)(2)(B)(vi) of this title, notice of which is received by the Government of Canada or Mexico before such date, or to any binational panel review under the United States-Canada Free-Trade Agreement, or to any extraordinary challenge arising out of any such review that was commenced before such date, see section 416 of Pub. L. 103–182, set out as an Effective Date note under section 3431 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Section 224(c) of Pub. L. 101–382 provided that: ''The amendments made by subsections (a) and (b) [amending this section] apply with respect to investigations (including investigations regarding products of Canadian origin) initiated under section 702 or 732 of the Tariff Act of 1930 [19 U.S.C. 1671a, 1673a] on or after the date of the enactment of this Act [Aug. 20, 1990].''

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENTS

Amendment by Pub. L. 100–647 applicable as if such amendment took effect on Aug. 23, 1988, see section 9001(b) of Pub. L. 100–647, set out as a note under section 58c of this title.

Amendment by Pub. L. 100–449 effective on date United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

Amendment by sections 1312, 1316(b), 1326(a)–(c), and 1327–1329 of Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and to reviews initiated under section 1673e(c) or 1675 of this title after Aug. 23, 1988, see section 1337(b) of Pub. L. 100–418, set out as an Effective Date of 1988 Amendment note under section 1671 of this title.

Amendment by section 1330 of Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, see section 1337(c) of Pub. L. 100–418.

Amendment by section 1335 of Pub. L. 100–418 applicable with respect to entries, and withdrawals from warehouse for consumption, that are liquidated on or after Aug. 23, 1988, see section 1337(e) of Pub. L. 100–418.

EFFECTIVE AND TERMINATION DATES OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 applicable with respect to investigations initiated by petition or by the administering authority under parts I and II of this subtitle, and to reviews begun under section 1675 of this title, on or after Oct. 30, 1984; but provisions of this subtitle not to be interpreted to prevent refiling of a petition under section 1671a or 1673a of this title that was filed before Oct. 30, 1984, if the purpose of refiling was to avail petitioner of amendment of par. (4)(A) of this section by Pub. L. 98–573, and such amendment of par. (4)(A) inapplicable to petitions filed (or refiled) under section 1671a or 1673a of this title after Sept. 30, 1986, see section 626(b)(1), (c)(1), (2) of Pub. L. 98–573, as amended, set out as an Effective Date of 1984 Amendment note under section 1671 of this title.

EFFECTIVE DATE

Part effective Jan. 1, 1980, see section 107 of Pub. L. 96–39, set out as a note under section 1671 of this title.

TRANSFER OF FUNCTIONS

All functions of the Secretary of the Treasury under this subtitle were transferred to the Secretary of Commerce pursuant to Reorg. Plan No. 3 of 1979, § 5(a)(1)(C), 44 F.R. 69275, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title, except that the Customs Service of the Department of the Treasury shall accept such deposits, bonds, or other security as deemed appropriate by the Secretary of Commerce, assess and collect such duties as directed by the Secretary of Commerce, and furnish such of its important records or copies thereof as requested by the Secretary incident to the functions transferred.

URUGUAY ROUND AGREEMENTS: ENTRY INTO FORCE

The Uruguay Round Agreements, including the World Trade Organization Agreement and agreements annexed to that Agreement, as referred to in section 3511(d) of this title, entered into force with respect to the United States on Jan. 1, 1995. See note set out under section 3511 of this title.

EFFECT OF TERMINATION OF NAFTA COUNTRY STATUS

For provisions relating to effect of termination of NAFTA country status on the provisions of sections 401 to 416 of Pub. L. 103–182, see section 3451 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1337, 1516, 1516a, 1671a, 1671b, 1671c, 1671e, 1673a, 1673b, 1673c, 1673e, 1675, 1675a, 1675b, 1677–1, 1677a, 1677b, 1677d, 1677m, 3435, 3531, 3538, 3571, 3572 of this title; title 28 section 2631.

§ 1677–1. Upstream subsidies

(a) "Upstream subsidy" defined

The term ''upstream subsidy'' means any countervailable subsidy, other than an export subsidy, that—

(1) is paid or bestowed by an authority (as defined in section 1677(5) of this title) with respect to a product (hereafter in this section referred to as an ''input product'') that is used in the same country as the authority in the manufacture or production of merchandise which is the subject of a countervailing duty proceeding;

(2) in the judgment of the administering authority bestows a competitive benefit on the merchandise; and

(3) has a significant effect on the cost of manufacturing or producing the merchandise.

In applying this subsection, an association of two or more foreign countries, political subdivisions, dependent territories, or possessions of foreign countries organized into a customs union outside the United States shall be treated as being one country if the countervailable subsidy is provided by the customs union.

(b) Determination of competitive benefit

(1) In general

Except as provided in paragraph (2), the administering authority shall decide that a competitive benefit has been bestowed when the price for the input product referred to in subsection (a)(1) of this section for such use is lower than the price that the manufacturer or producer of merchandise which is the subject of a countervailing duty proceeding would otherwise pay for the product in obtaining it from another seller in an arms-length transaction.

(2) Adjustments

If the administering authority has determined in a previous proceeding that a countervailable subsidy is paid or bestowed on the input product that is used for comparison under paragraph (1), the administering authority may (A) where appropriate, adjust the price that the manufacturer or producer of merchandise which is the subject of such proceeding would otherwise pay for the product to reflect the effects of the countervailable subsidy, or (B) select in lieu of that price a price from another source.

(c) Inclusion of amount of countervailable subsidy

If the administering authority decides, during the course of a countervailing duty proceeding that an upstream countervailable subsidy is being or has been paid or bestowed regarding the subject merchandise, the administering authority shall include in the amount of any countervailing duty imposed on the merchandise an amount equal to the amount of the competitive benefit referred to in subparagraph (1)(B),[1] ex-

[1] So in original. Probably should be ''subsection (a)(2) of this section,''.

cept that in no event shall the amount be greater than the amount of the countervailable subsidy determined with respect to the upstream product.

(June 17, 1930, ch. 497, title VII, § 771A, as added Oct. 30, 1984, Pub. L. 98–573, title VI, § 613(a), 98 Stat. 3035; amended Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(10), 100 Stat. 2922; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 233(a)(5)(GG), 268, 270(a)(1)(K), (L), (2)(B), (c)(3), 108 Stat. 4901, 4916, 4917.)

AMENDMENTS

1994—Subsec. (a). Pub. L. 103–465, § 268, inserted introductory provisions and struck out former introductory provisions which read as follows: ''The term 'upstream subsidy' means any subsidy described in section 1677(5)(B)(i), (ii), (iii), or (iv) of this title by the government of a country that—'', and in concluding provisions, inserted ''countervailable'' before ''subsidy''.

Subsec. (a)(1). Pub. L. 103–465, § 268(1), added par. (1) and struck out former par. (1) which read as follows: ''is paid or bestowed by that government with respect to a product (hereafter referred to as an 'input product') that is used in the manufacture or production in that country of merchandise which is the subject of a countervailing duty proceeding;''.

Subsec. (b)(2). Pub. L. 103–465, § 270(a)(1)(K), inserted ''countervailable'' before ''subsidy'' in two places.

Subsec. (c). Pub. L. 103–465, § 270(a)(2)(B), which directed insertion of ''countervailable'' before ''subsidy'' in heading of ''section 771(A)(c)'' of act June 17, 1930, ch. 497, was executed by making insertion in heading of subsec. (c) of this section, which is section 771A of act June 17, 1930, ch. 497, to reflect the probable intent of Congress.

Pub. L. 103–465, § 270(a)(1)(L), (c)(3), inserted ''countervailable'' after ''upstream'' and substituted ''the countervailable subsidy determined'' for ''subsidization determined''.

Pub. L. 103–465, § 233(a)(5)(GG), substituted ''subject merchandise'' for ''merchandise under investigation''.

1986—Subsec. (a). Pub. L. 99–514 substituted ''(ii), (iii), or (iv)'' for ''(ii), or (iii)'' in introductory provisions.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE

Section effective Oct. 30, 1984, see section 626(a) of Pub. L. 98–573, set out as an Effective Date of 1984 Amendment note under section 1671 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1671 of this title.

§ 1677–2. Calculation of countervailable subsidies on certain processed agricultural products

In the case of an agricultural product processed from a raw agricultural product in which—

(1) the demand for the prior stage product is substantially dependent on the demand for the latter stage product, and

(2) the processing operation adds only limited value to the raw commodity,

countervailable subsidies found to be provided to either producers or processors of the product shall be deemed to be provided with respect to the manufacture, production, or exportation of the processed product.

(June 17, 1930, ch. 497, title VII, § 771B, as added Aug. 23, 1988, Pub. L. 100–418, title I, § 1313(a), 102 Stat. 1185; amended Nov. 10, 1988, Pub. L. 100–647, title IX, § 9001(a)(4), 102 Stat. 3806; Dec. 8, 1994, Pub. L. 103–465, title II, § 270(b)(1)(D), (2), 108 Stat. 4917.)

AMENDMENTS

1994—Pub. L. 103–465 inserted ''countervailable'' before ''subsidies'' in section catchline and concluding provisions.

1988—Pub. L. 100–647 amended section generally. Prior to amendment, section read as follows: ''In the case of an agricultural product processed from a raw agricultural product in which (1) the demand for the prior stage product is substantially dependent on the demand for the latter stage product, and (2) the processing operation adds only limited value to the raw commodity, subsidies found to be provided to either producers or processors of the product shall be deemed to be provided with respect to the manufacture, production, or exportation of the processed product.''

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–647 applicable as if such amendment took effect on Aug. 23, 1988, see section 9001(b) of Pub. L. 100–647, set out as an Effective and Termination Dates of 1988 Amendments note under section 58c of this title.

§ 1677a. Export price and constructed export price

(a) Export price

The term ''export price'' means the price at which the subject merchandise is first sold (or agreed to be sold) before the date of importation by the producer or exporter of the subject merchandise outside of the United States to an unaffiliated purchaser in the United States or to an unaffiliated purchaser for exportation to the United States, as adjusted under subsection (c) of this section.

(b) Constructed export price

The term ''constructed export price'' means the price at which the subject merchandise is first sold (or agreed to be sold) in the United States before or after the date of importation by or for the account of the producer or exporter of such merchandise or by a seller affiliated with the producer or exporter, to a purchaser not affiliated with the producer or exporter, as adjusted under subsections (c) and (d) of this section.

(c) Adjustments for export price and constructed export price

The price used to establish export price and constructed export price shall be—

(1) increased by—

(A) when not included in such price, the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the subject merchandise in condition packed ready for shipment to the United States,

(B) the amount of any import duties imposed by the country of exportation which have been rebated, or which have not been collected, by reason of the exportation of the subject merchandise to the United States, and

(C) the amount of any countervailing duty imposed on the subject merchandise under part I of this subtitle to offset an export subsidy, and

(2) reduced by—

(A) except as provided in paragraph (1)(C), the amount, if any, included in such price, attributable to any additional costs, charges, or expenses, and United States import duties, which are incident to bringing the subject merchandise from the original place of shipment in the exporting country to the place of delivery in the United States, and

(B) the amount, if included in such price, of any export tax, duty, or other charge imposed by the exporting country on the exportation of the subject merchandise to the United States, other than an export tax, duty, or other charge described in section 1677(6)(C) of this title.

(d) Additional adjustments to constructed export price

For purposes of this section, the price used to establish constructed export price shall also be reduced by—

(1) the amount of any of the following expenses generally incurred by or for the account of the producer or exporter, or the affiliated seller in the United States, in selling the subject merchandise (or subject merchandise to which value has been added)—

(A) commissions for selling the subject merchandise in the United States;

(B) expenses that result from, and bear a direct relationship to, the sale, such as credit expenses, guarantees and warranties;

(C) any selling expenses that the seller pays on behalf of the purchaser; and

(D) any selling expenses not deducted under subparagraph (A), (B), or (C);

(2) the cost of any further manufacture or assembly (including additional material and labor), except in circumstances described in subsection (e) of this section; and

(3) the profit allocated to the expenses described in paragraphs (1) and (2).

(e) Special rule for merchandise with value added after importation

Where the subject merchandise is imported by a person affiliated with the exporter or producer, and the value added in the United States by the affiliated person is likely to exceed substantially the value of the subject merchandise, the administering authority shall determine the constructed export price for such merchandise by using one of the following prices if there is a sufficient quantity of sales to provide a reasonable basis for comparison and the administering authority determines that the use of such sales is appropriate:

(1) The price of identical subject merchandise sold by the exporter or producer to an unaffiliated person.

(2) The price of other subject merchandise sold by the exporter or producer to an unaffiliated person.

If there is not a sufficient quantity of sales to provide a reasonable basis for comparison under paragraph (1) or (2), or the administering authority determines that neither of the prices described in such paragraphs is appropriate, then the constructed export price may be determined on any other reasonable basis.

(f) Special rule for determining profit

(1) In general

For purposes of subsection (d)(3) of this section, profit shall be an amount determined by multiplying the total actual profit by the applicable percentage.

(2) Definitions

For purposes of this subsection:

(A) Applicable percentage

The term ''applicable percentage'' means the percentage determined by dividing the total United States expenses by the total expenses.

(B) Total United States expenses

The term ''total United States expenses'' means the total expenses described in subsection (d)(1) and (2) of this section.

(C) Total expenses

The term ''total expenses'' means all expenses in the first of the following categories which applies and which are incurred by or on behalf of the foreign producer and foreign exporter of the subject merchandise and by or on behalf of the United States seller affiliated with the producer or exporter with respect to the production and sale of such merchandise:

(i) The expenses incurred with respect to the subject merchandise sold in the United States and the foreign like product sold in the exporting country if such expenses were requested by the administering authority for the purpose of establishing normal value and constructed export price.

(ii) The expenses incurred with respect to the narrowest category of merchandise sold in the United States and the exporting country which includes the subject merchandise.

(iii) The expenses incurred with respect to the narrowest category of merchandise sold in all countries which includes the subject merchandise.

(D) Total actual profit

The term ''total actual profit'' means the total profit earned by the foreign producer,

exporter, and affiliated parties described in subparagraph (C) with respect to the sale of the same merchandise for which total expenses are determined under such subparagraph.

(June 17, 1930, ch. 497, title VII, § 772, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 181; amended Oct. 30, 1984, Pub. L. 98–573, title VI, § 614, 98 Stat. 3036; Dec. 8, 1994, Pub. L. 103–465, title II, § 223, 108 Stat. 4876.)

AMENDMENTS

1994—Pub. L. 103–465 amended section generally, substituting present provisions for provisions defining ''United States price'', ''purchase price'', and ''exporter's sales price'' and providing for adjustments to purchase price and exporter's sales price.

1984—Subsec. (b). Pub. L. 98–573 inserted ''a reseller or'' before ''the manufacturer''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 30, 1984, see section 626(a) of Pub. L. 98–573, set out as a note under section 1671 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1677b, 1677f–1 of this title.

§ 1677b. Normal value

(a) Determination

In determining under this subtitle whether subject merchandise is being, or is likely to be, sold at less than fair value, a fair comparison shall be made between the export price or constructed export price and normal value. In order to achieve a fair comparison with the export price or constructed export price, normal value shall be determined as follows:

(1) Determination of normal value

(A) In general

The normal value of the subject merchandise shall be the price described in subparagraph (B), at a time reasonably corresponding to the time of the sale used to determine the export price or constructed export price under section 1677a(a) or (b) of this title.

(B) Price

The price referred to in subparagraph (A) is—

(i) the price at which the foreign like product is first sold (or, in the absence of a sale, offered for sale) for consumption in the exporting country, in the usual commercial quantities and in the ordinary course of trade and, to the extent practicable, at the same level of trade as the export price or constructed export price, or

(ii) in a case to which subparagraph (C) applies, the price at which the foreign like product is so sold (or offered for sale) for consumption in a country other than the exporting country or the United States, if—

(I) such price is representative,

(II) the aggregate quantity (or, if quantity is not appropriate, value) of the foreign like product sold by the exporter or producer in such other country is 5 percent or more of the aggregate quantity (or value) of the subject merchandise sold in the United States or for export to the United States, and

(III) the administering authority does not determine that the particular market situation in such other country prevents a proper comparison with the export price or constructed export price.

(C) Third country sales

This subparagraph applies when—

(i) the foreign like product is not sold (or offered for sale) for consumption in the exporting country as described in subparagraph (B)(i),

(ii) the administering authority determines that the aggregate quantity (or, if quantity is not appropriate, value) of the foreign like product sold in the exporting country is insufficient to permit a proper comparison with the sales of the subject merchandise to the United States, or

(iii) the particular market situation in the exporting country does not permit a proper comparison with the export price or constructed export price.

For purposes of clause (ii), the aggregate quantity (or value) of the foreign like product sold in the exporting country shall normally be considered to be insufficient if such quantity (or value) is less than 5 percent of the aggregate quantity (or value) of sales of the subject merchandise to the United States.

(2) Fictitious markets

No pretended sale or offer for sale, and no sale or offer for sale intended to establish a fictitious market, shall be taken into account in determining normal value. The occurrence of different movements in the prices at which different forms of the foreign like product are sold (or, in the absence of sales, offered for sale) in the exporting country after the issuance of an antidumping duty order may be considered by the administering authority as evidence of the establishment of a fictitious market for the foreign like product if the movement in such prices appears to reduce the amount by which the normal value exceeds the export price (or the constructed export price) of the subject merchandise.

(3) Exportation from an intermediate country

Where the subject merchandise is exported to the United States from an intermediate country, normal value shall be determined in the intermediate country, except that normal value may be determined in the country of origin of the subject merchandise if—

(A) the producer knew at the time of the sale that the subject merchandise was destined for exportation;

(B) the subject merchandise is merely transshipped through the intermediate country;

(C) sales of the foreign like product in the intermediate country do not satisfy the conditions of paragraph (1)(C); or

(D) the foreign like product is not produced in the intermediate country.

(4) Use of constructed value

If the administering authority determines that the normal value of the subject merchandise cannot be determined under paragraph (1)(B)(i), then, notwithstanding paragraph (1)(B)(ii), the normal value of the subject merchandise may be the constructed value of that merchandise, as determined under subsection (e) of this section.

(5) Indirect sales or offers for sale

If the foreign like product is sold or, in the absence of sales, offered for sale through an affiliated party, the prices at which the foreign like product is sold (or offered for sale) by such affiliated party may be used in determining normal value.

(6) Adjustments

The price described in paragraph (1)(B) shall be—

(A) increased by the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the subject merchandise in condition packed ready for shipment to the United States;

(B) reduced by—

(i) when included in the price described in paragraph (1)(B), the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the foreign like product in condition packed ready for shipment to the place of delivery to the purchaser,

(ii) the amount, if any, included in the price described in paragraph (1)(B), attributable to any additional costs, charges, and expenses incident to bringing the foreign like product from the original place of shipment to the place of delivery to the purchaser, and

(iii) the amount of any taxes imposed directly upon the foreign like product or components thereof which have been rebated, or which have not been collected, on the subject merchandise, but only to the extent that such taxes are added to or included in the price of the foreign like product, and

(C) increased or decreased by the amount of any difference (or lack thereof) between the export price or constructed export price and the price described in paragraph (1)(B) (other than a difference for which allowance is otherwise provided under this section) that is established to the satisfaction of the administering authority to be wholly or partly due to—

(i) the fact that the quantities in which the subject merchandise is sold or agreed to be sold to the United States are greater than or less than the quantities in which the foreign like product is sold, agreed to be sold, or offered for sale,

(ii) the fact that merchandise described in subparagraph (B) or (C) of section 1677(16) of this title is used in determining normal value, or

(iii) other differences in the circumstances of sale.

(7) Additional adjustments

(A) Level of trade

The price described in paragraph (1)(B) shall also be increased or decreased to make due allowance for any difference (or lack thereof) between the export price or constructed export price and the price described in paragraph (1)(B) (other than a difference for which allowance is otherwise made under this section) that is shown to be wholly or partly due to a difference in level of trade between the export price or constructed export price and normal value, if the difference in level of trade—

(i) involves the performance of different selling activities; and

(ii) is demonstrated to affect price comparability, based on a pattern of consistent price differences between sales at different levels of trade in the country in which normal value is determined.

In a case described in the preceding sentence, the amount of the adjustment shall be based on the price differences between the two levels of trade in the country in which normal value is determined.

(B) Constructed export price offset

When normal value is established at a level of trade which constitutes a more advanced stage of distribution than the level of trade of the constructed export price, but the data available do not provide an appropriate basis to determine under subparagraph (A)(ii) a level of trade adjustment, normal value shall be reduced by the amount of indirect selling expenses incurred in the country in which normal value is determined on sales of the foreign like product but not more than the amount of such expenses for which a deduction is made under section 1677a(d)(1)(D) of this title.

(8) Adjustments to constructed value

Constructed value as determined under subsection (e) of this section, may be adjusted, as appropriate, pursuant to this subsection.

(b) Sales at less than cost of production

(1) Determination; sales disregarded

Whenever the administering authority has reasonable grounds to believe or suspect that sales of the foreign like product under consideration for the determination of normal value have been made at prices which represent less than the cost of production of that product, the administering authority shall determine whether, in fact, such sales were made at less than the cost of production. If the administering authority determines that sales made at less than the cost of production—

(A) have been made within an extended period of time in substantial quantities, and

(B) were not at prices which permit recovery of all costs within a reasonable period of time,

such sales may be disregarded in the determination of normal value. Whenever such sales are disregarded, normal value shall be based on the remaining sales of the foreign like product in the ordinary course of trade. If no sales made in the ordinary course of trade remain, the normal value shall be based on the constructed value of the merchandise.

(2) Definitions and special rules

For purposes of this subsection—

(A) Reasonable grounds to believe or suspect

There are reasonable grounds to believe or suspect that sales of the foreign like product were made at prices that are less than the cost of production of the product, if—

(i) in an investigation initiated under section 1673a of this title or a review conducted under section 1675 of this title, an interested party described in subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title provides information, based upon observed prices or constructed prices or costs, that sales of the foreign like product under consideration for the determination of normal value have been made at prices which represent less than the cost of production of the product; or

(ii) in a review conducted under section 1675 of this title involving a specific exporter, the administering authority disregarded some or all of the exporter's sales pursuant to paragraph (1) in the investigation or if a review has been completed, in the most recently completed review.

(B) Extended period of time

The term ''extended period of time'' means a period that is normally 1 year, but not less than 6 months.

(C) Substantial quantities

Sales made at prices below the cost of production have been made in substantial quantities if—

(i) the volume of such sales represents 20 percent or more of the volume of sales under consideration for the determination of normal value, or

(ii) the weighted average per unit price of the sales under consideration for the determination of normal value is less than the weighted average per unit cost of production for such sales.

(D) Recovery of costs

If prices which are below the per unit cost of production at the time of sale are above the weighted average per unit cost of production for the period of investigation or review, such prices shall be considered to provide for recovery of costs within a reasonable period of time.

(3) Calculation of cost of production

For purposes of this part, the cost of production shall be an amount equal to the sum of—

(A) the cost of materials and of fabrication or other processing of any kind employed in producing the foreign like product, during a period which would ordinarily permit the production of that foreign like product in the ordinary course of business;

(B) an amount for selling, general, and administrative expenses based on actual data pertaining to production and sales of the foreign like product by the exporter in question; and

(C) the cost of all containers and coverings of whatever nature, and all other expenses incidental to placing the foreign like product in condition packed ready for shipment.

For purposes of subparagraph (A), if the normal value is based on the price of the foreign like product sold for consumption in a country other than the exporting country, the cost of materials shall be determined without regard to any internal tax in the exporting country imposed on such materials or their disposition which are remitted or refunded upon exportation.

(c) Nonmarket economy countries

(1) In general

If—

(A) the subject merchandise is exported from a nonmarket economy country, and

(B) the administering authority finds that available information does not permit the normal value of the subject merchandise to be determined under subsection (a) of this section,

the administering authority shall determine the normal value of the subject merchandise on the basis of the value of the factors of production utilized in producing the merchandise and to which shall be added an amount for general expenses and profit plus the cost of containers, coverings, and other expenses. Except as provided in paragraph (2), the valuation of the factors of production shall be based on the best available information regarding the values of such factors in a market economy country or countries considered to be appropriate by the administering authority.

(2) Exception

If the administering authority finds that the available information is inadequate for purposes of determining the normal value of subject merchandise under paragraph (1), the administering authority shall determine the normal value on the basis of the price at which merchandise that is—

(A) comparable to the subject merchandise, and

(B) produced in one or more market economy countries that are at a level of economic development comparable to that of the nonmarket economy country,

is sold in other countries, including the United States.

(3) Factors of production

For purposes of paragraph (1), the factors of production utilized in producing merchandise include, but are not limited to—

(A) hours of labor required,

(B) quantities of raw materials employed,

(C) amounts of energy and other utilities consumed, and

(D) representative capital cost, including depreciation.

(4) Valuation of factors of production

The administering authority, in valuing factors of production under paragraph (1), shall utilize, to the extent possible, the prices or costs of factors of production in one or more market economy countries that are—

(A) at a level of economic development comparable to that of the nonmarket economy country, and

(B) significant producers of comparable merchandise.

(d) Special rule for certain multinational corporations

Whenever, in the course of an investigation under this subtitle, the administering authority determines that—

(1) subject merchandise exported to the United States is being produced in facilities which are owned or controlled, directly or indirectly, by a person, firm, or corporation which also owns or controls, directly or indirectly, other facilities for the production of the foreign like product which are located in another country or countries,

(2) subsection (a)(1)(C) of this section applies, and

(3) the normal value of the foreign like product produced in one or more of the facilities outside the exporting country is higher than the normal value of the foreign like product produced in the facilities located in the exporting country,

it shall determine the normal value of the subject merchandise by reference to the normal value at which the foreign like product is sold in substantial quantities from one or more facilities outside the exporting country. The administering authority, in making any determination under this paragraph, shall make adjustments for the difference between the cost of production (including taxes, labor, materials, and overhead) of the foreign like product produced in facilities outside the exporting country and costs of production of the foreign like product produced in facilities in the exporting country, if such differences are demonstrated to its satisfaction. For purposes of this subsection, in determining the normal value of the foreign like product produced in a country outside of the exporting country, the administering authority shall determine its price at the time of exportation from the exporting country and shall make any adjustments required by subsection (a) of this section for the cost of all containers and coverings and all other costs, charges, and expenses incident to placing the merchandise in condition packed ready for shipment to the United States by reference to such costs in the exporting country.

(e) Constructed value

For purposes of this subtitle, the constructed value of imported merchandise shall be an amount equal to the sum of—

(1) the cost of materials and fabrication or other processing of any kind employed in producing the merchandise, during a period which would ordinarily permit the production of the merchandise in the ordinary course of business;

(2)(A) the actual amounts incurred and realized by the specific exporter or producer being examined in the investigation or review for selling, general, and administrative expenses, and for profits, in connection with the production and sale of a foreign like product, in the ordinary course of trade, for consumption in the foreign country, or

(B) if actual data are not available with respect to the amounts described in subparagraph (A), then—

(i) the actual amounts incurred and realized by the specific exporter or producer being examined in the investigation or review for selling, general, and administrative expenses, and for profits, in connection with the production and sale, for consumption in the foreign country, of merchandise that is in the same general category of products as the subject merchandise,

(ii) the weighted average of the actual amounts incurred and realized by exporters or producers that are subject to the investigation or review (other than the exporter or producer described in clause (i)) for selling, general, and administrative expenses, and for profits, in connection with the production and sale of a foreign like product, in the ordinary course of trade, for consumption in the foreign country, or

(iii) the amounts incurred and realized for selling, general, and administrative expenses, and for profits, based on any other reasonable method, except that the amount allowed for profit may not exceed the amount normally realized by exporters or producers (other than the exporter or producer described in clause (i)) in connection with the sale, for consumption in the foreign country, of merchandise that is in the same general category of products as the subject merchandise; and

(3) the cost of all containers and coverings of whatever nature, and all other expenses incidental to placing the subject merchandise in condition packed ready for shipment to the United States.

For purposes of paragraph (1), the cost of materials shall be determined without regard to any internal tax in the exporting country imposed on such materials or their disposition which are remitted or refunded upon exportation of the subject merchandise produced from such materials.

(f) Special rules for calculation of cost of production and for calculation of constructed value

For purposes of subsections (b) and (e) of this section.—

(1) Costs

(A) In general

Costs shall normally be calculated based on the records of the exporter or producer of the merchandise, if such records are kept in accordance with the generally accepted accounting principles of the exporting country (or the producing country, where appropriate) and reasonably reflect the costs associated with the production and sale of the

merchandise. The administering authority shall consider all available evidence on the proper allocation of costs, including that which is made available by the exporter or producer on a timely basis, if such allocations have been historically used by the exporter or producer, in particular for establishing appropriate amortization and depreciation periods, and allowances for capital expenditures and other development costs.

(B) Nonrecurring costs

Costs shall be adjusted appropriately for those nonrecurring costs that benefit current or future production, or both.

(C) Startup costs

(i) In general

Costs shall be adjusted appropriately for circumstances in which costs incurred during the time period covered by the investigation or review are affected by startup operations.

(ii) Startup operations

Adjustments shall be made for startup operations only where—

(I) a producer is using new production facilities or producing a new product that requires substantial additional investment, and

(II) production levels are limited by technical factors associated with the initial phase of commercial production.

For purposes of subclause (II), the initial phase of commercial production ends at the end of the startup period. In determining whether commercial production levels have been achieved, the administering authority shall consider factors unrelated to startup operations that might affect the volume of production processed, such as demand, seasonality, or business cycles.

(iii) Adjustment for startup operations

The adjustment for startup operations shall be made by substituting the unit production costs incurred with respect to the merchandise at the end of the startup period for the unit production costs incurred during the startup period. If the startup period extends beyond the period of the investigation or review under this subtitle, the administering authority shall use the most recent cost of production data that it reasonably can obtain, analyze, and verify without delaying the timely completion of the investigation or review. For purposes of this subparagraph, the startup period ends at the point at which the level of commercial production that is characteristic of the merchandise, producer, or industry concerned is achieved.

(2) Transactions disregarded

A transaction directly or indirectly between affiliated persons may be disregarded if, in the case of any element of value required to be considered, the amount representing that element does not fairly reflect the amount usually reflected in sales of merchandise under consideration in the market under consideration. If a transaction is disregarded under the preceding sentence and no other transactions are available for consideration, the determination of the amount shall be based on the information available as to what the amount would have been if the transaction had occurred between persons who are not affiliated.

(3) Major input rule

If, in the case of a transaction between affiliated persons involving the production by one of such persons of a major input to the merchandise, the administering authority has reasonable grounds to believe or suspect that an amount represented as the value of such input is less than the cost of production of such input, then the administering authority may determine the value of the major input on the basis of the information available regarding such cost of production, if such cost is greater than the amount that would be determined for such input under paragraph (2).

(June 17, 1930, ch. 497, title VII, § 773, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 182; amended Oct. 30, 1984, Pub. L. 98–573, title VI, §§ 615, 620(b), 98 Stat. 3036, 3039; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(11), 100 Stat. 2922; Aug. 23, 1988, Pub. L. 100–418, title I, §§ 1316(a), 1318, 1319, 102 Stat. 1186, 1189; Dec. 8, 1994, Pub. L. 103–465, title II, § 224, 108 Stat. 4878.)

AMENDMENTS

1994—Pub. L. 103–465 amended section generally, substituting present provisions for provisions relating to foreign market value, which provided for determination of value in subsec. (a), sales at less than cost of production in subsec. (b), treatment of merchandise from nonmarket economy countries in subsec. (c), special rule for certain multinational corporations in subsec. (d), determination of constructed value in subsec. (e), and exportation from an intermediate country in subsec. (f).

1988—Subsec. (a)(5). Pub. L. 100–418, § 1319, added par. (5).

Subsec. (c). Pub. L. 100–418, § 1316(a), amended subsec. (c) generally, substituting provisions relating to nonmarket economy countries, for provisions relating to State-controlled economies.

Subsec. (e)(2) to (4). Pub. L. 100–418, § 1318, substituted ''(4)'' for ''(3)'' wherever appearing in par. (2), added par. (3), and redesignated former par. (3) as (4) and in introductory provisions substituted ''paragraphs (2) and (3)'' for ''paragraph (2)''.

1986—Subsecs. (f), (g). Pub. L. 99–514 redesignated subsec. (g) as (f).

1984—Subsec. (a)(1). Pub. L. 98–573, § 615(1), substituted ''time such merchandise is first sold within the United States by the person for whom (or for whose account) the merchandise is imported to any other person who is not described in subsection (e)(3) of this section with respect to such person'' for ''time of exportation of such merchandise to the United States'' in provisions before subpar. (A).

Subsecs. (a)(1)(A), (4)(A), (e)(1)(B). Pub. L. 98–573, § 615(2), substituted ''commercial quantities'' for ''wholesale quantities'' wherever appearing.

Subsec. (f). Pub. L. 98–573, § 620(b), struck out subsec. (f) which related to the authority to use sampling techniques and to disregard insignificant adjustments.

Subsec. (g). Pub. L. 98–573, § 615(3), added subsec. (g).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United

States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by sections 1316(a) and 1318 of Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and to reviews initiated under section 1673e(c) or 1675 of this title after Aug. 23, 1988, and amendment by section 1319 of Pub. L. 100–418 applicable with respect to reviews initiated under section 1673e(c) or 1675 of this title after Aug. 23, 1988, and to reviews initiated under such sections which are pending on Aug. 23, 1988, and in which a request for revocation is pending on Aug. 23, 1988, see section 1337(b), (f) of Pub. L. 100–418, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by section 615 of Pub. L. 98–573 effective Oct. 30, 1984, and amendment by section 620(b) of Pub. L. 98–573 applicable with respect to investigations initiated by petition or by the administering authority under parts I and II of this subtitle, and to reviews begun under section 1675 of this title, on or after Oct. 30, 1984, see section 626(a), (b)(1) of Pub. L. 98–573, as amended, set out as a note under section 1671 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1677, 1677f–1 of this title.

§ 1677b–1. Currency conversion

(a) In general

In an antidumping proceeding under this subtitle, the administering authority shall convert foreign currencies into United States dollars using the exchange rate in effect on the date of sale of the subject merchandise, except that, if it is established that a currency transaction on forward markets is directly linked to an export sale under consideration, the exchange rate specified with respect to such currency in the forward sale agreement shall be used to convert the foreign currency. Fluctuations in exchange rates shall be ignored.

(b) Sustained movement in foreign currency value

In an investigation under part II of this subtitle, if there is a sustained movement in the value of the foreign currency relative to the United States dollar, the administering authority shall allow exporters at least 60 days to adjust their export prices to reflect such sustained movement.

(June 17, 1930, ch. 497, title VII, § 773A, as added Dec. 8, 1994, Pub. L. 103–465, title II, § 225(a), 108 Stat. 4886.)

EFFECTIVE DATE

Section effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as an Effective Date of 1994 Amendment note under section 1671 of this title.

§ 1677c. Hearings

(a) Investigation hearings

(1) In general

Except as provided in paragraph (2), the administering authority and the Commission shall each hold a hearing in the course of an investigation upon the request of any party to the investigation before making a final determination under section 1671d or 1673d of this title.

(2) Exception

If investigations are initiated under part I and part II of this subtitle regarding the same merchandise from the same country within 6 months of each other (but before a final determination is made in either investigation), the holding of a hearing by the Commission in the course of one of the investigations shall be treated as compliance with paragraph (1) for both investigations, unless the Commission considers that special circumstances require that a hearing be held in the course of each of the investigations. During any investigation regarding which the holding of a hearing is waived under this paragraph, the Commission shall allow any party to submit such additional written comment as it considers relevant.

(b) Procedures

Any hearing required or permitted under this subtitle shall be conducted after notice published in the Federal Register, and a transcript of the hearing shall be prepared and made available to the public. The hearing shall not be subject to the provisions of subchapter II of chapter 5 of title 5, or to section 702 of such title.

(June 17, 1930, ch. 497, title VII, § 774, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 186; amended Oct. 30, 1984, Pub. L. 98–573, title VI, § 616, 98 Stat. 3037.)

AMENDMENTS

1984—Subsec. (a). Pub. L. 98–573 designated existing provisions as par. (1), inserted ''Except as provided in paragraph (2),'', and added par. (2).

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 30, 1984, see section 626(a) of Pub. L. 98–573, set out as a note under section 1671 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1673e, 1675, 1676a, 1677f of this title.

§ 1677d. Countervailable subsidy practices discovered during a proceeding

If, in the course of a proceeding under this subtitle, the administering authority discovers

a practice which appears to be a countervailable subsidy, but was not included in the matters alleged in a countervailing duty petition, or if the administering authority receives notice from the Trade Representative that a subsidy or subsidy program is in violation of Article 8 of the Subsidies Agreement, then the administering authority—

(1) shall include the practice, subsidy, or subsidy program in the proceeding if the practice, subsidy, or subsidy program appears to be a countervailable subsidy with respect to the merchandise which is the subject of the proceeding, or

(2) shall transfer the information (other than confidential information) concerning the practice, subsidy, or subsidy program to the library maintained under section 1677f(a)(1) of this title, if the practice, subsidy, or subsidy program appears to be a countervailable subsidy with respect to any other merchandise.

(June 17, 1930, ch. 497, title VII, § 775, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 186; amended Oct. 30, 1984, Pub. L. 98–573, title VI, § 617, 98 Stat. 3037; Oct. 22, 1986, Pub. L. 99–514, title XVIII, § 1886(a)(12), 100 Stat. 2922; Dec. 8, 1994, Pub. L. 103–465, title II, § 283(b), 108 Stat. 4930.)

AMENDMENTS

1994—Pub. L. 103–465 substituted ''Countervailable subsidy'' for ''Subsidy'' in section catchline and amended text generally. Prior to amendment, text read as follows: ''If, in the course of a proceeding under this subtitle, the administering authority discovers a practice which appears to be a subsidy, but was not included in the matters alleged in a countervailing duty petition, then the administering authority—

''(1) shall include the practice in the proceeding if it appears to be a subsidy with respect to the merchandise which is the subject of the proceeding, or

''(2) shall transfer the information concerning the practice (other than confidential information) to the library maintained under section 1677f(a)(1) of this title, if the practice appears to be a subsidy with respect to any other merchandise.''

1986—Pub. L. 99–514 substituted ''a proceeding'' for ''an proceeding'' in introductory provisions.

1984—Pub. L. 98–573 substituted ''proceeding'' for ''investigation'' wherever appearing.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 30, 1984, see section 626(a) of Pub. L. 98–573, set out as a note under section 1671 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

§ 1677e. Determinations on basis of facts available

(a) In general

If—

(1) necessary information is not available on the record, or

(2) an interested party or any other person—

(A) withholds information that has been requested by the administering authority or the Commission under this subtitle,

(B) fails to provide such information by the deadlines for submission of the information or in the form and manner requested, subject to subsections (c)(1) and (e) of section 1677m of this title,

(C) significantly impedes a proceeding under this subtitle, or

(D) provides such information but the information cannot be verified as provided in section 1677m(i) of this title,

the administering authority and the Commission shall, subject to section 1677m(d) of this title, use the facts otherwise available in reaching the applicable determination under this subtitle.

(b) Adverse inferences

If the administering authority or the Commission (as the case may be) finds that an interested party has failed to cooperate by not acting to the best of its ability to comply with a request for information from the administering authority or the Commission, the administering authority or the Commission (as the case may be), in reaching the applicable determination under this subtitle, may use an inference that is adverse to the interests of that party in selecting from among the facts otherwise available. Such adverse inference may include reliance on information derived from—

(1) the petition,

(2) a final determination in the investigation under this subtitle,

(3) any previous review under section 1675 of this title or determination under section 1675b of this title, or

(4) any other information placed on the record.

(c) Corroboration of secondary information

When the administering authority or the Commission relies on secondary information rather than on information obtained in the course of an investigation or review, the administering authority or the Commission, as the case may be, shall, to the extent practicable, corroborate that information from independent sources that are reasonably at their disposal.

(June 17, 1930, ch. 497, title VII, § 776, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 186; amended Oct. 30, 1984, Pub. L. 98–573, title VI, § 618, 98 Stat. 3037; Aug. 23, 1988, Pub. L. 100–418, title I, §§ 1326(d)(1), 1331, 102 Stat. 1204, 1207; Dec. 8, 1994, Pub. L. 103–465, title II, § 231(c), 108 Stat. 4896.)

AMENDMENTS

1994—Pub. L. 103–465 amended section generally, substituting present provisions for provisions relating to

verification of information, certification of submissions, and determinations required to be made on best information available.

1988—Subsec. (a). Pub. L. 100–418, § 1331(1), (3), added subsec. (a). Former subsec. (a) redesignated (b).

Subsec. (b). Pub. L. 100–418, § 1331(1), (2), redesignated former subsec. (a) as (b) and in heading substituted ''Verification'' for ''General rule''.

Subsec. (b)(3)(A). Pub. L. 100–418, § 1326(d)(1), which directed the amendment of this subtitle by substituting ''subparagraph (C), (D), (E), (F), or (G) of section 1677(9) of this title'' for ''subparagraph (C), (D), (E), or (F), of section 1677(9) of this title'' was executed to subsec. (b)(3)(A) of this section by substituting ''section 1677(9)(C), (D), (E), (F), or (G) of this title'' for ''section 1677(9)(C), (D), (E), or (F) of this title'' to reflect the probable intent of Congress.

Subsec. (c). Pub. L. 100–418, § 1331(1), redesignated former subsec. (b) as (c).

1984—Subsec. (a). Pub. L. 98–573 amended subsec. (a) generally, which prior to amendment read as follows: ''Except with respect to information the verification of which is waived under section 1673b(b)(2) of this title, the administering authority shall verify all information relied upon in making a final determination in an investigation. In publishing such a determination, the administering authority shall report the methods and procedures used to verify such information. If the administering authority is unable to verify the accuracy of the information submitted, it shall use the best information available to it as the basis for its determination, which may include the information submitted in support of the petition.''

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and to reviews initiated under section 1673e(c) or 1675 of this title after Aug. 23, 1988, see section 1337(b) of Pub. L. 100–418, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 30, 1984, see section 626(a) of Pub. L. 98–573, set out as a note under section 1671 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1671d, 1673d, 1675 of this title.

§ 1677f. Access to information

(a) Information generally made available

(1) Public information function

There shall be established a library of information relating to foreign subsidy practices and countervailing measures. Copies of material in the library shall be made available to the public upon payment of the costs of preparing such copies.

(2) Progress of investigation reports

The administering authority and the Commission shall, from time to time upon request, inform the parties to an investigation of the progress of that investigation.

(3) Ex parte meetings

The administering authority and the Commission shall maintain a record of any ex parte meeting between—

(A) interested parties or other persons providing factual information in connection with a proceeding, and

(B) the person charged with making the determination, or any person charged with making a final recommendation to that person, in connection with that proceeding,

if information relating to that proceeding was presented or discussed at such meeting. The record of such an ex parte meeting shall include the identity of the persons present at the meeting, the date, time, and place of the meeting, and a summary of the matters discussed or submitted. The record of the ex parte meeting shall be included in the record of the proceeding.

(4) Summaries; non-proprietary submissions

The administering authority and the Commission shall disclose—

(A) any proprietary information received in the course of a proceeding if it is disclosed in a form which cannot be associated with, or otherwise be used to identify, operations of a particular person, and

(B) any information submitted in connection with a proceeding which is not designated as proprietary by the person submitting it.

(b) Proprietary information

(1) Proprietary status maintained

(A) In general

Except as provided in subsection (a)(4)(A) of this section and subsection (c) of this section, information submitted to the administering authority or the Commission which is designated as proprietary by the person submitting the information shall not be disclosed to any person without the consent of the person submitting the information, other than—

(i) to an officer or employee of the administering authority or the Commission who is directly concerned with carrying out the investigation in connection with which the information is submitted or any review under this subtitle covering the same subject merchandise, or

(ii) to an officer or employee of the United States Customs Service who is directly involved in conducting an investigation regarding fraud under this subtitle.

(B) Additional requirements

The administering authority and the Commission shall require that information for which proprietary treatment is requested be accompanied by—

(i) either—

(I) a non-proprietary summary in sufficient detail to permit a reasonable understanding of the substance of the information submitted in confidence, or

(II) a statement that the information is not susceptible to summary accompanied by a statement of the reasons in support of the contention, and

(ii) either—

(I) a statement which permits the administering authority or the Commission to release under administrative protective order, in accordance with subsection (c) of this section, the information submitted in confidence, or

(II) a statement to the administering authority or the Commission that the business proprietary information is of a type that should not be released under administrative protective order.

(2) Unwarranted designation

If the administering authority of the Commission determines, on the basis of the nature and extent of the information or its availability from public sources, that designation of any information as proprietary is unwarranted, then it shall notify the person who submitted it and ask for an explanation of the reasons for the designation. Unless that person persuades the administering authority or the Commission that the designation is warranted, or withdraws the designation, the administering authority or the Commission, as the case may be, shall return it to the party submitting it. In a case in which the administering authority or the Commission returns the information to the person submitting it, the person may thereafter submit other material concerning the subject matter of the returned information if the submission is made within the time otherwise provided for submitting such material.

(3) Section 1675 reviews

Notwithstanding the provisions of paragraph (1), information submitted to the administering authority or the Commission in connection with a review under section 1675(b) or 1675(c) of this title which is designated as proprietary by the person submitting the information may, if the review results in the revocation of an order or finding (or termination of a suspended investigation) under section 1675(d) of this title, be used by the agency to which the information was originally submitted in any investigation initiated within 2 years after the date of the revocation or termination pursuant to a petition covering the same subject merchandise.

(c) Limited disclosure of certain proprietary information under protective order

(1) Disclosure by administering authority or Commission

(A) In general

Upon receipt of an application (before or after receipt of the information requested) which describes in general terms the information requested and sets forth the reasons for the request, the administering authority or the Commission shall make all business proprietary information presented to, or obtained by it, during a proceeding (except privileged information, classified information, and specific information of a type for which there is a clear and compelling need to withhold from disclosure) available to interested parties who are parties to the proceeding under a protective order described in subparagraph (B), regardless of when the information is submitted during a proceeding. Customer names obtained during any investigation which requires a determination under section 1671d(b) or 1673d(b) of this title may not be disclosed by the administering authority under protective order until either an order is published under section 1671e(a) or 1673e(a) of this title as a result of the investigation or the investigation is suspended or terminated. The Commission may delay disclosure of customer names under protective order during any such investigation until a reasonable time prior to any hearing provided under section 1677c of this title.

(B) Protective order

The protective order under which information is made available shall contain such requirements as the administering authority or the Commission may determine by regulation to be appropriate. The administering authority and the Commission shall provide by regulation for such sanctions as the administering authority and the Commission determine to be appropriate, including disbarment from practice before the agency.

(C) Time limitation on determinations

The administering authority or the Commission, as the case may be, shall determine whether to make information available under this paragraph—

(i) not later than 14 days (7 days if the submission pertains to a proceeding under section 1671b(a) or 1673b(a) of this title) after the date on which the information is submitted, or

(ii) if—

(I) the person that submitted the information raises objection to its release, or

(II) the information is unusually voluminous or complex,

not later than 30 days (10 days if the submission pertains to a proceeding under section 1671b(a) or 1673b(a) of this title) after the date on which the information is submitted.

(D) Availability after determination

If the determination under subparagraph (C) is affirmative, then—

(i) the business proprietary information submitted to the administering authority or the Commission on or before the date of the determination shall be made available, subject to the terms and conditions of the protective order, on such date; and

(ii) the business proprietary information submitted to the administering authority or the Commission after the date of the determination shall be served as required by subsection (d) of this section.

(E) Failure to disclose

If a person submitting information to the administering authority refuses to disclose business proprietary information which the administering authority determines should be released under a protective order described in subparagraph (B), the administer-

ing authority shall return the information, and any nonconfidential summary thereof, to the person submitting the information and summary and shall not consider either.

(2) Disclosure under court order

If the administering authority denies a request for information under paragraph (1), then application may be made to the United States Customs Court for an order directing the administering authority or the Commission to make the information available. After notification of all parties to the investigation and after an opportunity for a hearing on the record, the court may issue an order, under such conditions as the court deems appropriate, which shall not have the effect of stopping or suspending the investigation, directing the administering authority or the Commission to make all or a portion of the requested information described in the preceding sentence available under a protective order and setting forth sanctions for violation of such order if the court finds that, under the standards applicable in proceedings of the court, such an order is warranted, and that—

(A) the administering authority or the Commission has denied access to the information under subsection (b)(1) of this section,

(B) the person on whose behalf the information is requested is an interested party who is a party to the investigation in connection with which the information was obtained or developed, and

(C) the party which submitted the information to which the request relates has been notified, in advance of the hearing, of the request made under this section and of its right to appear and be heard.

(d) Service

Any party submitting written information, including business proprietary information, to the administering authority or the Commission during a proceeding shall, at the same time, serve the information upon all interested parties who are parties to the proceeding, if the information is covered by a protective order. The administering authority or the Commission shall not accept any such information that is not accompanied by a certificate of service and a copy of the protective order version of the document containing the information. Business proprietary information shall only be served upon interested parties who are parties to the proceeding that are subject to protective order; however, a nonconfidential summary thereof shall be served upon all other interested parties who are parties to the proceeding.

(e) Repealed. Pub. L. 103–465, title II, § 231(d)(1), Dec. 8, 1994, 108 Stat. 4897

(f) Disclosure of proprietary information under protective orders issued pursuant to the North American Free Trade Agreement or the United States-Canada Agreement

(1) Issuance of protective orders

(A) In general

If binational panel review of a determination under this subtitle is requested pursuant to article 1904 of the NAFTA or the United States-Canada Agreement, or an extraordinary challenge committee is convened under Annex 1904.13 of the NAFTA or the United States-Canada Agreement, the administering authority or the Commission, as appropriate, may make available to authorized persons, under a protective order described in paragraph (2), a copy of all proprietary material in the administrative record made during the proceeding in question. If the administering authority or the Commission claims a privilege as to a document or portion of a document in the administrative record of the proceeding in question and a binational panel or extraordinary challenge committee finds that in camera inspection or limited disclosure of that document or portion thereof is required by United States law, the administering authority or the Commission, as appropriate, may restrict access to such document or portion thereof to the authorized persons identified by the panel or committee as requiring access and may require such persons to obtain access under a protective order described in paragraph (2).

(B) Authorized persons

For purposes of this subsection, the term ''authorized persons'' means—

(i) the members of, and the appropriate staff of, the binational panel or the extraordinary challenge committee, as the case may be, and the Secretariat,

(ii) counsel for parties to such panel or committee proceeding, and employees, and persons under the direction and control, of such counsel,

(iii) any officer or employee of the United States Government designated by the administering authority or the Commission, as appropriate, to whom disclosure is necessary in order to make recommendations to the Trade Representative regarding the convening of extraordinary challenge committees under chapter 19 of the NAFTA or the Agreement, and

(iv) any officer or employee of the Government of a free trade area country (as defined in section 1516a(f)(10) of this title) designated by an authorized agency of such country to whom disclosure is necessary in order to make decisions regarding the convening of extraordinary challenge committees under chapter 19 of the NAFTA or the Agreement.

(C) Review

A decision concerning the disclosure or nondisclosure of material under protective order by the administering authority or the Commission shall not be subject to judicial review, and no court of the United States shall have power or jurisdiction to review such decision on any question of law or fact by an action in the nature of mandamus or otherwise.

(2) Contents of protective order

Each protective order issued under this subsection shall be in such form and contain such

requirements as the administering authority or the Commission may determine by regulation to be appropriate. The administering authority and the Commission shall ensure that regulations issued pursuant to this paragraph shall be designed to provide an opportunity for participation in the binational panel proceeding, including any extraordinary challenge, equivalent to that available for judicial review of determinations by the administering authority or the Commission that are not subject to review by a binational panel.

(3) Prohibited acts

It is unlawful for any person to violate, to induce the violation of, or knowingly to receive information the receipt of which constitutes a violation of, any provision of a protective order issued under this subsection or to violate, to induce the violation of, or knowingly to receive information the receipt of which constitutes a violation of, any provision of an undertaking entered into with an authorized agency of a free trade area country (as defined in section 1516a(f)(10) of this title) to protect proprietary material during binational panel or extraordinary challenge committee review pursuant to article 1904 of the NAFTA or the United States-Canada Agreement.

(4) Sanctions for violation of protective orders

Any person, except a judge appointed to a binational panel or an extraordinary challenge committee under section 3432(b) of this title, who is found by the administering authority or the Commission, as appropriate, after notice and an opportunity for a hearing in accordance with section 554 of title 5 to have committed an act prohibited by paragraph (3) shall be liable to the United States for a civil penalty and shall be subject to such other administrative sanctions, including, but not limited to, debarment from practice before the administering authority or the Commission, as the administering authority or the Commission determines to be appropriate. The amount of the civil penalty shall not exceed $100,000 for each violation. Each day of a continuing violation shall constitute a separate violation. The amount of such civil penalty and other sanctions shall be assessed by the administering authority or the Commission by written notice, except that assessment shall be made by the administering authority for violation, inducement of a violation or receipt of information with reason to know that such information was disclosed in violation, of an undertaking entered into by any person with an authorized agency of a free trade area country (as defined in section 1516a(f)(10) of this title).

(5) Review of sanctions

Any person against whom sanctions are imposed under paragraph (4) may obtain review of such sanctions by filing a notice of appeal in the United States Court of International Trade within 30 days from the date of the order imposing the sanction and by simultaneously sending a copy of such notice by certified mail to the administering authority or the Commission, as appropriate. The administering authority or the Commission shall promptly file in such court a certified copy of the record upon which such violation was found or such sanction imposed, as provided in section 2112 of title 28. The findings and order of the administering authority or the Commission shall be set aside by the court only if the court finds that such findings and order are not supported by substantial evidence, as provided in section 706(2) of title 5.

(6) Enforcement of sanctions

If any person fails to pay an assessment of a civil penalty or to comply with other administrative sanctions after the order imposing such sanctions becomes a final and unappealable order, or after the United States Court of International Trade has entered final judgment in favor of the administering authority or the Commission, an action may be filed in such court to enforce the sanctions. In such action, the validity and appropriateness of the final order imposing the sanctions shall not be subject to review.

(7) Testimony and production of papers

(A) Authority to obtain information

For the purpose of conducting any hearing and carrying out other functions and duties under this subsection, the administering authority and the Commission, or their duly authorized agents—

(i) shall have access to and the right to copy any pertinent document, paper, or record in the possession of any individual, partnership, corporation, association, organization, or other entity,

(ii) may summon witnesses, take testimony, and administer oaths,

(iii) and may require any individual or entity to produce pertinent documents, books, or records.

Any member of the Commission, and any person so designated by the administering authority, may sign subpoenas, and members and agents of the administering authority and the Commission, when authorized by the administering authority or the Commission, as appropriate, may administer oaths and affirmations, examine witnesses, take testimony, and receive evidence.

(B) Witnesses and evidence

The attendance of witnesses who are authorized to be summoned, and the production of documentary evidence authorized to be ordered, under subparagraph (A) may be required from any place in the United States at any designated place of hearing. In the case of disobedience to a subpoena issued under subparagraph (A), an action may be filed in any district or territorial court of the United States to require the attendance and testimony of witnesses and the production of documentary evidence. Such court, within the jurisdiction of which such inquiry is carried on, may, in case of contumacy or refusal to obey a subpoena issued to any individual, partnership, corporation, association, organization or other entity, issue any

order requiring such individual or entity to appear before the administering authority or the Commission, or to produce documentary evidence if so ordered or to give evidence concerning the matter in question. Any failure to obey such order of the court may be punished by the court as a contempt thereof.

(C) Mandamus

Any court referred to in subparagraph (B) shall have jurisdiction to issue writs of mandamus commanding compliance with the provisions of this subsection or any order of the administering authority or the Commission made in pursuance thereof.

(D) Depositions

For purposes of carrying out any functions or duties under this subsection, the administering authority or the Commission may order testimony to be taken by deposition. Such deposition may be taken before any person designated by the administering authority or Commission and having power to administer oaths. Such testimony shall be reduced to writing by the person taking the deposition, or under the direction of such person, and shall then be subscribed by the deponent. Any individual, partnership, corporation, association, organization or other entity may be compelled to appear and depose and to produce documentary evidence in the same manner as witnesses may be compelled to appear and testify and produce documentary evidence before the administering authority or Commission, as provided in this paragraph.

(E) Fees and mileage of witnesses

Witnesses summoned before the administering authority or the Commission shall be paid the same fees and mileage that are paid witnesses in the courts of the United States.

(g) Information relating to violations of protective orders and sanctions

The administering authority and the Commission may withhold from disclosure any correspondence, private letters of reprimand, settlement agreements, and documents and files compiled in relation to investigations and actions involving a violation or possible violation of a protective order issued under subsection (c) or (d) of this section, and such information shall be treated as information described in section 552(b)(3) of title 5.

(h) Opportunity for comment by consumers and industrial users

The administering authority and the Commission shall provide an opportunity for industrial users of the subject merchandise and, if the merchandise is sold at the retail level, for representative consumer organizations, to submit relevant information to the administering authority concerning dumping or a countervailable subsidy, and to the Commission concerning material injury by reason of dumped or subsidized imports.

(i) Publication of determinations; requirements for final determinations

(1) In general

Whenever the administering authority makes a determination under section 1671a or 1673a of this title whether to initiate an investigation, or the administering authority or the Commission makes a preliminary determination under section 1671b or 1673b of this title, a final determination under section 1671d of this title or section 1673d of this title, a preliminary or final determination in a review under section 1675 of this title, a determination to suspend an investigation under this subtitle, or a determination under section 1675b of this title, the administering authority or the Commission, as the case may be, shall publish the facts and conclusions supporting that determination, and shall publish notice of that determination in the Federal Register.

(2) Contents of notice or determination

The notice or determination published under paragraph (1) shall include, to the extent applicable—

(A) in the case of a determination of the administering authority—

(i) the names of the exporters or producers of the subject merchandise or, when providing such names is impracticable, the countries exporting the subject merchandise to the United States,

(ii) a description of the subject merchandise that is sufficient to identify the subject merchandise for customs purposes,

(iii)(I) with respect to a determination in an investigation under part I of this subtitle or section 1675b of this title or in a review of a countervailing duty order, the amount of the countervailable subsidy established and a full explanation of the methodology used in establishing the amount, and

(II) with respect to a determination in an investigation under part II of this subtitle or in a review of an antidumping duty order, the weighted average dumping margins established and a full explanation of the methodology used in establishing such margins, and

(iv) the primary reasons for the determination; and

(B) in the case of a determination of the Commission—

(i) considerations relevant to the determination of injury, and

(ii) the primary reasons for the determination.

(3) Additional requirements for final determinations

In addition to the requirements set forth in paragraph (2)—

(A) the administering authority shall include in a final determination described in paragraph (1) an explanation of the basis for its determination that addresses relevant arguments, made by interested parties who are parties to the investigation or review (as the case may be), concerning the establishment of dumping or a countervailable subsidy, or

the suspension of the investigation, with respect to which the determination is made; and

(B) the Commission shall include in a final determination of injury an explanation of the basis for its determination that addresses relevant arguments that are made by interested parties who are parties to the investigation or review (as the case may be) concerning volume, price effects, and impact on the industry of imports of the subject merchandise.

(June 17, 1930, ch. 497, title VII, § 777, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 187; amended Oct. 30, 1984, Pub. L. 98–573, title VI, § 619, 98 Stat. 3038; Oct. 22, 1986, Pub. L. 99–514, title XVIII, §§ 1886(a)(13), 1889(8), 100 Stat. 2922, 2926; Aug. 23, 1988, Pub. L. 100–418, title I, § 1332, 102 Stat. 1207; Sept. 28, 1988, Pub. L. 100–449, title IV, § 403(c), 102 Stat. 1884; Aug. 20, 1990, Pub. L. 101–382, title I, §§ 134(a)(4), 135(b), 104 Stat. 650, 651; Dec. 8, 1993, Pub. L. 103–182, title IV, § 412(c), 107 Stat. 2146; Dec. 8, 1994, Pub. L. 103–465, title II, §§ 226–228, 231(b), (d)(1), 108 Stat. 4886–4888, 4896, 4897.)

AMENDMENTS

1994—Subsec. (a)(4). Pub. L. 103–465, § 231(b), substituted ''shall disclose'' for ''may disclose'' in introductory provisions.

Subsec. (b)(1). Pub. L. 103–465, § 226(a)(1), amended par. (1) generally, designating first sentence as subpar. (A), rearranging provisions for clarity, and inserting provisions in cl. (i) relating to reviews under this subtitle covering same subject merchandise, and designating second sentence as subpar. (B) with corresponding redesignations of former subpars. as cls. and cls. as subcls.

Subsec. (b)(2). Pub. L. 103–465, § 226(b), inserted at end ''In a case in which the administering authority or the Commission returns the information to the person submitting it, the person may thereafter submit other material concerning the subject matter of the returned information if the submission is made within the time otherwise provided for submitting such material.''

Subsec. (b)(3). Pub. L. 103–465, § 226(a)(2), added par. (3).

Subsec. (e). Pub. L. 103–465, § 231(d)(1), struck out heading and text of subsec. (e). Text read as follows: ''Information shall be submitted to the administering authority or the Commission during the course of a proceeding on a timely basis and shall be subject to comment by other parties within such reasonable time as the administering authority or the Commission shall provide. If information is submitted without an adequate opportunity for other parties to comment thereon, the administering authority or the Commission may return the information to the party submitting it and not consider it.''

Subsecs. (h), (i). Pub. L. 103–465, §§ 227, 228, added subsecs. (h) and (i).

1993—Subsec. (f). Pub. L. 103–182, § 412(c)(1), inserted ''the North American Free Trade Agreement or'' in heading.

Subsec. (f)(1)(A). Pub. L. 103–182, § 412(c)(2), (3), inserted ''the NAFTA or'' before ''the United States-Canada Agreement'' in two places, in second sentence inserted ''or extraordinary challenge committee'' after ''binational panel'', and substituted ''identified by the panel or committee'' for ''identified by the panel''.

Subsec. (f)(1)(B). Pub. L. 103–182, § 412(c)(4), in cl. (iii), inserted ''the NAFTA or'' before ''the Agreement'' and in cl. (iv), inserted ''the NAFTA or'' before ''the Agreement'' and substituted ''Government of a free trade area country (as defined in section 1516a(f)(10) of this title) designated by an authorized agency of such country'' for ''Government of Canada designated by an authorized agency of Canada''.

Subsec. (f)(2). Pub. L. 103–182, § 412(c)(5), inserted '', including any extraordinary challenge,'' after ''binational panel proceeding''.

Subsec. (f)(3). Pub. L. 103–182, § 412(c)(6), (7), substituted ''agency of a free trade area country (as defined in section 1516a(f)(10) of this title)'' for ''agency of Canada'' and inserted ''or extraordinary challenge committee'' after ''binational panel'' and ''the NAFTA or'' before ''the United States-Canada Agreement''.

Subsec. (f)(4). Pub. L. 103–182, § 412(c)(7), (8), inserted '', except a judge appointed to a binational panel or an extraordinary challenge committee under section 3432(b) of this title,'' after ''Any person'' and substituted ''agency of a free trade area country (as defined in section 1516a(f)(10) of this title)'' for ''agency of Canada''.

1990—Subsec. (c)(1)(A). Pub. L. 101–382, § 135(b)(1), inserted at end ''Customer names obtained during any investigation which requires a determination under section 1671d(b) or 1673d(b) of this title may not be disclosed by the administering authority under protective order until either an order is published under section 1671e(a) or 1673e(a) of this title as a result of the investigation or the investigation is suspended or terminated. The Commission may delay disclosure of customer names under protective order during any such investigation until a reasonable time prior to any hearing provided under section 1677c of this title.''

Subsec. (d). Pub. L. 101–382, § 134(a)(4), redesignated subsec. (d), relating to disclosure of proprietary information, etc., as (f).

Subsec. (f). Pub. L. 101–382, § 134(a)(4), redesignated subsec. (d), relating to disclosure of proprietary information, etc., as (f).

Subsec. (f)(1)(A). Pub. L. 101–382, § 134(a)(4)(A), struck out ''(but not privileged material as defined by the rules of procedure referred to in article 1904(14) of the United States-Canada Agreement)'' after ''all proprietary material'' and inserted at end ''If the administering authority or the Commission claims a privilege as to a document or portion of a document in the administrative record of the proceeding in question and a binational panel finds that in camera inspection or limited disclosure of that document or portion thereof is required by United States law, the administering authority or the Commission, as appropriate, may restrict access to such document or portion thereof to the authorized persons identified by the panel as requiring access and may require such persons to obtain access under a protective order described in paragraph (2).''

Subsec. (f)(1)(B)(ii) to (iv). Pub. L. 101–382, § 134(a)(4)(B), inserted '', and persons under the direction and control,'' after ''employees'' in cl. (ii), substituted ''make recommendations to the Trade Representative regarding the convening of extraordinary challenge committees under chapter 19 of the Agreement, and'' for ''implement the United States-Canada Agreement with respect to such proceeding.'' in cl. (iii), and added cl. (iv).

Subsec. (f)(3). Pub. L. 101–382, § 134(a)(4)(C), struck out ''or'' after ''violate,'' in two places and inserted ''or knowingly to receive information the receipt of which constitutes a violation of,'' after ''the violation of,'' in two places.

Subsec. (f)(4). Pub. L. 101–382, § 134(a)(4)(D), inserted provisions relating to receipt of information with reason to know the information was disclosed in violation.

Subsec. (g). Pub. L. 101–382, § 135(b)(2), added subsec. (g).

1988—Subsec. (b)(1)(B)(ii). Pub. L. 100–418, § 1332(1), amended cl. (ii) generally. Prior to amendment, cl. (ii) read as follows: ''a statement that the information should not be released under administrative protective order.''

Subsec. (c)(1)(A). Pub. L. 100–418, § 1332(2)(A), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: ''Upon receipt of an application, (before or after receipt of the information requested) which de-

scribes with particularity the information requested and sets forth the reasons for the request, the administering authority and the Commission may make proprietary information submitted by any other party to the investigation available under a protective order described in subparagraph (B).''

Subsec. (c)(1)(C) to (E). Pub. L. 100–418, § 1332(2)(B), added subpars. (C) to (E).

Subsec. (c)(2). Pub. L. 100–418, § 1332(3), struck out ''or the Commission denies a request for proprietary information submitted by the petitioner or an interested party in support of the petitioner concerning the domestic price or cost of production of the like product,'' after ''information under paragraph (1),''.

Subsec. (d). Pub. L. 100–449 added subsec. (d) relating to disclosure of proprietary information, etc.

Pub. L. 100–418, § 1332(4), added subsec. (d) relating to service.

Subsec. (e). Pub. L. 100–418, § 1332(4), added subsec. (e).

1986—Subsec. (a)(4). Pub. L. 99–514, § 1886(a)(13)(A), substituted ''non-proprietary'' for ''nonconfidential'' in heading, and ''proprietary'' for ''confidential'' in two places in text.

Subsec. (b). Pub. L. 99–514, § 1886(a)(13)(A), substituted ''Proprietary'' for ''Confidential'' in heading.

Subsec. (b)(1). Pub. L. 99–514, § 1886(a)(13)(A), substituted ''Proprietary status'' for ''Confidentiality'' in heading, ''proprietary'' for ''confidential'' in two places in introductory provisions, and ''non-proprietary'' for ''nonconfidential'' in subpar. (A)(i).

Pub. L. 99–514, § 1889(8), made technical correction to directory language of Pub. L. 98–573, § 619(3), requiring no change in text. See 1984 Amendment note below.

Subsec. (b)(1)(B)(i). Pub. L. 99–514, § 1886(a)(13)(B), inserted ''or the Commission'' after ''authority''.

Subsec. (b)(2). Pub. L. 99–514, § 1886(a)(13)(A), substituted ''proprietary'' for ''confidential''.

Subsec. (c). Pub. L. 99–514, § 1886(a)(13)(A), substituted ''proprietary'' for ''confidential'' in heading and in pars. (1)(A) and (2).

1984—Subsec. (a)(3). Pub. L. 98–573, § 619(1), amended par. (3) generally, substituting in provisions preceding subpar. (A) ''of any ex parte meeting'' for ''of ex parte meetings'', in subpar. (A) ''a proceeding'' for ''an investigation'', in subpar. (B) ''or any person'' for ''and any person'' and ''that proceeding,'' for ''that investigation,'' and, in provisions following subpar. (B), ''if information relating to that proceeding was presented or discussed at such meeting. The record of such an'' for ''The record of the''.

Subsec. (b)(1). Pub. L. 98–573, § 619(2), in first sentence, inserted provision referring to an officer or employee of the United States Customs Service who is directly involved in conducting an investigation regarding fraud under this subtitle.

Pub. L. 98–573, § 619(3), as amended by Pub. L. 99–514, § 1889(8), amended second sentence generally, and thereby substituted ''the Commission shall require'' for ''the Commission may require'', designated existing provisions as subpar. (A) and, in subpar. (A) as so designated, substituted ''either— (i) a nonconfidential summary'' for ''a non-confidential summary'', inserted designation ''(ii)'', substituted ''summary accompanied'' for ''summary, accompanied'', and added subpar. (B).

Subsec. (c)(1)(A). Pub. L. 98–573, § 619(4), inserted ''(before or after receipt of the information requested)''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], but not applicable to any final determination described in section 1516a(a)(1)(B) or (2)(B)(i), (ii), or (iii) of this title, notice of which is published in the Federal Register before such date, or to a determination described in section 1516a(a)(2)(B)(vi) of this title, notice of which is received by the Government of Canada or Mexico before such date, or to any binational panel review under the United States-Canada Free-Trade Agreement, or to any extraordinary challenge arising out of any such review that was commenced before such date, see section 416 of Pub. L. 103–182, set out as an Effective Date note under section 3431 of this title.

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENTS

Amendment by Pub. L. 100–449 effective on date the United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

Amendment by Pub. L. 100–418 applicable with respect to investigations initiated after Aug. 23, 1988, and to reviews initiated under section 1673e(c) or 1675 of this title after Aug. 23, 1988, see section 1337(b) of Pub. L. 100–418, set out as an Effective Date of 1988 Amendment note under section 1671 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Oct. 30, 1984, see section 626(a) of Pub. L. 98–573, set out as a note under section 1671 of this title.

EFFECT OF TERMINATION OF NAFTA COUNTRY STATUS

For provisions relating to effect of termination of NAFTA country status on the provisions of sections 401 to 416 of Pub. L. 103–182, see section 3451 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1516a, 1671b, 1673e, 1677, 1677n, 3432, 3451 of this title; title 28 section 1581, 1584, 2631, 2635, 2636, 2640, 2643.

§ 1677f–1. Sampling and averaging; determination of weighted average dumping margin and countervailable subsidy rate

(a) In general

For purposes of determining the export price (or constructed export price) under section 1677a of this title or the normal value under section 1677b of this title, and in carrying out reviews under section 1675 of this title, the administering authority may—

(1) use averaging and statistically valid samples, if there is a significant volume of sales of the subject merchandise or a significant number or types of products, and

(2) decline to take into account adjustments which are insignificant in relation to the price or value of the merchandise.

(b) Selection of averages and samples

The authority to select averages and statistically valid samples shall rest exclusively with

the administering authority. The administering authority shall, to the greatest extent possible, consult with the exporters and producers regarding the method to be used to select exporters, producers, or types of products under this section.

(c) Determination of dumping margin

(1) General rule

In determining weighted average dumping margins under section 1673b(d), 1673d(c), or 1675(a) of this title, the administering authority shall determine the individual weighted average dumping margin for each known exporter and producer of the subject merchandise.

(2) Exception

If it is not practicable to make individual weighted average dumping margin determinations under paragraph (1) because of the large number of exporters or producers involved in the investigation or review, the administering authority may determine the weighted average dumping margins for a reasonable number of exporters or producers by limiting its examination to—

(A) a sample of exporters, producers, or types of products that is statistically valid based on the information available to the administering authority at the time of selection, or

(B) exporters and producers accounting for the largest volume of the subject merchandise from the exporting country that can be reasonably examined.

(d) Determination of less than fair value

(1) Investigations

(A) In general

In an investigation under part II of this subtitle, the administering authority shall determine whether the subject merchandise is being sold in the United States at less than fair value—

(i) by comparing the weighted average of the normal values to the weighted average of the export prices (and constructed export prices) for comparable merchandise, or

(ii) by comparing the normal values of individual transactions to the export prices (or constructed export prices) of individual transactions for comparable merchandise.

(B) Exception

The administering authority may determine whether the subject merchandise is being sold in the United States at less than fair value by comparing the weighted average of the normal values to the export prices (or constructed export prices) of individual transactions for comparable merchandise, if—

(i) there is a pattern of export prices (or constructed export prices) for comparable merchandise that differ significantly among purchasers, regions, or periods of time, and

(ii) the administering authority explains why such differences cannot be taken into account using a method described in paragraph (1)(A)(i) or (ii).

(2) Reviews

In a review under section 1675 of this title, when comparing export prices (or constructed export prices) of individual transactions to the weighted average price of sales of the foreign like product, the administering authority shall limit its averaging of prices to a period not exceeding the calendar month that corresponds most closely to the calendar month of the individual export sale.

(e) Determination of countervailable subsidy rate

(1) General rule

In determining countervailable subsidy rates under section 1671b(d), 1671d(c), or 1675(a) of this title, the administering authority shall determine an individual countervailable subsidy rate for each known exporter or producer of the subject merchandise.

(2) Exception

If the administering authority determines that it is not practicable to determine individual countervailable subsidy rates under paragraph (1) because of the large number of exporters or producers involved in the investigation or review, the administering authority may—

(A) determine individual countervailable subsidy rates for a reasonable number of exporters or producers by limiting its examination to—

(i) a sample of exporters or producers that the administering authority determines is statistically valid based on the information available to the administering authority at the time of selection, or

(ii) exporters and producers accounting for the largest volume of the subject merchandise from the exporting country that the administering authority determines can be reasonably examined; or

(B) determine a single country-wide subsidy rate to be applied to all exporters and producers.

The individual countervailable subsidy rates determined under subparagraph (A) shall be used to determine the all-others rate under section 1671d(c)(5) of this title.

(June 17, 1930, ch. 497, title VII, § 777A, as added Oct. 30, 1984, Pub. L. 98–573, title VI, § 620(a), 98 Stat. 3039; amended Dec. 8, 1994, Pub. L. 103–465, title II, §§ 229(a), 269(a), (b)(1), 108 Stat. 4889, 4916.)

AMENDMENTS

1994—Pub. L. 103–465, § 269(b)(1), inserted ''and countervailable subsidy rate'' after ''margin'' in section catchline.

Pub. L. 103–465, § 269(a), added subsec. (e).

Pub. L. 103–465, § 229(a), amended section generally, substituting present provisions for provisions authorizing use of averaging or generally recognized sampling techniques for purposes of determining United States price or foreign market value and for purposes of annual reviews under section 1675 of this title, and providing for selection of samples and averages by administering authority.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE

Section applicable with respect to investigations initiated by petition or by the administering authority under parts I and II of this subtitle, and to reviews begun under section 1675 of this title, on or after Oct. 30, 1984, see section 626(b)(1) of Pub. L. 98–573, as amended, set out as an Effective Date of 1984 Amendment note under section 1671 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1671b, 1671d, 1677m of this title.

§ 1677g. Interest on certain overpayments and underpayments

(a) General rule

Interest shall be payable on overpayments and underpayments of amounts deposited on merchandise entered, or withdrawn from warehouse, for consumption on and after—

(1) the date of publication of a countervailing or antidumping duty order under this subtitle or section 1303[1] of this title, or

(2) the date of a finding under the Antidumping Act, 1921.

(b) Rate

The rate of interest payable under subsection (a) of this section for any period of time is the rate of interest established under section 6621 of title 26 for such period.

(June 17, 1930, ch. 497, title VII, § 778, as added July 26, 1979, Pub. L. 96–39, title I, § 101, 93 Stat. 188; amended Oct. 30, 1984, Pub. L. 98–573, title VI, § 621, 98 Stat. 3039; Oct. 22, 1986, Pub. L. 99–514, § 2, 100 Stat. 2095.)

REFERENCES IN TEXT

Section 1303 of this title, referred to in subsec. (a)(1), is defined in section 1677(26) of this title to mean section 1330 as in effect on the day before Jan. 1, 1995.

The Antidumping Act, 1921, referred to in subsec. (a)(2), is act May 27, 1921, ch. 14, title II, 42 Stat. 11, as amended, which was classified generally to sections 160 to 171 of this title, and was repealed by Pub. L. 96–39, title I, § 106(a), July 26, 1979, 93 Stat. 193.

AMENDMENTS

1986—Subsec. (b). Pub. L. 99–514 substituted ''Internal Revenue Code of 1986'' for ''Internal Revenue Code of 1954'', which for purposes of codification was translated as ''title 26'' thus requiring no change in text.

1984—Subsec. (a). Pub. L. 98–573 amended subsec. (a) generally, substituting provisions making interest payable on and after the date of publication of a countervailing or antidumping duty order under this subtitle or section 1303 of this title or the date of a finding under the Antidumping Act, 1921 for provisions making interest payable on and after the date on which notice of an affirmative determination by the Commission under section 1671d(b) or 1673d(b) of this title with respect to such merchandise was published.

Subsec. (b). Pub. L. 98–573 amended subsec. (b) generally, substituting provisions that the rate of interest payable under subsec. (a) for any period of time is the rate of interest established under section 6621 of title 26 for such period for provision that the rate at which such interest was payable would be 8 percent per annum or, if higher, the rate in effect under section 6621 of title 26 on the date on which the rate or amount of the duty was finally determined.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 applicable with respect to merchandise that is unliquidated on or after Nov. 4, 1984, see section 626(b)(4) of Pub. L. 98–573, set out as a note under section 1671 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1671f, 1673f, 3556 of this title.

§ 1677h. Drawback treatment

For purposes of any law relating to the drawback of customs duties, countervailing duties and antidumping duties imposed by this subtitle shall not be treated as being regular customs duties.

(June 17, 1930, ch. 497, title VII, § 779, as added Oct. 30, 1984, Pub. L. 98–573, title VI, § 622(a)(2), 98 Stat. 3039; amended Aug. 23, 1988, Pub. L. 100–418, title I, § 1334(a), (b)(1), 102 Stat. 1209, 1210.)

AMENDMENTS

1988—Pub. L. 100–418 substituted ''Drawback treatment'' for ''Drawbacks'' in section catchline and ''not be treated as being regular'' for ''be treated as any other'' in text.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 applicable with respect to articles entered, or withdrawn from warehouse for consumption, on or after Aug. 23, 1988, see section 1337(d) of Pub. L. 100–418, set out as a note under section 1671 of this title.

EFFECTIVE DATE

Section effective Oct. 30, 1984, see section 626(a) of Pub. L. 98–573, set out as an Effective Date of 1984 Amendment note under section 1671 of this title.

§ 1677i. Downstream product monitoring

(a) Petition requesting monitoring

(1) In general

A domestic producer of an article that is like a component part or a downstream product may petition the administering authority to designate a downstream product for monitoring under subsection (b) of this section. The petition shall specify—

(A) the downstream product,

(B) the component product incorporated into such downstream product, and

(C) the reasons for suspecting that the imposition of antidumping or countervailing duties has resulted in a diversion of exports of the component part into increased production and exportation to the United States of such downstream product.

(2) Determination regarding petition

Within 14 days after receiving a petition submitted under paragraph (1), the administering authority shall determine—

(A) whether there is a reasonable likelihood that imports into the United States of

[1] See References in Text note below.

the downstream product will increase as an indirect result of any diversion with respect to the component part, and

(B) whether—

(i) the component part is already subject to monitoring to aid in the enforcement of a bilateral arrangement (within the meaning of section 804 of the Trade and Tariff Act of 1984),

(ii) merchandise related to the component part and manufactured in the same foreign country in which the component part is manufactured has been the subject of a significant number of investigations suspended under section 1671c or 1673c of this title or countervailing or antidumping duty orders issued under this subtitle or section 1303[1] of this title, or

(iii) merchandise manufactured or exported by the manufacturer or exporter of the component part that is similar in description and use to the component part has been the subject of at least 2 investigations suspended under section 1671c or 1673c of this title or countervailing or antidumping duty orders issued under this subtitle or section 1303[1] of this title.

(3) Factors to take into account

In making a determination under paragraph (2)(A), the administering authority may, if appropriate, take into account such factors as—

(A) the value of the component part in relation to the value of the downstream product,

(B) the extent to which the component part has been substantially transformed as a result of its incorporation into the downstream product, and

(C) the relationship between the producers of component parts and producers of downstream products.

(4) Publication of determination

The administering authority shall publish in the Federal Register notice of each determination made under paragraph (2) and, if the determination made under paragraph (2)(A) and a determination made under any subparagraph of paragraph (2)(B) are affirmative, shall transmit a copy of such determinations and the petition to the Commission.

(5) Determinations not subject to judicial review

Notwithstanding any other provision of law, any determination made by the administering authority under paragraph (2) shall not be subject to judicial review.

(b) Monitoring by Commission

(1) In general

If the determination made under subsection (a)(2)(A) of this section and a determination made under any clause of subsection (a)(2)(B) of this section with respect to a petition are affirmative, the Commission shall immediately commence monitoring of trade in the downstream product that is the subject of the determination made under subsection (a)(2)(A) of this section. If the Commission finds that imports of a downstream product being monitored increased during any calendar quarter by 5 percent or more over the preceding quarter, the Commission shall analyze that increase in the context of overall economic conditions in the product sector.

(2) Reports

The Commission shall make quarterly reports to the administering authority regarding the monitoring and analyses conducted under paragraph (1). The Commission shall make the reports available to the public.

(c) Action on basis of monitoring reports

The administering authority shall review the information in the reports submitted by the Commission under subsection (b)(2) of this section and shall—

(1) consider the information in determining whether to initiate an investigation under section 1671a(a) or 1673a(a) of this title regarding any downstream product, and

(2) request the Commission to cease monitoring any downstream product if the information indicates that imports into the United States are not increasing and there is no reasonable likelihood of diversion with respect to component parts.

(d) Definitions

For purposes of this section—

(1) The term ''component part'' means any imported article that—

(A) during the 5-year period ending on the date on which the petition is filed under subsection (a) of this section, has been subject to—

(i) a countervailing or antidumping duty order issued under this subtitle or section 1303[2] of this title that requires the deposit of estimated countervailing or antidumping duties imposed at a rate of at least 15 percent ad valorem, or

(ii) an agreement entered into under section 1671c, 1673c, or 1303[2] of this title after a preliminary affirmative determination under section 1671b(b), 1673b(b)(1), or 1303[2] of this title was made by the administering authority which included a determination that the estimated net countervailable subsidy was at least 15 percent ad valorem or that the estimated average amount by which the normal value exceeded the export price (or the constructed export price) was at least 15 percent ad valorem, and

(B) because of its inherent characteristics, is routinely used as a major part, component, assembly, subassembly, or material in a downstream product.

(2) The term ''downstream product'' means any manufactured article—

(A) which is imported into the United States, and

(B) into which is incorporated any component part.

(June 17, 1930, ch. 497, title VII, § 780, as added Aug. 23, 1988, Pub. L. 100–418, title I, § 1320(a), 102

[1] See References in Text note below.

[2] See References in Text note below.

Stat. 1189; amended Dec. 8, 1994, Pub. L. 103–465, title II, §§ 233(a)(1)(E), (2)(A)(vi), 261(d)(1)(B)(iv), 270(a)(1)(M), 108 Stat. 4898, 4910, 4917.)

REFERENCES IN TEXT

Section 804 of the Trade and Tariff Act of 1984, referred to in subsec. (a)(2)(B)(i), is section 804 of Pub. L. 98–573, which is set out as a note under section 2253 of this title.

Section 1303 of this title, referred to in subsecs. (a)(2)(B)(ii), (iii) and (d)(1)(A)(i), (ii), is defined in section 1677(26) of this title to mean section 1330 as in effect on the day before Jan. 1, 1995.

AMENDMENTS

1994—Subsec. (c)(1). Pub. L. 103–465, § 261(d)(1)(B)(iv), substituted ''or 1673a(a)'' for '', 1673a(a), or 1303''.

Subsec. (d)(1)(A)(ii). Pub. L. 103–465, § 270(a)(1)(M), inserted ''countervailable'' before ''subsidy''.

Pub. L. 103–465, § 233(a)(1)(E), (2)(A)(vi), substituted ''normal value'' for ''foreign market value'' and ''export price (or the constructed export price)'' for ''United States price''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by sections 233(a)(1)(E), (2)(A)(vi) and 270(a)(1)(M) of Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

Amendment by section 261(d)(1)(B)(iv) of Pub. L. 103–465 effective on the effective date of title II of Pub. L. 103–465, Jan. 1, 1995, see section 261(d)(2) of Pub. L. 103–465, set out as a note under section 1315 of this title.

§ 1677j. Prevention of circumvention of antidumping and countervailing duty orders

(a) Merchandise completed or assembled in United States

(1) In general

If—

(A) merchandise sold in the United States is of the same class or kind as any other merchandise that is the subject of—

(i) an antidumping duty order issued under section 1673e of this title,

(ii) a finding issued under the Antidumping Act, 1921, or

(iii) a countervailing duty order issued under section 1671e of this title or section 1303[1] of this title,

(B) such merchandise sold in the United States is completed or assembled in the United States from parts or components produced in the foreign country with respect to which such order or finding applies,

(C) the process of assembly or completion in the United States is minor or insignificant, and

(D) the value of the parts or components referred to in subparagraph (B) is a significant portion of the total value of the merchandise,

the administering authority, after taking into account any advice provided by the Commission under subsection (e) of this section, may include within the scope of such order or finding the imported parts or components referred to in subparagraph (B) that are used in the completion or assembly of the merchandise in the United States at any time such order or finding is in effect.

(2) Determination of whether process is minor or insignificant

In determining whether the process of assembly or completion is minor or insignificant under paragraph (1)(C), the administering authority shall take into account—

(A) the level of investment in the United States,

(B) the level of research and development in the United States,

(C) the nature of the production process in the United States,

(D) the extent of production facilities in the United States, and

(E) whether the value of the processing performed in the United States represents a small proportion of the value of the merchandise sold in the United States.

(3) Factors to consider

In determining whether to include parts or components in a countervailing or antidumping duty order or finding under paragraph (1), the administering authority shall take into account such factors as—

(A) the pattern of trade, including sourcing patterns,

(B) whether the manufacturer or exporter of the parts or components is affiliated with the person who assembles or completes the merchandise sold in the United States from the parts or components produced in the foreign country with respect to which the order or finding described in paragraph (1) applies, and

(C) whether imports into the United States of the parts or components produced in such foreign country have increased after the initiation of the investigation which resulted in the issuance of such order or finding.

(b) Merchandise completed or assembled in other foreign countries

(1) In general

If—

(A) merchandise imported into the United States is of the same class or kind as any merchandise produced in a foreign country that is the subject of—

(i) an antidumping duty order issued under section 1673e of this title,

(ii) a finding issued under the Antidumping Act, 1921, or

(iii) a countervailing duty order issued under section 1671e of this title or section 1303[1] of this title,

(B) before importation into the United States, such imported merchandise is completed or assembled in another foreign country from merchandise which—

(i) is subject to such order or finding, or

(ii) is produced in the foreign country with respect to which such order or finding applies,

[1] See References in Text note below.

(C) the process of assembly or completion in the foreign country referred to in subparagraph (B) is minor or insignificant,

(D) the value of the merchandise produced in the foreign country to which the antidumping duty order applies is a significant portion of the total value of the merchandise exported to the United States, and

(E) the administering authority determines that action is appropriate under this paragraph to prevent evasion of such order or finding,

the administering authority, after taking into account any advice provided by the Commission under subsection (e) of this section, may include such imported merchandise within the scope of such order or finding at any time such order or finding is in effect.

(2) Determination of whether process is minor or insignificant

In determining whether the process of assembly or completion is minor or insignificant under paragraph (1)(C), the administering authority shall take into account—

(A) the level of investment in the foreign country,

(B) the level of research and development in the foreign country,

(C) the nature of the production process in the foreign country,

(D) the extent of production facilities in the foreign country, and

(E) whether the value of the processing performed in the foreign country represents a small proportion of the value of the merchandise imported into the United States.

(3) Factors to consider

In determining whether to include merchandise assembled or completed in a foreign country in a countervailing duty order or an antidumping duty order or finding under paragraph (1), the administering authority shall take into account such factors as—

(A) the pattern of trade, including sourcing patterns,

(B) whether the manufacturer or exporter of the merchandise described in paragraph (1)(B) is affiliated with the person who uses the merchandise described in paragraph (1)(B) to assemble or complete in the foreign country the merchandise that is subsequently imported into the United States, and

(C) whether imports into the foreign country of the merchandise described in paragraph (1)(B) have increased after the initiation of the investigation which resulted in the issuance of such order or finding.

(c) Minor alterations of merchandise

(1) In general

The class or kind of merchandise subject to—

(A) an investigation under this subtitle,

(B) an antidumping duty order issued under section 1673e of this title,

(C) a finding issued under the Antidumping Act, 1921, or

(D) a countervailing duty order issued under section 1671e of this title or section 1303[2] of this title,

shall include articles altered in form or appearance in minor respects (including raw agricultural products that have undergone minor processing), whether or not included in the same tariff classification.

(2) Exception

Paragraph (1) shall not apply with respect to altered merchandise if the administering authority determines that it would be unnecessary to consider the altered merchandise within the scope of the investigation, order, or finding.

(d) Later-developed merchandise

(1) In general

For purposes of determining whether merchandise developed after an investigation is initiated under this subtitle or section 1303[2] of this title (hereafter in this paragraph referred to as the ''later-developed merchandise'') is within the scope of an outstanding antidumping or countervailing duty order issued under this subtitle or section 1303[2] of this title as a result of such investigation, the administering authority shall consider whether—

(A) the later-developed merchandise has the same general physical characteristics as the merchandise with respect to which the order was originally issued (hereafter in this paragraph referred to as the ''earlier product''),

(B) the expectations of the ultimate purchasers of the later-developed merchandise are the same as for the earlier product,

(C) the ultimate use of the earlier product and the later-developed merchandise are the same,

(D) the later-developed merchandise is sold through the same channels of trade as the earlier product, and

(E) the later-developed merchandise is advertised and displayed in a manner similar to the earlier product.

The administering authority shall take into account any advice provided by the Commission under subsection (e) of this section before making a determination under this subparagraph.

(2) Exclusion from orders

The administering authority may not exclude a later-developed merchandise from a countervailing or antidumping duty order merely because the merchandise—

(A) is classified under a tariff classification other than that identified in the petition or the administering authority's prior notices during the proceeding, or

(B) permits the purchaser to perform additional functions, unless such additional functions constitute the primary use of the merchandise and the cost of the additional functions constitute more than a significant proportion of the total cost of production of the merchandise.

[2] See References in Text note below.

(e) Commission advice

(1) Notification to Commission of proposed action

Before making a determination—

(A) under subsection (a) of this section with respect to merchandise completed or assembled in the United States (other than minor completion or assembly),

(B) under subsection (b) of this section with respect to merchandise completed or assembled in other foreign countries, or

(C) under subsection (d) of this section with respect to any later-developed merchandise which incorporates a significant technological advance or significant alteration of an earlier product,

with respect to an antidumping or countervailing duty order or finding as to which the Commission has made an affirmative injury determination, the administering authority shall notify the Commission of the proposed inclusion of such merchandise in such countervailing or antidumping order or finding. Notwithstanding any other provision of law, a decision by the administering authority regarding whether any merchandise is within a category for which notice is required under this paragraph is not subject to judicial review.

(2) Request for consultation

After receiving notice under paragraph (1), the Commission may request consultations with the administering authority regarding the inclusion. Upon the request of the Commission, the administering authority shall consult with the Commission and any such consultation shall be completed within 15 days after the date of the request.

(3) Commission advice

If the Commission believes, after consultation under paragraph (2), that a significant injury issue is presented by the proposed inclusion, the Commission may provide written advice to the administering authority as to whether the inclusion would be inconsistent with the affirmative determination of the Commission on which the order or finding is based. If the Commission decides to provide such written advice, it shall promptly notify the administering authority of its intention to do so, and must provide such advice within 60 days after the date of notification under paragraph (1). For purposes of formulating its advice with respect to merchandise completed or assembled in the United States from parts or components produced in a foreign country, the Commission shall consider whether the inclusion of such parts or components taken as a whole would be inconsistent with its prior affirmative determination.

(f) Time limits for administering authority determinations

The administering authority shall, to the maximum extent practicable, make the determinations under this section within 300 days from the date of the initiation of a countervailing duty or antidumping circumvention inquiry under this section.

(June 17, 1930, ch. 497, title VII, § 781, as added Aug. 23, 1988, Pub. L. 100–418, title I, § 1321(a), 102 Stat. 1192; amended Dec. 8, 1994, Pub. L. 103–465, title II, § 230, 108 Stat. 4891.)

REFERENCES IN TEXT

The Antidumping Act, 1921, referred to in subsecs. (a)(1)(A)(ii), (b)(1)(A)(ii), and (c)(1)(C), is act May 27, 1921, ch. 14, title II, 42 Stat. 11, as amended, which was classified generally to sections 160 to 171 of this title, and was repealed by Pub. L. 96–39, title I, § 106(a), July 26, 1979, 93 Stat. 193.

Section 1303 of this title, referred to in subsecs. (a)(1)(A)(iii), (b)(1)(A)(iii), (c)(1)(D), and (d)(1), is defined in section 1677(26) of this title to mean section 1330 as in effect on the day before Jan. 1, 1995.

AMENDMENTS

1994—Subsecs. (a), (b). Pub. L. 103–465, § 230(a), amended subsecs. (a) and (b) generally, to include provisions relating to whether process of assembly or completion of merchandise in United States or foreign countries is minor or insignificant.

Subsec. (f). Pub. L. 103–465, § 230(b), added subsec. (f).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

EFFECTIVE DATE

Section applicable with respect to articles entered, or withdrawn from warehouse for consumption, on or after Aug. 23, 1988, see section 1337(d) of Pub. L. 100–418, set out as an Effective Date of 1988 Amendment note under section 1671 of this title.

§ 1677k. Third-country dumping

(a) Definitions

For purposes of this section:

(1)(A) The term ''Agreement'' means the Agreement on Implementation of Article VI of the GATT 1994 (relating to antidumping measures).

(B) The term ''GATT 1994'' has the meaning given that term in section 3501(1)(B) of this title.

(2) The term ''Agreement country'' means a foreign country that has accepted the Agreement.

(3) The term ''Trade Representative'' means the United States Trade Representative.

(b) Petition by domestic industry

(1) A domestic industry that produces a product that is like or directly competitive with merchandise produced by a foreign country (whether or not an Agreement country) may, if it has reason to believe that—

(A) such merchandise is being dumped in an Agreement country; and

(B) such domestic industry is being materially injured, or threatened with material injury, by reason of such dumping;

submit a petition to the Trade Representative that alleges the elements referred to in subparagraphs (A) and (B) and requests the Trade Representative to take action under subsection (c) of this section on behalf of the domestic industry.

(2) A petition submitted under paragraph (1) shall contain such detailed information as the Trade Representative may require in support of the allegations in the petition.

(c) Application for antidumping action on behalf of domestic industry

(1) If the Trade Representative, on the basis of the information contained in a petition submitted under paragraph (1), determines that there is a reasonable basis for the allegations in the petition, the Trade Representative shall submit to the appropriate authority of the Agreement country where the alleged dumping is occurring an application pursuant to Article 12 of the Agreement which requests that appropriate antidumping action under the law of that country be taken, on behalf of the United States, with respect to imports into that country of the merchandise concerned.

(2) At the request of the Trade Representative, the appropriate officers of the Department of Commerce and the United States International Trade Commission shall assist the Trade Representative in preparing the application under paragraph (1).

(d) Consultation after submission of application

After submitting an application under subsection (c)(1) of this section, the Trade Representative shall seek consultations with the appropriate authority of the Agreement country regarding the request for antidumping action.

(e) Action upon refusal of Agreement country to act

If the appropriate authority of an Agreement country refuses to undertake antidumping measures in response to a request made therefor by the Trade Representative under subsection (c) of this section, the Trade Representative shall promptly consult with the domestic industry on whether action under any other law of the United States is appropriate.

(Pub. L. 100–418, title I, § 1317, Aug. 23, 1988, 102 Stat. 1188; Pub. L. 103–465, title VI, § 621(a)(1), Dec. 8, 1994, 108 Stat. 4992.)

CODIFICATION

Section was enacted as part of the Omnibus Trade and Competitiveness Act of 1988, and not as part of the Tariff Act of 1930 which comprises this chapter.

AMENDMENTS

1994—Subsec. (a)(1). Pub. L. 103–465 designated existing provisions as subpar. (A), substituted ''GATT 1994'' for ''General Agreement on Tariffs and Trade'', and added subpar. (B).

EFFECTIVE DATE OF 1994 AMENDMENT

Section 621(b) of Pub. L. 103–465 provided that: ''The amendments made by this section [amending this section and sections 2171, 2411, 2702, 2905, 2906, 3107, 3111, and 3202 of this title] shall take effect on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995].''

§ 1677*l*. Antidumping and countervailing duty collections

The Commissioner of Customs shall before the 60th day of each fiscal year after fiscal year 1994 submit to Congress a report regarding the collection during the preceding fiscal year of duties imposed under the antidumping and countervailing duty laws.

(Pub. L. 103–182, title VI, § 691(a), Dec. 8, 1993, 107 Stat. 2223.)

CODIFICATION

Section was enacted as part of the North American Free Trade Agreement Implementation Act, and not as part of the Tariff Act of 1930 which comprises this chapter.

§ 1677m. Conduct of investigations and administrative reviews

(a) Treatment of voluntary responses in countervailing or antidumping duty investigations and reviews

In any investigation under part I or II of this subtitle or a review under section 1675(a) of this title in which the administering authority has, under section 1677f–1(c)(2) of this title or section 1677f–1(e)(2)(A) of this title (whichever is applicable), limited the number of exporters or producers examined, or determined a single country-wide rate, the administering authority shall establish an individual countervailable subsidy rate or an individual weighted average dumping margin for any exporter or producer not initially selected for individual examination under such sections who submits to the administering authority the information requested from exporters or producers selected for examination, if—

(1) such information is so submitted by the date specified—

(A) for exporters and producers that were initially selected for examination, or

(B) for the foreign government, in a countervailing duty case where the administering authority has determined a single country-wide rate; and

(2) the number of exporters or producers who have submitted such information is not so large that individual examination of such exporters or producers would be unduly burdensome and inhibit the timely completion of the investigation.

(b) Certification of submissions

Any person providing factual information to the administering authority or the Commission in connection with a proceeding under this subtitle on behalf of the petitioner or any other interested party shall certify that such information is accurate and complete to the best of that person's knowledge.

(c) Difficulties in meeting requirements

(1) Notification by interested party

If an interested party, promptly after receiving a request from the administering authority or the Commission for information, notifies the administering authority or the Commission (as the case may be) that such party is unable to submit the information requested in the requested form and manner, together with a full explanation and suggested alternative forms in which such party is able to submit the information, the administering authority or the Commission (as the case may be) shall consider the ability of the interested

party to submit the information in the requested form and manner and may modify such requirements to the extent necessary to avoid imposing an unreasonable burden on that party.

(2) Assistance to interested parties

The administering authority and the Commission shall take into account any difficulties experienced by interested parties, particularly small companies, in supplying information requested by the administering authority or the Commission in connection with investigations and reviews under this subtitle, and shall provide to such interested parties any assistance that is practicable in supplying such information.

(d) Deficient submissions

If the administering authority or the Commission determines that a response to a request for information under this subtitle does not comply with the request, the administering authority or the Commission (as the case may be) shall promptly inform the person submitting the response of the nature of the deficiency and shall, to the extent practicable, provide that person with an opportunity to remedy or explain the deficiency in light of the time limits established for the completion of investigations or reviews under this subtitle. If that person submits further information in response to such deficiency and either—

(1) the administering authority or the Commission (as the case may be) finds that such response is not satisfactory, or

(2) such response is not submitted within the applicable time limits,

then the administering authority or the Commission (as the case may be) may, subject to subsection (e) of this section, disregard all or part of the original and subsequent responses.

(e) Use of certain information

In reaching a determination under section 1671b, 1671d, 1673b, 1673d, 1675, or 1675b of this title the administering authority and the Commission shall not decline to consider information that is submitted by an interested party and is necessary to the determination but does not meet all the applicable requirements established by the administering authority or the Commission, if—

(1) the information is submitted by the deadline established for its submission,

(2) the information can be verified,

(3) the information is not so incomplete that it cannot serve as a reliable basis for reaching the applicable determination,

(4) the interested party has demonstrated that it acted to the best of its ability in providing the information and meeting the requirements established by the administering authority or the Commission with respect to the information, and

(5) the information can be used without undue difficulties.

(f) Nonacceptance of submissions

If the administering authority or the Commission declines to accept into the record any information submitted in an investigation or review under this subtitle, it shall, to the extent practicable, provide to the person submitting the information a written explanation of the reasons for not accepting the information.

(g) Public comment on information

Information that is submitted on a timely basis to the administering authority or the Commission during the course of a proceeding under this subtitle shall be subject to comment by other parties to the proceeding within such reasonable time as the administering authority or the Commission shall provide. The administering authority and the Commission, before making a final determination under section 1671d, 1673d, 1675, or 1675b of this title shall cease collecting information and shall provide the parties with a final opportunity to comment on the information obtained by the administering authority or the Commission (as the case may be) upon which the parties have not previously had an opportunity to comment. Comments containing new factual information shall be disregarded.

(h) Termination of investigation or revocation of order for lack of interest

The administering authority may—

(1) terminate an investigation under part I or II of this subtitle with respect to a domestic like product if, prior to publication of an order under section 1671e or 1673e of this title, the administering authority determines that producers accounting for substantially all of the production of that domestic like product have expressed a lack of interest in issuance of an order; and

(2) revoke an order issued under section 1671e or 1673e of this title with respect to a domestic like product, or terminate an investigation suspended under section 1671c or 1673c of this title with respect to a domestic like product, if the administering authority determines that producers accounting for substantially all of the production of that domestic like product, have expressed a lack of interest in the order or suspended investigation.

(i) Verification

The administering authority shall verify all information relied upon in making—

(1) a final determination in an investigation,

(2) a revocation under section 1675(d) of this title, and

(3) a final determination in a review under section 1675(a) of this title, if—

(A) verification is timely requested by an interested party as defined in section 1677(9)(C), (D), (E), (F), or (G) of this title, and

(B) no verification was made under this subparagraph during the 2 immediately preceding reviews and determinations under section 1675(a) of this title of the same order, finding, or notice, except that this clause shall not apply if good cause for verification is shown.

(June 17, 1930, ch. 497, title VII, § 782, as added Dec. 8, 1994, Pub. L. 103–465, title II, § 231(a), 108 Stat. 4893.)

EFFECTIVE DATE

Section effective, except as otherwise provided, on the date on which the WTO Agreement enters into

force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as an Effective Date of 1994 Amendment note under section 1671 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1677e of this title.

§ 1677n. Antidumping petitions by third countries

(a) Filing of petition

The government of a WTO member may file with the Trade Representative a petition requesting that an investigation be conducted to determine if—

(1) imports from another country are being sold in the United States at less than fair value, and

(2) an industry in the petitioning country is materially injured by reason of those imports.

(b) Initiation

The Trade Representative, after consultation with the administering authority and the Commission and obtaining the approval of the WTO Council for Trade in Goods, shall determine whether to initiate an investigation described in subsection (a) of this section.

(c) Determinations

Upon initiation of an investigation under this section, the Trade Representative shall request the following determinations be made according to substantive and procedural requirements specified by the Trade Representative, notwithstanding any other provision of this subtitle:

(1) The administering authority shall determine whether imports into the United States of the subject merchandise are being sold at less than fair value.

(2) The Commission shall determine whether an industry in the petitioning country is materially injured by reason of imports of the subject merchandise into the United States.

(d) Public comment

An opportunity for public comment shall be provided, as appropriate—

(1) by the Trade Representative, in making the determination required by subsection (b) of this section, and

(2) by the administering authority and the Commission, in making the determination required by subsection (c) of this section.

(e) Issuance of order

If the administering authority makes an affirmative determination under paragraph (1) of subsection (c) of this section, and the Commission makes an affirmative determination under paragraph (2) of subsection (c) of this section, the administering authority shall issue an antidumping duty order in accordance with section 1673e of this title and take such other actions as are required by section 1673e of this title.

(f) Reviews of determinations

For purposes of review under section 1516a of this title or review under section 1675 of this title, if an order is issued under subsection (d)[1] of this section, the final determinations of the administering authority and the Commission under this section shall be treated as final determinations made under section 1673d of this title.

(g) Access to information

Section 1677f of this title shall apply to investigations under this section, to the extent specified by the Trade Representative, after consultation with the administering authority and the Commission.

(June 17, 1930, ch. 497, title VII, § 783, as added Dec. 8, 1994, Pub. L. 103–465, title II, § 232(a), 108 Stat. 4897.)

EFFECTIVE DATE

Section effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of this chapter after such date, see section 291 of Pub. L. 103–465, set out as an Effective Date of 1994 Amendment note under section 1671 of this title.

CHAPTER 5—SMUGGLING

Sec.
1701. Customs-enforcement area.
(a) Establishment; extent and duration; enforcement of laws applicable to waters adjacent to customs waters.
(b) Boarding vessels; arrest and seizure; compliance with treaty provisions; authority of Secretary of Commerce unaffected.
1702. Repealed.
1703. Seizure and forfeiture of vessels.
(a) Vessels subject to seizure and forfeiture.
(b) ''Vessels of the United States'' defined.
(c) Acts constituting prima facie evidence vessel engaged in smuggling.
1704. Refusal or revocation of registry, enrollment, license or number on evidence that vessel engaging in smuggling; appeal; immunity from liability.
1705. Destruction of forfeited vessel or vehicle.
1706. Importation in vessels under thirty tons and aircraft; licenses; labels as prima facie evidence of foreign origin of merchandise.
1707. Certificate for importation of alcoholic liquors in small vessels; bond where liquor destined to foreign port; penalty for failure to carry; lost, defaced, or incorrect certificate as relieving from penalty.
1708. Lading vessel in foreign port with liquor for importation.
(a) Allowing lading without certificate for importation; liability of master.
(b) Procuring lading with intent to defraud revenue laws; liability of citizen, master, and members of crew of United States vessel.
1709. Definitions
1710. Separability.
1711. Citation of chapter.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in sections 1581, 1587, 1644 of this title.

§ 1701. Customs-enforcement area

(a) Establishment; extent and duration; enforcement of laws applicable to waters adjacent to customs waters

Whenever the President finds and declares that at any place or within any area on the high

[1] So in original. Probably should be subsection ''(e)''.

seas adjacent to but outside customs waters any vessel or vessels hover or are being kept off the coast of the United States and that, by virtue of the presence of any such vessel or vessels at such place or within such area, the unlawful introduction or removal into or from the United States of any merchandise or person is being or may be occasioned, promoted, or threatened, the place or area so found and declared shall constitute a customs-enforcement area for the purposes of this Act. Only such waters on the high seas shall be within a customs-enforcement area as the President finds and declares are in such proximity to such vessel or vessels that such unlawful introduction or removal of merchandise or persons may be carried on by or to or from such vessel or vessels. No customs-enforcement area shall include any waters more than one hundred nautical miles from the place or immediate area where the President declares such vessel or vessels are hovering or are being kept and, notwithstanding the foregoing provision, shall not include any waters more than fifty nautical miles outwards from the outer limit of customs waters. Whenever the President finds that, within any customs-enforcement area, the circumstances no longer exist which gave rise to the declaration of such area as a customs-enforcement area, he shall so declare, and thereafter, and until a further finding and declaration is made under this subsection with respect to waters within such area, no waters within such area shall constitute a part of such customs-enforcement area. The provisions of law applying to the high seas adjacent to customs waters of the United States shall be enforced in a customs-enforcement area upon any vessel, merchandise, or person found therein.

(b) Boarding vessels; arrest and seizure; compliance with treaty provisions; authority of Secretary of Commerce unaffected

At any place within a customs-enforcement area the several officers of the customs may go on board of any vessel and examine the vessel and any merchandise or person on board, and bring the same into port, and, subject to regulations of the Secretary of the Treasury, it shall be their duty to pursue and seize or arrest and otherwise enforce upon such vessel, merchandise, or person, the provisions of law which are made effective thereto in pursuance of subsection (a) of this section in the same manner as such officers are or may be authorized or required to do in like case at any place in the United States by virtue of any law respecting the revenue: *Provided*, That nothing contained in this section or in any other provision of law respecting the revenue shall be construed to authorize or to require any officer of the United States to enforce any law thereof upon the high seas upon a foreign vessel in contravention of any treaty with a foreign government enabling or permitting the authorities of the United States to board, examine, search, seize, or otherwise to enforce upon such vessel upon the high seas the laws of the United States except as such authorities are or may otherwise be enabled or permitted under special arrangement with such foreign government: *Provided further*, That none of the provisions of this Act shall be construed to relieve the Secretary of Commerce of any authority, responsibility, or jurisdiction now vested in or imposed on that officer.

(Aug. 5, 1935, ch. 438, title I, § 1, 49 Stat. 517.)

REFERENCES IN TEXT

This Act, referred to in text, means act Aug. 5, 1935, which enacted this chapter and sections 1432a and 1601a of this title and amended sections 70, 483, 1401, 1434, 1436, 1441, 1581, 1584, 1585, 1586, 1587, 1591, 1592, 1615, 1619, 1621 of this title, sections 60, 106, and 288 of former Title 46, Shipping, and sections 91, 277, 319, 325 of Title 46, Appendix. For complete classification of this Act to the Code, see Tables.

DELEGATION OF FUNCTIONS

For delegation to Secretary of the Treasury of authority vested in President by this section, see Ex. Ord. No. 10289, § 1(b), Sept. 17, 1951, 16 F.R. 9499, set out as a note under section 301 of Title 3, The President.

CROSS REFERENCES

Boarding vessels, see section 1581 of this title.

Certain functions of Secretary of Commerce relating to shipping and navigation transferred to Commissioner of Customs and Commandant of the Coast Guard, see note set out at beginning of chapter 1 of Title 46, Appendix, Shipping.

Hovering vessel defined, see sections 1401, 1709 of this title.

§ 1702. Repealed. June 25, 1948, ch. 645, § 21, 62 Stat. 862, eff. Sept. 1, 1948

Section, act Aug. 5, 1935, ch. 438, title I, § 2, 49 Stat. 518, related to smuggling into territory of a foreign government. See section 546 of Title 18, Crimes and Criminal Procedure.

§ 1703. Seizure and forfeiture of vessels

(a) Vessels subject to seizure and forfeiture

Whenever any vessel which shall have been built, purchased, fitted out in whole or in part, or held, in the United States or elsewhere, for the purpose of being employed to defraud the revenue or to smuggle any merchandise into the United States, or to smuggle any merchandise into the territory of any foreign government in violation of the laws there in force, if under the laws of such foreign government any penalty or forfeiture is provided for violation of the laws of the United States respecting the customs revenue, or whenever any vessel which shall be found, or discovered to have been employed, or attempted to be employed, within the United States for any such purpose, or in anywise in assistance thereof, or whenever any vessel of the United States which shall be found, or discovered to have been, employed, or attempted to be employed at any place, for any such purpose, or is anywise in assistance thereof, if not subsequently forfeited to the United States or to a foreign government, is found at any place at which any such vessel may be examined by an officer of the customs in the enforcement of any law respecting the revenue, the said vessel and its cargo shall be seized and forfeited.

(b) "Vessels of the United States" defined

Every vessel which is documented, owned, or controlled in the United States, and every vessel of foreign registry which is, directly or indirectly, substantially owned or controlled by any

citizen of, or corporation incorporated, owned, or controlled in, the United States, shall, for the purposes of this section, be deemed a vessel of the United States.

(c) Acts constituting prima facie evidence vessel engaged in smuggling

For the purposes of this section, the fact that a vessel has become subject to pursuit as provided in section 1581 of this title, or is a hovering vessel, or that a vessel fails, at any place within the customs waters of the United States or within a customs-enforcement area, to display lights as required by law, shall be prima facie evidence that such vessel is being, or has been, or is attempted to be employed to defraud the revenue of the United States.

(Aug. 5, 1935, ch. 438, title I, § 3, 49 Stat. 518.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1590 of this title.

§ 1704. Refusal or revocation of registry, enrollment, license or number on evidence that vessel engaging in smuggling; appeal; immunity from liability

Subject to appeal to the Secretary of the Treasury and under such regulations as he may prescribe, when the Secretary of Transportation is shown upon evidence which he deems sufficient that such vessel is being, or is intended to be, employed to smuggle, transport, or otherwise assist in the unlawful introduction or importation into the United States of any merchandise or person, or to smuggle any merchandise into the territory of any foreign government in violation of the laws there in force, if under the laws of such foreign government any penalty or forfeiture is provided for violation of the laws of the United States respecting the customs revenue, or whenever, from the design or fittings of any vessel or the nature of any repairs made thereon, it is apparent to the Secretary of Transportation that such vessel has been built or adapted for the purpose of smuggling merchandise, the the[1] Secretary of Transportation shall revoke any endorsement on the vessel's certificate of documentation or number (when the Secretary is the authority issuing the number under chapter 123 of title 46) or refuse the same if application be made therefor, as the case may be. The Secretary of Transportation and all persons acting by or under his direction shall be indemnified from any penalties or actions for damages for carrying out the provisions of this section.

(Aug. 5, 1935, ch. 438, title I, § 4, 49 Stat. 519; 1946 Reorg. Plan No. 3, §§ 101–104, eff. July 16, 1946, 11 F.R. 7875, 60 Stat. 1097; Dec. 8, 1993, Pub. L. 103–182, title VI, § 689(b), 107 Stat. 2222.)

AMENDMENTS

1993—Pub. L. 103–182, § 689(b)(4), substituted ''The Secretary of Transportation and all persons'' for ''Such collector and all persons''.

Pub. L. 103–182, § 689(b)(3), which directed the substitution of ''the Secretary of Transportation shall revoke any endorsement on the vessel's certificate of documentation or number (when the Secretary is the authority issuing the number under chapter 123 of title 46)'' for ''said collector shall revoke the registry, enrollment, license, or number of such vessel'', was executed by making the substitution in text which read ''said vessel'' rather than ''such vessel'', to reflect the probable intent of Congress.

Pub. L. 130–182, § 689(b)(1), (2), substituted ''when the Secretary of Transportation'' for ''whenever the collector of customs of the district in which any vessel is, or is sought to be, registered, enrolled, licensed, or numbered,'' and ''is apparent to the Secretary of Transportation'' for ''is apparent to such collector''.

TRANSFER OF FUNCTIONS

Coast Guard transferred to Department of Transportation and functions, powers, and duties, relating to Coast Guard, of Secretary of the Treasury and of other offices and officers of Department of the Treasury transferred to Secretary of Transportation by section 6(b)(1) of Pub. L. 89–670, Oct. 15, 1966, 80 Stat. 938. Section 6(b)(2), however, provided that notwithstanding such transfer of functions, Coast Guard shall operate as part of Navy in time of war or when President directs as provided in section 3 of Title 14, Coast Guard. See section 108 of Title 49, Transportation.

All offices of collector of customs, comptroller of customs, surveyor of customs, and appraiser of merchandise in Bureau of Customs of Department of the Treasury to which appointments were required to be made by President with advice and consent of Senate ordered abolished, with such offices to be terminated not later than December 31, 1966, by Reorg. Plan No. 1, of 1965, eff. May 25, 1965, 30 F.R. 7035, 79 Stat. 1317, set out as a note under section 1 of this title.

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of those officers, agencies, and employees, by Reorg. Plan No. 26, of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Under the Plan, collectors of customs and Commandant of Coast Guard were officers of Department of the Treasury, but, in case of Coast Guard, and Commandant thereof, the Plan provided that, notwithstanding transfer of functions, Coast Guard should continue to operate as a part of Navy, subject to orders of Secretary of the Navy, in time of war or when President directed, as provided in sections 1 and 3 of Title 14, Coast Guard.

''Secretary of the Treasury'' substituted in text for ''Secretary of Commerce'' and functions under this section relating to the numbering of vessels vested in Commandant of Coast Guard instead of collectors of customs on authority of Reorg. Plan No. 3 of 1946, set out in the Appendix to Title 5.

CROSS REFERENCES

Definition of enrollment, license, or register with respect to vessel documentation, see section 12101 of Title 46, Shipping.

§ 1705. Destruction of forfeited vessel or vehicle

Any vessel or vehicle forfeited to the United States, whether summarily or by a decree of any court, for violation of any law respecting the revenue, may, in the discretion of the Secretary of the Treasury, if he deems it necessary to protect the revenue of the United States, be destroyed in lieu of the sale thereof under existing law.

(Aug. 5, 1935, ch. 438, title I, § 5, 49 Stat. 519.)

[1] So in original.

§ 1706. Importation in vessels under thirty tons and aircraft; licenses; labels as prima facie evidence of foreign origin of merchandise

Except into the districts adjoining to the Dominion of Canada, or into the districts adjacent to Mexico, no merchandise of foreign growth or manufacture subject to the payment of duties shall be brought into the United States from any foreign port or place, or from any hovering vessel, in any vessel of less than thirty net tons burden without special license granted by the Secretary of the Treasury under such conditions as he may prescribe, nor in any other manner than by sea, except by aircraft duly licensed in accordance with law, or landed or unladen at any other port than is directed by law, under the penalty of seizure and forfeiture of all such unlicensed vessels or aircraft and of the merchandise imported therein, landed or unladen in any manner. Marks, labels, brands, or stamps, indicative of foreign origin, upon or accompanying merchandise or containers of merchandise found upon any such vessel or aircraft, shall be prima facie evidence of the foreign origin of such merchandise.

(Aug. 5, 1935, ch. 438, title I, § 6, 49 Stat. 519.)

§ 1707. Certificate for importation of alcoholic liquors in small vessels; bond where liquor destined to foreign port; penalty for failure to carry; lost, defaced, or incorrect certificate as relieving from penalty

In addition to any other requirement of law, every vessel, not exceeding five hundred net tons, from a foreign port or place, or which has visited a hovering vessel, shall carry a certificate for the importation into the United States of any spirits, wines, or other alcoholic liquors on board thereof (sea stores excepted), destined to the United States, said certificate to be issued by a consular officer of the United States or other authorized person pursuant to such regulations as the Secretary of State and the Secretary of the Treasury may jointly prescribe. Any spirits, wines, or other alcoholic liquors (sea stores excepted) found, or discovered to have been, upon any such vessel at any place in the United States, or within the customs waters, without said certificate on board, which are not shown to have a bona fide destination without the United States, shall be seized and forfeited and, in the case of any such merchandise so destined to a foreign port or place, a bond shall be required in double the amount of the duties to which such merchandise would be subject if imported into the United States, conditioned upon the delivery of said merchandise at such foreign port or place as may be certified by a consular officer of the United States or otherwise as provided in said regulations: *Provided*, That if the collector shall be satisfied that the certificate required for the importation of any spirits, wines, or other alcoholic liquors was issued and was lost or mislaid without fraud, or was defaced by accident, or is incorrect by reason of clerical error or other mistake, said penalties shall not be incurred nor shall such bond be required. This section shall take effect on the sixtieth day following August 5, 1935.

(Aug. 5, 1935, ch. 438, title I, § 7, 49 Stat. 520.)

TRANSFER OF FUNCTIONS

All offices of collector of customs, comptroller of customs, surveyor of customs, and appraiser of merchandise in Bureau of Customs of Department of the Treasury to which appointments were required to be made by President with advice and consent of Senate ordered abolished, with such offices to be terminated not later than Dec. 31, 1966, by Reorg. Plan No. 1 of 1965, eff. May 25, 1965, 30 F.R. 7035, 79 Stat. 1317, set out as a note under section 1 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1584, 1708 of this title.

§ 1708. Lading vessel in foreign port with liquor for importation

(a) Allowing lading without certificate for importation; liability of master

If the master of any vessel of the United States, not exceeding five hundred net tons, allows such vessel to be laden at any foreign port or other place without the United States with any merchandise destined to the United States and consisting of any spirits, wines, or other alcoholic liquors (sea stores excepted), which facts may be evidenced by the testimony or depositions of foreign administrative officials or certified copies of their records or by other sufficient evidence, without certificate issued for the importation of such merchandise into the United States as required by section 1707 of this title, the master of such vessel shall, in addition to any other penalties provided by law, be liable to a penalty equal to the value of the said merchandise but not less than $1,000 and such vessel and such merchandise shall be seized and forfeited.

(b) Procuring lading with intent to defraud revenue laws; liability of citizen, master, and members of crew of United States vessel

Whoever, being a citizen of the United States or a master or a member of the crew of a vessel of the United States, if such vessel does not exceed five hundred net tons, shall, with intent to defraud the revenue of the United States, procure, or aid or assist in procuring, any merchandise destined to the United States and consisting of any spirits, wines, or other alcoholic liquors, without certificate issued for the importation thereof into the United States as required by section 1707 of this title, to be laden upon such vessel at any foreign port or other place without the United States, which facts may be evidenced by the testimony or depositions of foreign administrative officials or certified copies of their records or by other sufficient evidence, shall, in addition to any other penalties provided by law, be liable to a fine of not more than $1,000 or to imprisonment for not more than two years, or to both such fine and imprisonment.

(Aug. 5, 1935, ch. 438, title I, § 8, 49 Stat. 520.)

§ 1709. Definitions

When used in this Act:

(a) The term ''United States'', when used in a geographical sense, includes all Territories and possessions of the United States, except the Virgin Islands, the Canal Zone, American Samoa,

Wake Island, Midway Islands, Kingman Reef, Johnston Island, and the island of Guam.

(b) The term ''officer of the customs'' means any officer of the Customs Service or any commissioned, warrant, or petty officer of the Coast Guard, or agent or other person authorized by law or by the Secretary of the Treasury, or appointed in writing by a collector, to perform the duties of an officer of the Customs Service.

(c) The term ''customs waters'' means, in the case of a foreign vessel subject to a treaty or other arrangement between a foreign government and the United States enabling or permitting the authorities of the United States to board, examine, search, seize, or otherwise to enforce upon such vessel upon the high seas the laws of the United States, the waters within such distance of the coast of the United States as the said authorities are or may be so enabled or permitted by such treaty or arrangement and, in the case of every other vessel, the waters within four leagues of the coast of the United States.

(d) The term ''hovering vessel'' means any vessel which is found or kept off the coast of the United States within or without the customs waters, if, from the history, conduct, character, or location of the vessel, it is reasonable to believe that such vessel is being used or may be used to introduce or promote or facilitate the introduction or attempted introduction of merchandise into the United States in violation of the laws respecting the revenue.

(Aug. 5, 1935, ch. 438, title IV, § 401, 49 Stat. 529; June 25, 1938, ch. 679, § 2, 52 Stat. 1077; Proc. No. 2695, July 4, 1946, 11 F.R. 7517, 60 Stat. 1352; June 30, 1955, ch. 258, § 2(b), 69 Stat. 242.)

REFERENCES IN TEXT

This Act, referred to in text, means act Aug. 5, 1935, which enacted this chapter and sections 1432a and 1601a of this title and amended sections 70, 483, 1401, 1434, 1436, 1441, 1581, 1584, 1585, 1586, 1587, 1591, 1592, 1615, 1619, 1621 of this title, sections 60, 106, and 288 of former Title 46, Shipping, and sections 91, 277, 319, 325 of Title 46, Appendix. For complete classification of this Act to the Code, see Tables.

For definition of Canal Zone, referred to in subsec. (a), see section 3602(b) of Title 22, Foreign Relations and Intercourse.

CODIFICATION

Words ''the Philippine Islands'' in subsec. (a) were omitted on authority of Proc. No. 2695, which is set out as a note under section 1394 of Title 22, Foreign Relations and Intercourse, and in which the President proclaimed the independence of the Philippines.

AMENDMENTS

1955—Subsec. (a). Act June 30, 1955, inserted ''Johnston Island''.

1938—Subsec. (a). Act June 25, 1938, inserted ''Wake Island, Midway Islands, Kingman Reef'' before ''and the island of Guam.''

EFFECTIVE DATE OF 1955 AMENDMENT

Amendment by act June 30, 1955, effective July 1, 1955, see note set out under section 1401 of this title.

EFFECTIVE DATE OF 1938 AMENDMENT

Amendment by act June 25, 1938, effective on thirtieth day following June 25, 1938, except as otherwise specifically provided, see section 37 of act June 25, 1938, set out as a note under section 1401 of this title.

TRANSFER OF FUNCTIONS

Coast Guard transferred to Department of Transportation and functions, powers, and duties, relating to Coast Guard, of Secretary of the Treasury and of other offices and officers of Department of the Treasury transferred to Secretary of Transportation by section 6(b)(1) of Pub. L. 89–670, Oct. 15, 1966, 80 Stat. 938. Section 6(b)(2), however, provided that notwithstanding such transfer of functions, Coast Guard shall operate as part of Navy in time of war or when President directs as provided in section 3 of Title 14, Coast Guard. See section 108 of Title 49, Transportation.

All offices of collector of customs, comptroller of customs, surveyor of customs, and appraiser of merchandise in Bureau of Customs of Department of the Treasury to which appointments were required to be made by President with advice and consent of Senate ordered abolished, with such offices to be terminated not later than December 31, 1966, by Reorg. Plan No. 1, of 1965, eff. May 25, 1965, 30 F.R. 7035, 79 Stat. 1317, set out as a note under section 1, of this title.

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions, by any of those officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees. Under the Plan, collectors of customs and Commandant of Coast Guard were officers of Department of the Treasury, but, in case of Coast Guard and Commandant thereof, the Plan provided that, notwithstanding transfer of functions, Coast Guard should continue to operate as a part of Navy, subject to orders of Secretary of the Navy, in time of war or when President directed, as provided in sections 1 and 3 of Title 14, Coast Guard.

§ 1710. Separability

If any clause, sentence, paragraph, or part of this Act, or the application thereof to any person, or circumstances, is held invalid, the application thereof to other persons, or circumstances, and the remainder of the Act, shall not be affected thereby.

(Aug. 5, 1935, ch. 438, title IV, § 402, 49 Stat. 529.)

REFERENCES IN TEXT

This Act, referred to in text, means act Aug. 5, 1935, which enacted this chapter and sections 1432a and 1601a of this title and amended sections 70, 483, 1401, 1434, 1436, 1441, 1581, 1584, 1585, 1586, 1587, 1591, 1592, 1615, 1619, 1621 of this title, sections 60, 106, and 288 of former Title 46, Shipping, and sections 91, 277, 319, 325 of Title 46, Appendix. For complete classification of this Act to the Code, see Tables.

§ 1711. Citation of chapter

This Act may be cited as the ''Anti-Smuggling Act''.

(Aug. 5, 1935, ch. 438, title IV, § 403, 49 Stat. 529.)

REFERENCES IN TEXT

This Act, referred to in text, means act Aug. 5, 1935, which enacted this chapter and sections 1432a and 1601a of this title and amended sections 70, 483, 1401, 1434, 1436, 1441, 1581, 1584, 1585, 1586, 1587, 1591, 1592, 1615, 1619, 1621 of this title, sections 60, 106, and 288 of former Title 46, Shipping, and sections 91, 277, 319, 325 of Title 46, Appendix. For complete classification of this Act to the Code, see Tables.

CHAPTER 6—TRADE FAIR PROGRAM

Sec.
1751. Designation of fairs.

Sec.
(a) Notice to Secretary of the Treasury.
(b) Definitions.
(c) Regulations.
1752. Entry of articles for fairs.
1753. Disposition of articles entered for fairs.
(a) Disposition upon payment of duties and taxes.
(b) Disposition without payment of duties or taxes.
(c) Mandatory abandonment to Government.
(d) Period for performance of certain acts.
1754. Marking, packaging, and labeling requirements.
(a) Marking requirements of the customs laws.
(b) Packaging, marking, or labeling requirements of the internal-revenue laws or the Federal Alcohol Administration Act.
1755. Responsibilities of fair operator.
(a) Sole consignee and importer.
(b) Reimbursement of customs charges and expenses.
1756. Regulations.

§ 1751. Designation of fairs

(a) Notice to Secretary of the Treasury

When the Secretary of Commerce is satisfied that the public interest in promoting trade will be served by allowance of the privileges provided for in this chapter to any fair to be held in the United States, he shall so advise the Secretary of the Treasury, designating (1) the name of the fair, (2) the place where the fair will be held, (3) the date when the fair will open and the date when it will close, and (4) the name of the operator of the fair.

(b) Definitions

For purposes of this chapter—

(1) The term ''fair'' means any fair, exhibition, or exposition designated by the Secretary of Commerce pursuant to this section.

(2) The term ''closing date'' in the case of any fair means the date designated pursuant to subsection (a)(3) of this section as the date when the fair will close, or (if earlier) the date on which such fair actually closes.

(c) Regulations

The Secretary of Commerce may prescribe such regulations as he deems necessary or appropriate to carry out the provisions of this section.

(Pub. L. 86–14, § 2, Apr. 22, 1959, 73 Stat. 18.)

SHORT TITLE

Section 1 of Pub. L. 86–14 provided: ''This Act [enacting this chapter] may be cited as the 'Trade Fair Act of 1959'.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1755 of this title.

§ 1752. Entry of articles for fairs

Any article imported or brought into the United States—

(1) which is in continuous customs custody, covered by a customs exhibition bond, or in a foreign trade zone, and

(2) on which no duty or internal-revenue tax has been paid,

may, without payment of any duty or internal-revenue tax, be entered under bond under this section for the purpose of exhibition at a fair, or for use in constructing, installing, or maintaining foreign exhibits at a fair.

(Pub. L. 86–14, § 3, Apr. 22, 1959, 73 Stat. 18.)

IMMUNITY FROM SEIZURE UNDER JUDICIAL PROCESS OF CULTURAL OBJECTS IMPORTED FOR TEMPORARY EXHIBITION OR DISPLAY

Presidential determination of cultural significance of objects and exhibition or display thereof in the national interest, see section 2459 of Title 22, Foreign Relations and Intercourse.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1753, 1754, 1755 of this title.

§ 1753. Disposition of articles entered for fairs

(a) Disposition upon payment of duties and taxes

At any time before, or within 3 months after, the closing date of any fair, any article entered for such fair under section 1752 of this title may be sold or otherwise disposed of within, or may be removed from, the area of such fair. This subsection shall apply only if, before such disposition or removal—

(1) the article, after the entry for such fair under section 1752 of this title, has been entered under any provision of the customs laws, and

(2) any applicable duties and internal-revenue taxes are paid on such article in its condition and quantity, and at the rate in effect, at the time of such entry as if such article were imported or brought into the United States at the time of such entry.

(b) Disposition without payment of duties or taxes

At any time before, or within 3 months after, the closing date of any fair, any article entered for such fair under section 1752 of this title may, without the payment of any duties or internal-revenue taxes, be—

(1) exported,

(2) transferred from such fair to other customs custody status or to a foreign-trade zone,

(3) destroyed, or

(4) abandoned to the Government.

(c) Mandatory abandonment to Government

If any article entered under section 1752 of this title is still in customs custody, under such entry, at the expiration of 3 months after the closing date of the fair for which it was entered, such article shall thereupon be regarded as an article abandoned to the Government and shall be subject to sale or destruction of the article and disposition of the proceeds of sale in the manner provided for in sections 1491, 1492, and 1493 of this title. For purposes of this subsection, any duties or internal-revenue taxes on the article shall be computed on the basis of its condition and quantity at the time it becomes subject to sale.

(d) Period for performance of certain acts

Whenever any article entered under section 1752 of this title is transferred pursuant to subsection (b)(2) of this section or entered under

subsection (a) of this section, the period prescribed for the performance of any act required by the provision governing the status to which the article is transferred, or under which the article is entered, shall run from the date of such transfer or entry.

(Pub. L. 86–14, § 4, Apr. 22, 1959, 73 Stat. 18.)

REFERENCES IN TEXT

The customs laws, referred to in subsec. (a)(1), are classified generally to this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1754 of this title.

§ 1754. Marking, packaging, and labeling requirements

(a) Marking requirements of the customs laws

Articles entered under section 1752 of this title shall not be subject to any marking requirements of the customs laws, except that when any such article is entered for consumption under section 1753 of this title it shall not be released from customs custody until the marking requirements of the customs laws have been complied with.

(b) Packaging, marking, or labeling requirements of the internal-revenue laws or the Federal Alcohol Administration Act

Articles entered under section 1752 of this title shall not be subject to the packaging, marking, or labeling requirements of the internal-revenue laws or of the Federal Alcohol Administration Act [27 U.S.C. 201 et seq.], except that any such article failing to comply with such requirements—

(1) shall be conspicuously marked prior to exhibition ''Not labeled or packaged as required by law—not for sale'', and

(2) when entered for consumption under section 1753 of this title, shall not be released from customs custody until such packaging, marking, and labeling requirements have been complied with.

The application of the permit requirements of the Federal Alcohol Administration Act and the occupational taxes prescribed by chapter 51 of the Internal Revenue Code of 1986 shall be determined without regard to this chapter.

(Pub. L. 86–14, § 5, Apr. 22, 1959, 73 Stat. 19; Pub. L. 99–514, § 2, Oct. 22, 1986, 100 Stat. 2095.)

REFERENCES IN TEXT

The customs laws, referred to in subsec. (a), are classified generally to this title.

The internal-revenue laws, referred to in subsec. (b), are classified generally to Title 26, Internal Revenue Code.

The Federal Alcohol Administration Act, referred to in subsec. (b), is act Aug. 29, 1935, ch. 814, 49 Stat. 977, as amended, which is classified generally to subchapter I (§ 201 et seq.) of chapter 8 of Title 27, Intoxicating Liquors. For complete classification of this Act to the Code, see section 201 of Title 27 and Tables.

Chapter 51 of the Internal Revenue Code of 1986, referred to in subsec. (b), is classified to section 5001 et seq. of Title 26, Internal Revenue Code.

AMENDMENTS

1986—Subsec. (b). Pub. L. 99–514 substituted ''Internal Revenue Code of 1986'' for ''Internal Revenue Code of 1954''.

§ 1755. Responsibilities of fair operator

(a) Sole consignee and importer

Each fair operator designated by the Secretary of Commerce pursuant to section 1751 of this title shall be deemed the sole consignee and importer of all articles entered under section 1752 of this title for the fair for which such operator has been designated.

(b) Reimbursement of customs charges and expenses

The actual and necessary customs charges for labor, services, and other expenses in connection with the entry, examination, appraisement, custody, abandonment, destruction, or release of articles entered under section 1752 of this title, together with the necessary charges for salaries of customs officers and employees in connection with the accounting for, custody of, and supervision over, such articles, shall be reimbursed to the United States by the operator of the fair for which they are entered. Receipts from such reimbursements shall be deposited as refunds to the appropriation from which paid, in the manner provided for in section 1524 of this title.

(Pub. L. 86–14, § 6, Apr. 22, 1959, 73 Stat. 19.)

§ 1756. Regulations

The Secretary of the Treasury may prescribe such regulations as may be necessary or appropriate to carry out the provisions of this chapter (other than section 1751 thereof).

(Pub. L. 86–14, § 7, Apr. 22, 1959, 73 Stat. 19.)

CHAPTER 7—TRADE EXPANSION PROGRAM

SUBCHAPTER I—GENERAL PROVISIONS

Sec.
1801. Statement of purposes.
1802 to 1805. Repealed.
1806. Definitions.

SUBCHAPTER II—TRADE AGREEMENTS

PART I—GENERAL AUTHORITY

1821. Basic authority for trade agreements.
(a) Determination by President; trade agreements; modification or continuance of existing duties.
(b) Restrictions on decrease or increase in rate of duty.
1822. Repealed.
1823. Waiver of limitation on decrease in duty and negotiation and staging requirements for dicyandiamide and limestone.

PART II—EUROPEAN ECONOMIC COMMUNITY

1831 to 1833. Repealed.

PART III—REQUIREMENTS CONCERNING NEGOTIATIONS

1841 to 1846. Repealed.

PART IV—NATIONAL SECURITY

1861. Repealed.
1862. Safeguarding national security.
(a) Prohibition on decrease or elimination of duties or other import restrictions if such reduction or elimination would threaten to impair national security.

Sec.
(b) Investigations by Secretary of Commerce to determine effects on national security of imports of articles; consultation with Secretary of Defense and other officials; hearings; assessment of defense requirements; report to President; publication in Federal Register; promulgation of regulations.
(c) Adjustment of imports; determination by President; report to Congress; additional actions; publication in Federal Register.
(d) Domestic production for national defense; impact of foreign competition on economic welfare of domestic industries.
(d) Reports by Secretary of Commerce and President.
(f) Congressional disapproval of Presidential adjustment of imports of petroleum or petroleum products; disapproval resolution.
1863. Repealed.
1864. Import sanctions for export violations.

PART V—ADMINISTRATIVE PROVISIONS

1871. Repealed.
1872. Interagency trade organization.
(a) Establishment; functions; membership and composition; participation of representatives of other agencies; meetings.
(b) Duties.
(c) Use of resources of agencies; procedures and committees.
1873. Repealed.

PART VI—GENERAL PROVISIONS

1881. Most-favored-nation principle.
1882 to 1884. Repealed.
1885. Termination of proclamations.
1886. Repealed.
1887. Limitation on imports under section 624 of title 7.
1888. References in other laws.

SUBCHAPTER III—TARIFF ADJUSTMENT AND OTHER ADJUSTMENT ASSISTANCE

PART I—ELIGIBILITY FOR ASSISTANCE

1901, 1902. Repealed.

PART II—ADJUSTMENT ASSISTANCE TO FIRMS

1911 to 1915. Repealed.
1916. Administration of financial assistance; recording of mortgages.
(a) Guarantees, agreements for deferred participation, and loans.
(b) Mortgages.
1917. Repealed.
1918. Protective provisions.
(a) Maintenance of records by recipients of assistance.
(b) Access to books, documents, papers, and records for purpose of audit and examination.
(c) Certification of names and fees of attorneys, agents, and other persons engaged for purpose of expediting applications for assistance.
(d) Agreement with respect to employment of persons who occupied a position, or engaged in activities which the Secretary of Commerce determines involved discretion.
1919. Penalties.
1920. Suits by and against Secretary of Commerce.

Sec.
PART III—ADJUSTMENT ASSISTANCE TO WORKERS

1931. Repealed.

SUBPART A—TRADE READJUSTMENT ALLOWANCES

1941 to 1944. Repealed.

SUBPART B—TRAINING

1951, 1952. Repealed.

SUBPART C—RELOCATION ALLOWANCES

1961 to 1963. Repealed.

SUBPART D—GENERAL PROVISIONS

1971 to 1978. Repealed.

PART IV—TARIFF ADJUSTMENT

1981. General authority.
(a) Proclamation of increase in, or imposition of, any duty or other import restriction; report to the Congress; adoption of resolution of approval; request for additional information.
(b) Maximum rate of increase.
(c) Reduction, termination, or extension of increase in, or imposition of, any duty or other import restriction.
(d) Review of developments with respect to industries concerned; annual report to President; advice of probable economic effect; considerations; investigations; hearings.
(e) Conformity of trade agreements with this section.
1982. Marketing agreements.
(a) Negotiations.
(b) Regulations governing entry or withdrawal from warehouse.

PART V—ADVISORY BOARD

1991. Repealed.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in sections 1351, 1352, 1823 of this title; title 15 section 636; title 20 section 1262.

SUBCHAPTER I—GENERAL PROVISIONS

§ 1801. Statement of purposes

The purposes of this chapter are, through trade agreements affording mutual trade benefits—

(1) to stimulate the economic growth of the United States and maintain and enlarge foreign markets for the products of United States agriculture, industry, mining, and commerce;

(2) to strengthen economic relations with foreign countries through the development of open and nondiscriminatory trading in the free world; and

(3) to prevent Communist economic penetration.

(Pub. L. 87–794, title I, § 102, Oct. 11, 1962, 76 Stat. 872.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''this Act'', meaning Pub. L. 87–794, which is classified principally to this chapter. For complete classification of Pub. L. 87–794 to the Code, see Short Title note below and Tables.

SHORT TITLE

Section 101 of Pub. L. 87–794 provided that: ''This Act [enacting this chapter and section 1323 of this title,

amending sections 1351 and 1352 of this title, and sections 172, 6501, and 6511 of Title 26, Internal Revenue Code, repealing sections 1352a and 1362 to 1365 of this title, enacting provisions set out as notes under section 1352 and former sections 1352a, 1362, and 1364 of this title, and under section 172 of Title 26, and amending provisions of the Tariff Classification Act of 1962, set out as a note preceding section 1202 of this title] may be cited as the ''Trade Expansion Act of 1962'.''

ABOLITION OF OFFICE OF THE SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS

The legal authority for the establishment and operation of the Office of the Special Representative for Trade Negotiations in the Executive Office of the President was changed by section 141 of the Trade Act of 1974, which is set out as section 2171 of this title. For abolition of the Office as established under Ex. Ord. No. 11075 [see below], and for establishment of the Office pursuant instead to the Trade Act of 1974, with provision for the transfer of assets, liabilities, contracts, property, records, unexpended balances and funds, and personnel to the Office as established pursuant to statute rather than Ex. Ord. 11075, see section 2171 of this title.

PRESIDENT'S EXPORT COUNCIL

For provisions relating to establishment of President's Export Council and the Council's functions concerning export expansion, see Ex. Ord. No. 12131, May 4, 1979, 44 F.R. 26841, set out as a note under section 2401 of Title 50, Appendix, War and National Defense.

EXECUTIVE ORDER NO. 11075

Ex. Ord. No. 11075, Jan. 15, 1963, 28 F.R. 473, as amended by Ex. Ord. No. 11106, Apr. 18, 1963, 28 F.R. 3911; Ex. Ord. No. 11113, June 15, 1963, 28 F.R. 6183, which related to the administration of the trade agreements program, was revoked by Ex. Ord. No. 11846, Mar. 27, 1975, 40 F.R. 14291, set out under section 2111 of this title.

§§ 1802 to 1805. Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072

Section 1802, Pub. L. 87–794, title IV, § 401, Oct. 11, 1962, 76 Stat. 902, enumerated activities to be performed by heads of agencies in performing functions under Trade Expansion Act of 1962.

Section 1803, Pub. L. 87–794, title IV, § 402, Oct. 11, 1962, 76 Stat. 902, required an annual Presidential report to Congress on trade agreement program and on tariff adjustment and other adjustment assistance. See section 2213 of this title.

Section 1804, Pub. L. 87–794, title IV, § 403, Oct. 11, 1962, 76 Stat. 902, covered operations of United States Tariff Commission [now the United States International Trade Commission]. See section 2231 of this title.

Section 1805, Pub. L. 87–794, title IV, § 404, Oct. 11, 1962, 76 Stat. 902, provided for separability of provisions of Trade Expansion Act of 1962. See section 605 of Pub. L. 93–618, set out as a note under section 2101 of this title, for provisions covering separability of various parts of Trade Act of 1974.

§ 1806. Definitions

For purposes of this chapter—

(1) Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072.

(2) The term ''duty or other import restriction'' includes (A) the rate and form of an import duty, and (B) a limitation, prohibition, charge, and exaction other than duty, imposed on importation or imposed for the regulation of imports.

(3) to (5) Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072.

(6) The term ''modification'', as applied to any duty or other import restriction, includes the elimination of any duty.

(Pub. L. 87–794, title IV, § 405, Oct. 11, 1962, 76 Stat. 902; Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''this Act'', meaning Pub. L. 87–794, which is classified principally to this chapter. For complete classification of Pub. L. 87–794 to the Code, see Short Title note set out under section 1801 of this title and Tables.

AMENDMENTS

1975—Pub. L. 93–618 repealed pars. (1), (3), (4), and (5), which defined ''agency'', ''firm'', ''directly competitive with'', and ''product of a country'', respectively. See section 2481 of this title.

SUBCHAPTER II—TRADE AGREEMENTS

SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in section 1351 of this title.

PART I—GENERAL AUTHORITY

§ 1821. Basic authority for trade agreements

(a) Determination by President; trade agreements; modification or continuance of existing duties

Whenever the president determines that any existing duties or other import restrictions of any foreign country or the United States are unduly burdening and restricting the foreign trade of the United States and that any of the purposes stated in section 1801 of this title will be promoted thereby, the President may—

(1) after June 30, 1962, and before July 1, 1967, enter into trade agreements with foreign countries or instrumentalities thereof; and

(2) proclaim such modification or continuance of any existing duty or other import restriction, such continuance of existing duty-free or excise treatment, or such additional import restrictions, as he determines to be required or appropriate to carry out any such trade agreement.

(b) Restrictions on decrease or increase in rate of duty

Except as otherwise provided in this subchapter, no proclamation pursuant to subsection (a) of this section shall be made—

(1) decreasing any rate of duty to a rate below 50 percent of the rate existing on July 1, 1962; or

(2) increasing any rate of duty to (or imposing) a rate more than 50 percent above the rate existing on July 1, 1934.

(Pub. L. 87–794, title II, § 201, Oct. 11, 1962, 76 Stat. 872.)

WOOD-WIND AND PARTS OF WOOD-WIND INSTRUMENTS

Pub. L. 90–234, § 2(b)(2), Dec. 30, 1967, 81 Stat. 752, provided that: ''The amendments made by the first section of this Act, insofar as such amendments relate to items 725.24 and 726.70 of the Tariff Schedules of the United States, shall not affect the authority of the President contained in section 201(a)(2) of the Trade Expansion Act of 1962 [subsec. (a)(2) of this section].''

DICYANDIAMIDE AND LIMESTONE: DUTY-FREE ENTRY

Duty-free treatment pursuant to this chapter of dicyandiamide in item 425.40 and limestone when imported for use in manufacture of cement in item 513.34 of the Tariff Schedules of the United States, by provision for non-application of subsec. (b)(1) of this section, see section 1823 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1823, 1862, 1981, 2135, 3105 of this title.

§ 1822. Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072

Section, Pub. L. 87–794, title II, § 202, Oct. 11, 1962, 76 Stat. 872, made special provision for low-rate articles.

§ 1823. Waiver of limitation on decrease in duty and negotiation and staging requirements for dicyandiamide and limestone

For purposes of this chapter, section 1821(b)(1) of this title (relating to limit on decrease in duty), sections 1841, 1843, and 1844 of this title (relating to certain requirements concerning negotiations), and section 1883 of this title (relating to staging requirements) shall not apply with respect to dicyandiamide provided for in item 425.40 of the Tariff Schedules of the United States, and shall not apply with respect to limestone, when imported to be used in the manufacture of cement, provided for in item 513.34 of such Schedules.

(Pub. L. 90–14, May 5, 1967, 81 Stat. 14.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''the Trade Expansion Act of 1962'' meaning Pub. L. 87–794, Oct. 11, 1962, 76 Stat. 872, which is classified principally to this chapter. For complete classification of Pub. L. 87–794, to the Code, see Short Title note set out under section 1801 of this title and Tables.

Sections 1841, 1843, 1844 and 1883, referred to in text, were repealed by Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072.

The Tariff Schedules of the United States, referred to in text, to be treated as a reference to the Harmonized Tariff Schedule pursuant to section 3012 of this title. The Harmonized Tariff Schedule is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

CODIFICATION

Section was not enacted as part of the Trade Expansion Act of 1962 which is classified principally to this chapter.

PART II—EUROPEAN ECONOMIC COMMUNITY

§§ 1831 to 1833. Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072

Section 1831, Pub. L. 87–794, title II, § 211, Oct. 11, 1962, 76 Stat. 873, made provision for trade agreements with the European Economic Community.

Section 1832, Pub. L. 87–794, title II, § 212, Oct. 11, 1962, 76 Stat. 874, made special provision for trade agreements covering agricultural commodities.

Section 1833, Pub. L. 87–794, title II, § 213, Oct. 11, 1962, 76 Stat. 874, made special provision for trade agreements covering tropical agricultural and forestry commodities.

PART III—REQUIREMENTS CONCERNING NEGOTIATIONS

§§ 1841 to 1846. Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072

Section 1841, Pub. L. 87–794, title II, § 221, Oct. 11, 1962, 76 Stat. 874, made provision for the giving of advice by the Tariff Commission [now the United States International Trade Commission] concerning trade agreements. See section 2151 of this title.

Section 1842, Pub. L. 87–794, title II, § 222, Oct. 11, 1962, 76 Stat. 875, made provision for the giving of advice by other sources concerning trade agreements. See section 2152 of this title.

Section 1843, Pub. L. 87–794, title II, § 223, Oct. 11, 1962, 76 Stat. 875, provided for public hearings in connection with proposed trade agreements. See section 2153 of this title.

Section 1844, Pub. L. 87–794, title II, § 224, Oct. 11, 1962, 76 Stat. 875, set out prerequisites for offers for modification or continuance of duties or other import restrictions, or continuance of duty-free or excise treatment. See section 2154 of this title.

Section 1845, Pub. L. 87–794, title II, § 225, Oct. 11, 1962, 76 Stat. 876, provided for the reservation of articles from trade negotiations. See section 2137 of this title.

Section 1846, Pub. L. 87–794, title II, § 226, Oct. 11, 1962, 76 Stat. 876, provided for the transmission of agreements to Congress. See section 2212 of this title.

PART IV—NATIONAL SECURITY

§ 1861. Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072

Section, Pub. L. 87–794, title II, § 231, Oct. 11, 1962, 76 Stat. 876; Pub. L. 88–205, pt. IV, § 402, Dec. 16, 1963, 77 Stat. 390, covered products of Communist countries or areas.

§ 1862. Safeguarding national security

(a) Prohibition on decrease or elimination of duties or other import restrictions if such reduction or elimination would threaten to impair national security

No action shall be taken pursuant to section 1821(a) of this title or pursuant to section 1351 of this title to decrease or eliminate the duty or other import restrictions on any article if the President determines that such reduction or elimination would threaten to impair the national security.

(b) Investigations by Secretary of Commerce to determine effects on national security of imports of articles; consultation with Secretary of Defense and other officials; hearings; assessment of defense requirements; report to President; publication in Federal Register; promulgation of regulations

(1)(A) Upon request of the head of any department or agency, upon application of an interested party, or upon his own motion, the Secretary of Commerce (hereafter in this section referred to as the ''Secretary'') shall immediately initiate an appropriate investigation to determine the effects on the national security of imports of the article which is the subject of such request, application, or motion.

(B) The Secretary shall immediately provide notice to the Secretary of Defense of any investigation initiated under this section.

(2)(A) In the course of any investigation conducted under this subsection, the Secretary shall—

(i) consult with the Secretary of Defense regarding the methodological and policy questions raised in any investigation initiated under paragraph (1),

(ii) seek information and advice from, and consult with, appropriate officers of the United States, and

(iii) if it is appropriate and after reasonable notice, hold public hearings or otherwise afford interested parties an opportunity to present information and advice relevant to such investigation.

(B) Upon the request of the Secretary, the Secretary of Defense shall provide the Secretary an assessment of the defense requirements of any article that is the subject of an investigation conducted under this section.

(3)(A) By no later than the date that is 270 days after the date on which an investigation is initiated under paragraph (1) with respect to any article, the Secretary shall submit to the President a report on the findings of such investigation with respect to the effect of the importation of such article in such quantities or under such circumstances upon the national security and, based on such findings, the recommendations of the Secretary for action or inaction under this section. If the Secretary finds that such article is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security, the Secretary shall so advise the President in such report.

(B) Any portion of the report submitted by the Secretary under subparagraph (A) which does not contain classified information or proprietary information shall be published in the Federal Register.

(4) The Secretary shall prescribe such procedural regulations as may be necessary to carry out the provisions of this subsection.

(c) Adjustment of imports; determination by President; report to Congress; additional actions; publication in Federal Register

(1)(A) Within 90 days after receiving a report submitted under subsection (b)(3)(A) of this section in which the Secretary finds that an article is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security, the President shall—

(i) determine whether the President concurs with the finding of the Secretary, and

(ii) if the President concurs, determine the nature and duration of the action that, in the judgment of the President, must be taken to adjust the imports of the article and its derivatives so that such imports will not threaten to impair the national security.

(B) If the President determines under subparagraph (A) to take action to adjust imports of an article and its derivatives, the President shall implement that action by no later than the date that is 15 days after the day on which the President determines to take action under subparagraph (A).

(2) By no later than the date that is 30 days after the date on which the President makes any determinations under paragraph (1), the President shall submit to the Congress a written statement of the reasons why the President has decided to take action, or refused to take action, under paragraph (1). Such statement shall be included in the report published under subsection (e) of this section.

(3)(A) If—

(i) the action taken by the President under paragraph (1) is the negotiation of an agreement which limits or restricts the importation into, or the exportation to, the United States of the article that threatens to impair national security, and

(ii) either—

(I) no such agreement is entered into before the date that is 180 days after the date on which the President makes the determination under paragraph (1)(A) to take such action, or

(II) such an agreement that has been entered into is not being carried out or is ineffective in eliminating the threat to the national security posed by imports of such article,

the President shall take such other actions as the President deems necessary to adjust the imports of such article so that such imports will not threaten to impair the national security. The President shall publish in the Federal Register notice of any additional actions being taken under this section by reason of this subparagraph.

(B) If—

(i) clauses (i) and (ii) of subparagraph (A) apply, and

(ii) the President determines not to take any additional actions under this subsection,

the President shall publish in the Federal Register such determination and the reasons on which such determination is based.

(d)[1] Domestic production for national defense; impact of foreign competition on economic welfare of domestic industries

For the purposes of this section, the Secretary and the President shall, in the light of the requirements of national security and without excluding other relevant factors, give consideration to domestic production needed for projected national defense requirements, the capacity of domestic industries to meet such requirements, existing and anticipated availabilities of the human resources, products, raw materials, and other supplies and services essential to the national defense, the requirements of growth of such industries and such supplies and services including the investment, exploration, and development necessary to assure such growth, and the importation of goods in terms of their quantities, availabilities, character, and use as those affect such industries and the capacity of the United States to meet national security requirements. In the administration of this section, the Secretary and the President shall further recognize the close relation of the economic welfare of the Nation to our national security, and shall take into consideration the impact of foreign competition on the economic welfare of individ-

[1] So in original. There are two subsecs. designated (d). Second subsec. (d) probably should be designated (e).

ual domestic industries; and any substantial unemployment, decrease in revenues of government, loss of skills or investment, or other serious effects resulting from the displacement of any domestic products by excessive imports shall be considered, without excluding other factors, in determining whether such weakening of our internal economy may impair the national security.

(d)[1] Reports by Secretary of Commerce and President

(1) Upon the disposition of each request, application, or motion under subsection (b) of this section, the Secretary shall submit to the Congress, and publish in the Federal Register, a report on such disposition.

(2) The President shall submit to the Congress an annual report on the operation of the provisions of this section.

(f) Congressional disapproval of Presidential adjustment of imports of petroleum or petroleum products; disapproval resolution

(1) An action taken by the President under subsection (c) of this section to adjust imports of petroleum or petroleum products shall cease to have force and effect upon the enactment of a disapproval resolution, provided for in paragraph (2), relating to that action.

(2)(A) This paragraph is enacted by the Congress—

(i) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such is deemed a part of the rules of each House, respectively, but applicable only with respect to the procedures to be followed in that House in the case of disapproval resolutions and such procedures supersede other rules only to the extent that they are inconsistent therewith; and

(ii) with the full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner, and to the same extent as any other rule of that House.

(B) For purposes of this subsection, the term ''disapproval resolution'' means only a joint resolution of either House of Congress the matter after the resolving clause of which is as follows: ''That the Congress disapproves the action taken under section 232 of the Trade Expansion Act of 1962 with respect to petroleum imports under _____ dated _____.'', the first blank space being filled with the number of the proclamation, Executive order, or other Executive act issued under the authority of subsection (c) of this section for purposes of adjusting imports of petroleum or petroleum products and the second blank being filled with the appropriate date.

(C)(i) All disapproval resolutions introduced in the House of Representatives shall be referred to the Committee on Ways and Means and all disapproval resolutions introduced in the Senate shall be referred to the Committee on Finance.

(ii) No amendment to a disapproval resolution shall be in order in either the House of Representatives or the Senate, and no motion to suspend the application of this clause shall be in order in either House nor shall it be in order in either House for the Presiding Officer to entertain a request to suspend the application of this clause by unanimous consent.

(Pub. L. 87–794, title II, §232, Oct. 11, 1962, 76 Stat. 877; Pub. L. 93–618, title I, §127(d), Jan. 3, 1975, 88 Stat. 1993; Pub. L. 96–223, title IV, §402, Apr. 2, 1980, 94 Stat. 301; Pub. L. 100–418, title I, §1501(a), (b)(1), Aug. 23, 1988, 102 Stat. 1257, 1259.)

REFERENCES IN TEXT

Section 232 of the Trade Expansion Act of 1962, referred to in subsec. (f)(2)(B), is classified to this section.

AMENDMENTS

1988—Subsec. (b). Pub. L. 100–418, §1501(a)(3), in adding subsec. (b) and striking out former subsec. (b) relating to similar subject matter, changed structure of subsec. (b) from a single unnumbered par. to one consisting of pars. (1) to (4).

Subsec. (c). Pub. L. 100–418, §1501(a)(2), (3), added subsec. (c) and redesignated former subsec. (c) as (d).

Subsec. (d). Pub. L. 100–418, §1501(b)(1), redesignated subsec. (e), as redesignated by section 1501(a)(2) of Pub. L. 100–418, as subsec. (d) and amended it generally. Prior to amendment, subsec. (d) read as follows: ''A report shall be made and published upon the disposition of each request, application, or motion under subsection (b) of this section. The Secretary shall publish procedural regulations to give effect to the authority conferred on him by subsection (b) of this section.''

Pub. L. 100–418, §1501(a)(2), redesignated subsec. (c), relating to domestic production for national defense and the impact of foreign competition on economic welfare of domestic industries, as (d). Former subsec. (d), relating to reports on investigations by Secretary of Commerce, redesignated (e).

Subsec. (e). Pub. L. 100–418, §1501(b)(1), redesignated subsec. (e), as redesignated by section 1501(a)(2) of Pub. L. 100–418, as subsec. (d) and amended it generally.

Pub. L. 100–418, §1501(a)(2), redesignated subsec. (d), relating to reports on investigations by Secretary of Commerce, as (e). Former subsec. (e) redesignated (f).

Subsec. (f). Pub. L. 100–418, §1501(a)(1), (2), redesignated subsec. (e) as (f), and substituted reference to subsec. (c) of this section for reference to subsec. (b) of this section in pars. (1) and (2)(B).

1980—Subsec. (e). Pub. L. 96–223 added subsec. (e).

1975—Subsec. (b). Pub. L. 93–618, §127(d)(1)–(3), substituted ''Secretary of the Treasury (hereinafter referred to as the 'Secretary')'' for ''Director of the Office of Emergency Planning (hereinafter in this section referred to as the 'Director')'', substituted ''advice from, and shall consult with, the Secretary of Defense, the Secretary of Commerce, and other appropriate officers of the United States'' for ''advice from other appropriate departments and agencies'', inserted provision for public hearings by the Secretary as part of his investigation, inserted requirement that the Secretary report to the President when he recommends inaction in the same way that a report to the President is required when he recommends action under this section, and placed a 1-year time limit on the Secretary's investigation before making his recommendation to the President.

Subsecs. (c), (d). Pub. L. 93–618, §127(d)(4), substituted ''Secretary'' for ''Director''.

EFFECTIVE DATE OF 1988 AMENDMENT

Section 1501(d) of Pub. L. 100–418 provided that:

''(1) Except as otherwise provided under this subsection, the amendments made by this section [amending this section and repealing section 1863 of this title] shall apply with respect to investigations initiated under section 232(b) of the Trade Expansion Act of 1962 [19 U.S.C. 1862(b)] on or after the date of enactment of this Act [Aug. 23, 1988].

''(2) The provisions of subsection (c) of section 232 of the Trade Expansion Act of 1962, as amended by this section, shall apply with respect to any report submitted by the Secretary of Commerce to the President under section 232(b) of such Act after the date of enactment of this Act.

''(3) By no later than the date that is 90 days after the date of enactment of this Act, the President shall make the determinations described in section 232(c)(1)(A) of the Trade Expansion Act of 1962, as amended by this section, with respect to any report—

''(A) which was submitted by the Secretary of Commerce to the President under section 232(b) of such Act before the date of enactment of this Act, and

''(B) with respect to which no action has been taken by the President before the date of enactment of this Act.''

PETROLEUM IMPORT ADJUSTMENT PROGRAM; OIL IMPORT FEE OF APRIL 2, 1980; CESSATION OF FORCE AND EFFECT OF PRESIDENTIAL ACTION

Pub. L. 96–264, § 2, June 6, 1980, 94 Stat. 439, provided that: ''Notwithstanding any other provision of law, the action taken by the President under section 232(b) of the Trade Expansion Act of 1962 (19 U.S.C. 1862(b)) with respect to petroleum imports under Proclamation 4744, dated April 2, 1980, as amended [formerly set out below], shall cease to have force and effect upon the date of the enactment of this Act [June 6, 1980].''

PROCLAMATION NO. 3279

Proc. No. 3279, Mar. 10, 1959, 24 F.R. 1781, as amended by Proc. No. 3290, Apr. 30, 1959, 24 F.R. 3527; Proc. No. 3328, Dec. 10, 1959, 24 F.R. 10133; Proc. No. 3386, Dec. 24, 1960, 25 F.R. 13945; Proc. No. 3389, Jan. 17, 1961, 26 F.R. 507; Ex. Ord. No. 11051, Sept. 27, 1962, 27 F.R. 9683; Proc. No. 3509, Nov. 30, 1962, 27 F.R. 11985; Proc. No. 3531, Apr. 19, 1963, 28 F.R. 4077; Proc. No. 3541, June 12, 1963, 28 F.R. 5931; Proc. No. 3693, Dec. 10, 1965, 30 F.R. 15459; Proc. No. 3779, Apr. 10, 1967, 32 F.R. 5919; Proc. No. 3794, July 17, 1967, 32 F.R. 10547; Proc. No. 3820, Nov. 9, 1967, 32 F.R. 15701; Proc. No. 3823, Jan. 29, 1968, 33 F.R. 1171; Proc. No. 3969, Mar. 10, 1970, 35 F.R. 4321; Proc. No. 3990, June 17, 1970, 35 F.R. 10091; Proc. No. 4018, Oct. 16, 1970, 35 F.R. 16357; Proc. No. 4025, Dec. 22, 1970, 35 F.R. 19391; Proc. No. 4092, Nov. 5, 1971, 36 F.R. 21397; Proc. No. 4099, Dec. 20, 1971, 36 F.R. 24203; Proc. No. 4133, May 11, 1972, 37 F.R. 9543; Proc. No. 4156, Sept. 18, 1972, 37 F.R. 19115; Proc. No. 4175, Dec. 16, 1972, 37 F.R. 28043; Proc. No. 4178, Jan. 17, 1973, 38 F.R. 1719; Ex. Ord. No. 11703, Feb. 7, 1973, 38 F.R. 3579; Proc. No. 4202, Mar. 23, 1973, 38 F.R. 7977; Proc. No. 4210, Apr. 18, 1973, 38 F.R. 9645; Proc. No. 4227, June 19, 1973, 38 F.R. 16195; Ex. Ord. No. 11743, Oct. 23, 1973, 38 F.R. 29459; Ex. Ord. No. 11775, Mar. 26, 1974, 39 F.R. 11415; Ex. Ord. No. 11790, June 25, 1974, 39 F.R. 23185; Proc. No. 4317, Sept. 27, 1974, 39 F.R. 35103; Proc. No. 4341, Jan. 23, 1975, 40 F.R. 3965; Proc. No. 4355, Mar. 4, 1975, 40 F.R. 10437; Proc. No. 4370, Apr. 30, 1975, 40 F.R. 19421; Proc. No. 4377, May 27, 1975, 40 F.R. 23429; Proc. No. 4412, Jan. 3, 1976, 41 F.R. 1037; Proc. No. 4543, Dec. 27, 1977, 42 F.R. 64849; Ex. Ord. No. 12038, Feb. 3, 1978, 43 F.R. 4947; Proc. No. 4629, Dec. 8, 1978, 43 F.R. 58077; Proc. No. 4655, Apr. 6, 1979, 44 F.R. 21243; Proc. No. 4702, Nov. 12, 1979, 44 F.R. 65581; Proc. No. 4744, Apr. 2, 1980, 45 F.R. 22864; Proc. No. 4766, June 19, 1980, 45 F.R. 41899; Proc. No. 4907, Mar. 10, 1982, 47 F.R. 10507, which set forth regulations governing the licensing of imports of petroleum and petroleum products, was revoked by Proc. No. 5141, Dec. 22, 1983, 48 F.R. 56929, set out below.

PROCLAMATION NO. 4744

Proc. No. 4744, Apr. 2, 1980, 45 F.R. 22864, as amended by Proc. No. 4748, Apr. 11, 1980, 45 F.R. 25371; Proc. No. 4751, Apr. 23, 1980, 45 F.R. 27905, which related to the petroleum import adjustment program, was rescinded by Proc. No. 4766, June 19, 1980, 45 F.R. 41899, effective Mar. 15, 1980.

PROCLAMATION NO. 4762

Proc. No. 4762, June 6, 1980, 45 F.R. 39237, relating to petroleum import licensing requirements, was revoked by Proc. No. 4766, June 19, 1980, 45 F.R. 41899.

PROC. NO. 5141. IMPORTS OF PETROLEUM AND PETROLEUM PRODUCTS

Proc. No. 5141, Dec. 22, 1983, 48 F.R. 56929, provided:

The Secretary of Energy has advised me that no purpose is currently served by the existing system of licensing of imports of petroleum and petroleum products. The Secretary of Energy also recommends that I retain the current prohibition on imports of Libyan crude oil into the United States, its territories and possessions, which was adopted in Proclamation No. 4907 [amending Proc. No. 3279, formerly set out above], on the ground that such imports would be inimical to the United States national security. The Secretary further recommends that he continue to monitor imports of petroleum and petroleum products in order to be able to advise me as to the need for further action, as appropriate, under Section 232 of the Trade Expansion Act of 1962, as amended [this section].

I agree with the recommendations of the Secretary of Energy.

NOW, THEREFORE, I, RONALD REAGAN, President of the United States of America, by the authority vested in me by the Constitution and laws of the United States, including Section 232 of the Trade Expansion Act of 1962, as amended (19 U.S.C. 1862), do hereby proclaim that:

SECTION 1. Proclamation No. 3279, as amended, is revoked.

SEC. 2. The Secretary of Energy shall continue to monitor imports of petroleum and petroleum products and shall, from time to time, in consultation with the Secretary of State, the Secretary of Commerce, and such other federal agencies as he deems appropriate, review the status of such imports with respect to the national security. The Secretary shall inform the President of any circumstances which in his opinion might indicate the need for further action by the President under Section 232 of the Trade Expansion Act [this section].

SEC. 3. (a) No crude oil produced in Libya may be imported into the United States, its territories or possessions.

(b) The Secretary of the Treasury may issue such regulations and interpretations as he deems necessary to implement this section.

SEC. 4. The Secretary of Energy may continue to consider requests for refund of fees paid under Proclamation No. 3279, as amended, if such requests were filed with the Secretary prior to the effective date of this Proclamation [Dec. 22, 1983]. Any such requests shall be considered in accordance with the previously applicable provisions of Proclamation No. 3279, as amended, and implementing regulations thereunder.

SEC. 5. The revocation of Proclamation No. 3279, as amended, shall not affect the authority of any federal department or agency to institute and conduct any administrative, civil or criminal audit, investigation or proceeding based on any act committed or liability incurred while that Proclamation was in effect.

SEC. 6. The revocation of Proclamation No. 3279, as amended, shall not affect the presently applicable tariff rates for imports of petroleum and petroleum products, as reflected in the Tariff Schedules of the United States, Schedule 4, part 10.

SEC. 7. This Proclamation shall be effective immediately.

IN WITNESS WHEREOF, I have hereunto set my hand this 22nd day of December, in the year of our Lord nineteen hundred and eighty-three, and of the Independence of the United States of America the two hundred and eighth.

RONALD REAGAN.

EX. ORD. NO. 11703. ASSIGNING POLICY DEVELOPMENT AND DIRECTING FUNCTIONS RESPECTING OIL IMPORT CONTROL PROGRAM

Ex. Ord. No. 11703, Feb. 7, 1973, 38 F.R. 3579, as amended by Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 989, provided:

By virtue of the authority vested in me by the Constitution and statutes of the United States, including section 301 of title 3 of the United States Code, and as President of the United States, it is hereby ordered as follows:

SECTION 1. The Oil Policy Committee, as reconstituted by this order, is hereby continued.

SEC. 2. The Chairman of the Oil Policy Committee shall provide policy direction, coordination, and surveillance of the oil import control program established by Proclamation No. 3279 of March 10, 1959, as amended [set out below], including approval of regulations hereafter issued pursuant to such proclamation. He shall perform those functions after receiving the advice of the Oil Policy Committee and in accordance with guidance from the Assistant to the President with responsibility in the area of economic affairs.

SEC. 3. The Oil Policy Committee shall henceforth consist of the United States Trade Representative, chair, and the Secretaries of State, Treasury, Defense, the Interior, Commerce and Energy, the Attorney General, and the Chairman of the Council of Economic Advisers, as members. The President may, from time to time, designate other officials to serve as members of the Committee. The Chairman may create subcommittees of the Committee to study and report to the Committee concerning specified subject matters.

SEC. 4. The Oil Policy Committee shall consult with and advise the Chairman on oil import policy, including the operation of the control program under Proclamation No. 3279, as amended, and on recommendations for changes in the program by the issuance of new proclamations with respect to it, or otherwise.

SEC. 5. Section 6 of Proclamation No. 3279 of March 10, 1959, as amended, is amended to read as follows:

''SEC. 6. The Chairman of the Oil Policy Committee shall maintain a constant surveillance of imports of petroleum and its primary derivatives in respect to the national security and, after consultation with the Oil Policy Committee, he shall inform the President of any circumstances which, in the Chairman's opinion might indicate the need for further Presidential action under section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862), as amended. In the event prices of crude oil or its products or derivatives should be increased after the effective date of this proclamation, such surveillance shall include a determination as to whether such increase or increases are necessary to accomplish the national security objectives of section 232 of the Trade Expansion Act of 1962, as amended, and of this proclamation.''

SEC. 6. So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with the functions transferred by sections 2 and 5 of this order from the Director of the Office of Emergency Preparedness to the Deputy Secretary of the Treasury, as Chairman of the Oil Policy Committee, as the Director of the Office of Management and Budget shall determine, in conformity with section 202(b) of the Budget and Accounting Act of 1950 (31 U.S.C. 581c(b)), shall be transferred at such time or times as he shall direct for use in connection with the functions transferred.

EXECUTIVE ORDER NO. 11743

Ex. Ord. No. 11743, Oct. 23, 1973, 38 F.R. 29459, formerly set out as a note under this section, which related to the continuation of the Oil Policy Committee, was superseded by Ex. Ord. No. 11775, Mar. 26, 1974, 39 F.R. 11415.

EX. ORD. NO. 12538. IMPORTS OF REFINED PETROLEUM PRODUCTS FROM LIBYA

Ex. Ord. No. 12538, Nov. 15, 1985, 50 F.R. 47527, provided:

By the authority vested in me as President by the Constitution and laws of the United States, including Section 504 of the International Security and Development Cooperation Act of 1985 (Public Law 99–83) [22 U.S.C. 2349aa–8], and considering that the Libyan government actively pursues terrorism as an instrument of state policy and that Libya has developed significant capability to export petroleum products and thereby circumvent the prohibition imposed by Proclamation No. 4907 of March 10, 1982 [amending Proc. No. 3279 formerly set out above] and retained in Proclamation No. 5141 of December 22, 1983 [set out above] on the importation of Libyan crude oil it is ordered as follows:

SECTION 1. (a) No petroleum product refined in Libya (except petroleum product loaded aboard maritime vessels at any time prior to two days after the effective date of this Executive Order) may be imported into the United States, its territories or possessions.

(b) For the purposes of this Executive Order, the prohibition on importation of petroleum products refined in Libya shall apply to petroleum products which are currently classifiable under Item Numbers: 475.05; 475.10; 475.15; 475.25; 475.30; 475.35; 475.45; 475.65; 475.70 of the Tariff Schedules of the United States (19 U.S.C. 1202).

SEC. 2. The Secretary of the Treasury may issue such rulings and instructions, or, following consultation with the Secretaries of State and Energy, such regulations as he deems necessary to implement this Order.

SEC. 3. This Order shall be effective immediately.

RONALD REAGAN.

[The Tariff Schedules of the United States were replaced by the Harmonized Tariff Schedule of the United States which is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.]

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1339, 2137, 2463, 2703, 3203 of this title; title 50 App. sections 2077, 2152.

§ 1863. Repealed. Pub. L. 100–418, title I, § 1501(b)(2), Aug. 23, 1988, 102 Stat. 1259

Section, Pub. L. 93–618, title I, § 127(c), Jan. 3, 1975, 88 Stat. 1993, directed that reports to Congress be submitted annually and within 60 days after any action was taken under section 1862 of this title.

EFFECTIVE DATE OF REPEAL

Repeal of section applicable with respect to investigations initiated under section 1862(b) of this title on or after Aug. 23, 1988, see section 1501(d)(1) of Pub. L. 100–418, set out as an Effective Date of 1988 Amendment note under section 1862 of this title.

§ 1864. Import sanctions for export violations

Any person who violates any national security export control imposed under section 2404 of the Appendix to title 50 or any regulation, order, or license issued under that section, may be subject to such controls on the importing of goods or technology into the United States as the President may prescribe.

(Pub. L. 87–794, title II, § 233, as added Pub. L. 99–64, title I, § 121, July 12, 1985, 99 Stat. 155; amended Pub. L. 100–418, title II, § 2447(a), Aug. 23, 1988, 102 Stat. 1370.)

AMENDMENTS

1988—Pub. L. 100–418 struck out designation ''(a)'' and struck out subsec. (b) which related to prerequisites to imposition of sanctions.

PART V—ADMINISTRATIVE PROVISIONS

§ 1871. Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072

Section, Pub. L. 87–794, title II, § 241, Oct. 11, 1962, 76 Stat. 878, provided for appointment of Special Representative for Trade Negotiations. See section 2171 of this title.

§ 1872. Interagency trade organization

(a) Establishment; functions; membership and composition; participation of representatives of other agencies; meetings

(1) The President shall establish an interagency organization.

(2) The functions of the organization are—

(A) to assist, and make recommendations to, the President in carrying out the functions vested in him by the trade laws and to advise the United States Trade Representative (hereinafter in this section referred to as the "Trade Representative") in carrying out the functions set forth in section 2171 of this title;

(B) to assist the President, and advise the Trade Representative, with respect to the development and implementation of the international trade policy objectives of the United States; and

(C) to advise the President and the Trade Representative with respect to the relationship between the international trade policy objectives of the United States and other major policy areas which may significantly affect the overall international trade policy and trade competitiveness of the United States.

(3) The interagency organization shall be composed of the following:

(A) The Trade Representative, who shall be chairperson.

(B) The Secretary of Commerce.

(C) The Secretary of State.

(D) The Secretary of the Treasury.

(E) The Secretary of Agriculture.

(F) The Secretary of Labor.

The Trade Representative may invite representatives from other agencies, as appropriate, to attend particular meetings if subject matters of specific functional interest to such agencies are under consideration. It shall meet at such times and with respect to such matters as the President or the Chairman shall direct.

(b) Duties

In assisting the President, the organization shall—

(1) make recommendations to the President on basic policy issues arising in the administration of the trade agreements program,

(2) make recommendations to the President as to what action, if any, he should take on reports submitted to him by the United States International Trade Commission under section 2251(d)[1] of this title,

(3) advise the President of the results of hearings held pursuant to section 2412(b)(2)[1] of this title, and recommend appropriate action with respect thereto, and

(4) perform such other functions with respect to the trade agreements program as the President may from time to time designate.

[1] See References in Text note below.

In carrying out its functions under this subsection, the organization shall take into account the advice of the congressional advisers and private sector advisory committees, as well as that of any committee or other body established to advise the department, agency, or office which a member of the organization heads.

(c) Use of resources of agencies; procedures and committees

The organization shall, to the maximum extent practicable, draw upon the resources of the agencies represented in the organization, as well as such other agencies as it may determine, including the United States International Trade Commission. In addition, the President may establish by regulation such procedures and committees as he may determine to be necessary to enable the organization to provide for the conduct of hearings pursuant to section 2412(b)(2) of this title, and for the carrying out of other functions assigned to the organization pursuant to this section.

(Pub. L. 87–794, title II, § 242, Oct. 11, 1962, 76 Stat. 878; Pub. L. 93–618, title I, § 171(b), title VI, § 602(b), Jan. 3, 1975, 88 Stat. 2009, 2072; Pub. L. 96–39, title IX, § 902(c), July 26, 1979, 93 Stat. 300; Pub. L. 100–418, title I, § 1621(a), Aug. 23, 1988, 102 Stat. 1263.)

REFERENCES IN TEXT

Section 2251 of this title, referred to in subsec. (b)(2), was amended generally by Pub. L. 100–418, title I, § 1401(a), Aug. 23, 1988, 102 Stat. 1225, and as so amended does not contain a subsec. (d). See section 2252(f) of this title.

Section 2412 of this title, referred to in subsec. (b)(3), was amended generally by Pub. L. 100–418, title I, § 1301(a), Aug. 23, 1988, 102 Stat. 1168, and as so amended the provisions of subsec. (b)(2) of section 2412 are contained in subsec. (a)(4).

AMENDMENTS

1988—Subsec. (a). Pub. L. 100–418, § 1621(a)(1), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: "The President shall establish an interagency organization to assist him in carrying out the functions vested in him by this subchapter and sections 2251, 2252, and 2253 of this title. Such organization shall, in addition to the Special Representative for Trade Negotiations, be composed of the heads of such departments and of such other officers as the President shall designate. It shall meet at such times and with respect to such matters as the President or the chairman of the organization shall direct. The organization may invite the participation in its activities of any agency not represented in the organization when matters of interest to such agency are under consideration."

Subsec. (b). Pub. L. 100–418, § 1621(a)(2), inserted at end: "In carrying out its functions under this subsection, the organization shall take into account the advice of the congressional advisers and private sector advisory committees, as well as that of any committee or other body established to advise the department, agency, or office which a member of the organization heads."

1979—Subsecs. (b)(3), (c). Pub. L. 96–39 substituted "section 2412(b)(2) of this title" for "section 2411(c) and (d) of this title".

1975—Subsec. (a). Pub. L. 93–618, § 602(b)(1), substituted reference to sections 2251, 2252, and 2253 of this title for reference to sections 1981 and 1982 of this title.

Subsec. (b)(2). Pub. L. 93–618, § 602(b)(2), (3), substituted "reports submitted to him" for "reports with respect to tariff adjustment submitted to him" and "section 2251(d) of this title" for "section 1901(e) of this title."

Subsec. (b)(3). Pub. L. 93–618, § 602(b)(4), (5), substituted ''hearings held pursuant to'' for hearings concerning foreign import restrictions held pursuant to'' and ''section 2411(c) and (d) of this title'' for ''section 1882(d) of this title''.

Subsec. (c). Pub. L. 93–618, § 602(b)(5), substituted ''section 2411(c) and (d) of this title'' for ''section 1882(d) of this title''.

Pub. L. 93–618, § 171(b), substituted ''United States International Trade Commission'' for ''United States Tariff Commission''.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 26, 1979, see section 903 of Pub. L. 96–39, set out as an Effective Date note under section 2411 of this title.

ESTABLISHMENT OF INTERAGENCY GROUP

For provisions establishing an interagency group within the interagency organization established under this section, relating to the implementation of chapter 19 of the North American Free Trade Agreement as well as the oversight of the United States Section established under section 3315 of this title, see section 3432(c)(2) of this title.

For provisions establishing an interagency group within the interagency organization established under this section, relating to the implementation of chapters 18 and 19 of the United States-Canada Free-Trade Agreement, see section 405 of Pub. L. 100–449, set out in a note under section 2112 of this title.

SENSE OF CONGRESS RESPECTING ROLE OF INTERAGENCY ORGANIZATION

Section 1621(b) of Pub. L. 100–418 provided that: ''It is the sense of Congress that the interagency organization established under subsection (a) [amending this section] should be the principal interagency forum within the executive branch on international trade policy matters.''

TRANSFER OF FUNCTIONS FROM EAST-WEST FOREIGN TRADE BOARD

East-West Foreign Trade Board, which was established by Pub. L. 93–618, title IV, § 411, Jan. 3, 1975, 88 Stat. 2065, and classified to section 2441 of this title, abolished by Reorg. Plan No. 3 of 1979, § 6, 44 Stat. 69275, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title, and functions of Board under subsecs. (a) and (b) of section 411 of Pub. L. 93–618 transferred to interagency organization established under this section by section 5(e) of Reorg. Plan No. 3 of 1979. See section 2441 of this title.

TRADE POLICY COMMITTEE

For provisions relating to Trade Policy Committee, see section 3 of Ex. Ord. No. 11846, Mar. 27, 1975, 40 F.R. 14291, set out as a note under section 2111 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2114c, 2114d, 2171, 2241, 2253, 2512, 2515, 2553, 2554, 2804, 3108, 3432, 3437 of this title; title 41 section 10b-1.

§ 1873. Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072

Section, Pub. L. 87–794, title II, § 243, Oct. 11, 1962, 76 Stat. 878, made provision for Congressional delegates to trade negotiations. See section 2211 of this title.

PART VI—GENERAL PROVISIONS

§ 1881. Most-favored-nation principle

Except as otherwise provided in this subchapter, in section 1351 of this title, or in section 401(a) of the Tariff Classification Act of 1962, any duty or other import restriction or duty-free treatment proclaimed in carrying out any trade agreement under this subchapter or section 1351 of this title shall apply to products of all foreign countries, whether imported directly or indirectly.

(Pub. L. 87–794, title II, § 251, Oct. 11, 1962, 76 Stat. 879.)

REFERENCES IN TEXT

Section 401(a) of the Tariff Classification Act of 1962, referred to in text, is set out as a note under section 1351 of this title.

TRANSACTIONS INVOLVING LIBYA

This section to have no effect with respect to Libya in view of prohibition of import into United States of any goods or services of Libyan origin other than publications and materials imported for news publications or broadcast dissemination, see Ex. Ord. No. 12543, Jan. 7, 1986, 51 F.R. 875, set out under section 1701 of Title 50, War and National Defense.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 3521 of this title.

§§ 1882 to 1884. Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072

Section 1882, Pub. L. 87–794, title II, § 252, Oct. 11, 1962, 76 Stat. 879, provided for Presidential action in face of foreign import restrictions. See sections 2112 of this title.

Section 1883, Pub. L. 87–794, title II, § 253, Oct. 11, 1962, 76 Stat. 880, covered area of staging requirements. See section 2119 of this title.

Section 1884, Pub. L. 87–794, title II, § 254, Oct. 11, 1962, 76 Stat. 880, provided for rounding authority. See section 2119 of this title.

§ 1885. Termination of proclamations

(a) Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072.

(b) The President may at any time terminate, in whole or in part, any proclamation made under this subchapter.

(Pub. L. 87–794, title II, § 255, Oct. 11, 1962, 76 Stat. 880; Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072.)

AMENDMENTS

1975—Subsec. (a). Pub. L. 93–618 struck out subsec. (a) which provided for termination of or withdrawal from trade agreements. See section 2135 of this title.

§ 1886. Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072

Section, Pub. L. 87–794, title II, § 256, Oct. 11, 1962, 76 Stat. 881, defined terms. See section 2481 of this title.

§ 1887. Limitation on imports under section 624 of title 7

Nothing contained in this chapter shall be construed to affect in any way the provisions of section 624 of title 7, or to apply to any import restriction heretofore or hereafter imposed under such section.

(Pub. L. 87–794, title II, § 257(h), Oct. 11, 1962, 76 Stat. 883.)

§ 1888. References in other laws

All provisions of law (other than this chapter and the Trade Agreements Extension Act of

1951) in effect after June 30, 1962, referring to section 350 of the Tariff Act of 1930, to that section as amended, to the Act entitled ''An Act to amend the Tariff Act of 1930'', approved June 12, 1934, to that Act as amended, or to agreements entered into, or proclamations issued, under any of such provisions, shall be construed, unless clearly precluded by the context, to refer also to this chapter, or to agreements entered into or proclamations issued, pursuant to this chapter.

(Pub. L. 87–794, title II, § 258, Oct. 11, 1962, 76 Stat. 883.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''this Act'', meaning Pub. L. 87–794, Oct. 11, 1962, 76 Stat. 872, as amended, which is classified principally to this chapter. For complete classification of Pub. L. 87–794, to the Code, see Short Title note set out under section 1801 of this title and Tables.

The Trade Agreements Extension Act of 1951, referred to in text, is act June 16, 1951, ch. 141, 65 Stat. 72, as amended. For complete classification of this Act to the Code, see Short Title of 1951 Amendment note set out under section 1654 of this title and Tables.

Section 350 of the Tariff Act of 1930, referred to in text, is classified to section 1351 of this title.

The Act entitled ''An Act to amend the Tariff Act of 1930'', approved June 12, 1934, referred to in text, is act June 12, 1934, ch. 474, 48 Stat. 943, as amended, which is classified to sections 1351, 1352, 1353, and 1354 of this title.

SUBCHAPTER III—TARIFF ADJUSTMENT AND OTHER ADJUSTMENT ASSISTANCE

SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in section 2021 of this title.

PART I—ELIGIBILITY FOR ASSISTANCE

§§ 1901, 1902. Repealed. Pub. L. 93–618, title VI, § 602(d), (e), Jan. 3, 1975, 88 Stat. 2072

Section 1901, Pub. L. 87–794, title III, § 301, Oct. 11, 1962, 76 Stat. 883, provided for Tariff Commission [now United States International Trade Commission] investigations and reports. See section 2251 et seq. of this title.

Section 1902, Pub. L. 87–794, title III, § 302, Oct. 11, 1962, 76 Stat. 885, covered Presidential action after Tariff Commission [now United States International Trade Commission] determination. See section 2252 et seq. of this title.

EFFECTIVE DATE OF REPEAL

Section 602(e) of Pub. L. 93–618 provided in part that the repeals called for in section 602(e) of Pub. L. 93–618 [repealing sections 1901(a)(2), (3), (c), (d)(2), (f)(1), (3), 1902(b)(1), (2), (c) to (e), 1911 to 1915, 1917, 1931, 1941 to 1944, 1951, 1952, 1961 to 1963, and 1971 to 1978 of this title] are effective on the 90th day following Jan. 3, 1975.

The remaining parts of section 1901 [subsecs. (a)(1), (b), (d)(1), (e), (f)(2), and (g) of section 1901] and of section 1902 [subsec. (a) of section 1902] are repealed by section 602(d) of Pub. L. 93–618 without an effective date of repeal other than that of Pub. L. 93–618, which was approved on Jan. 3, 1975.

PART II—ADJUSTMENT ASSISTANCE TO FIRMS

§§ 1911 to 1915. Repealed. Pub. L. 93–618, title VI, § 602(e), Jan. 3, 1975, 88 Stat. 2072

Section 1911, Pub. L. 87–794, title III, § 311, Oct. 11, 1962, 76 Stat. 886, provided for certification of proposals for adjustment assistance to firms. See section 2341 et seq. of this title.

Section 1912, Pub. L. 87–794, title III, § 312, Oct. 11, 1962, 76 Stat. 886, provided for use of existing agencies in carrying out certified adjustment proposals. See section 2341 et seq. of this title.

Section 1913, Pub. L. 87–794, title III, § 313, Oct. 11, 1962, 76 Stat. 887, provided for giving of technical assistance to firms. See section 2343 of this title.

Section 1914, Pub. L. 87–794, title III, § 314, Oct. 11, 1962, 76 Stat. 887, provided for giving of financial assistance to firms. See section 2344 of this title.

Section 1915, Pub. L. 87–794, title III, § 315, Oct. 11, 1962, 76 Stat. 887, set out conditions for giving of financial assistance. See section 2345 of this title.

EFFECTIVE DATE OF REPEAL

Repeal effective on 90th day following Jan. 3, 1975, see note set out under section 1901 of this title.

§ 1916. Administration of financial assistance; recording of mortgages

(a) Guarantees, agreements for deferred participation, and loans

In making and administering guarantees, agreements for deferred participation, and loans under section 1914[1] of this title, the Secretary of Commerce may—

(1) require security for any such guarantee, agreement, or loan, and enforce, waive, or subordinate such security;

(2) assign or sell at public or private sale, or otherwise dispose of, upon such terms and conditions and for such consideration as he shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with such guarantees, agreements, or loans, and collect, compromise, and obtain deficiency judgments with respect to all obligations assigned to or held by him in connection with such guarantees, agreements, or loans until such time as such obligations may be referred to the Attorney General for suit or collection;

(3) renovate, improve, modernize, complete, insure, rent, sell, or otherwise deal with, upon such terms and conditions and for such consideration as he shall determine to be reasonable, any real or personal property conveyed to or otherwise acquired by him in connection with such guarantees, agreements, or loans;

(4) acquire, hold, transfer, release, or convey any real or personal property or any interest therein whenever deemed necessary or appropriate, and execute all legal documents for such purposes; and

(5) exercise all such other powers and take all such other acts as may be necessary or incidental to the carrying out of functions pursuant to section 1914 of this title.

(b) Mortgages

Any mortgage acquired as security under subsection (a) of this section shall be recorded under applicable State law.

(Pub. L. 87–794, title III, § 316, Oct. 11, 1962, 76 Stat. 888.)

REFERENCES IN TEXT

Section 1914 of this title, referred to in subsec. (a), was repealed by Pub. L. 93–618, title VI, § 602(e), Jan. 3, 1975, 88 Stat. 2072. See section 2344 of this title.

[1] See References in Text note below.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 15 section 636.

§ 1917. Repealed. Pub. L. 93–618, title VI, § 602(e), Jan. 3, 1975, 88 Stat. 2072

Section, Pub. L. 87–794, title III, § 317(a), Oct. 11, 1962, 76 Stat. 889, made provision for tax assistance to firms.

EFFECTIVE DATE OF REPEAL

Repeal effective on the 90th day following Jan. 3, 1975, see note set out under section 1901 of this title.

§ 1918. Protective provisions

(a) Maintenance of records by recipients of assistance

Each recipient of adjustment assistance under section 1913, 1914, or 1917[1] of this title, shall keep records which fully disclose the amount and disposition by such recipient of the proceeds, if any, of such adjustment assistance, and which will facilitate an effective audit. The recipient shall also keep such other records as the Secretary of Commerce may prescribe.

(b) Access to books, documents, papers, and records for purpose of audit and examination

The Secretary of Commerce and the Comptroller General of the United States shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient pertaining to adjustment assistance under sections 1913, 1914, and 1917[1] of this title.

(c) Certification of names and fees of attorneys, agents, and other persons engaged for purpose of expediting applications for assistance

No adjustment assistance shall be extended under section 1913, 1914, or 1917[1] of this title to any firm unless the owners, partners, or officers certify to the Secretary of Commerce—

(1) the names of any attorneys, agents, and other persons engaged by or on behalf of the firm for the purpose of expediting applications for such adjustment assistance, and

(2) the fees paid or to be paid to any such person.

(d) Agreement with respect to employment of persons who occupied a position, or engaged in activities which the Secretary of Commerce determines involved discretion

No financial assistance shall be provided to any firm under section 1914[1] of this title unless the owners, partners, or officers shall execute an agreement binding them and the firm for a period of 2 years after such financial assistance is provided, to refrain from employing, tendering any office or employment to, or retaining for professional services any person who, on the date such assistance or any part thereof was provided, or within one year prior thereto, shall have served as an officer, attorney, agent, or employee occupying a position or engaging in activities which the Secretary of Commerce shall have determined involve discretion with respect to the provision of such financial assistance.

[1] See References in Text note below.

(Pub. L. 87–794, title III, § 318, Oct. 11, 1962, 76 Stat. 891.)

REFERENCES IN TEXT

Sections 1913, 1914, and 1917 of this title, referred to in text, were repealed by Pub. L. 93–618, title VI, § 602(e), Jan. 3, 1975, 88 Stat. 2072. For provisions covering sections 1913 and 1914, see sections 2343 and 2344 of this title, respectively.

Section 1917 of this title, referred to in subsecs. (a) to (c), was in the original ''section 317'', meaning section 317 of Pub. L. 87–794, which enacted section 1917 of this title and amended sections 172(b), 6501(h), and 6511(d)(2)(A) of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 15 section 636.

§ 1919. Penalties

Whoever makes a false statement of a material fact knowing it to be false, or knowingly fails to disclose a material fact, or whoever willfully overvalues any security, for the purpose of influencing in any way the action of the Secretary of Commerce under this part, or for the purpose of obtaining money, property, or anything of value under this part, shall be fined not more than $5,000 or imprisoned for not more than two years, or both.

(Pub. L. 87–794, title III, § 319, Oct. 11, 1962, 76 Stat. 892.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 15 section 636.

§ 1920. Suits by and against Secretary of Commerce

In providing technical and financial assistance under sections 1913 and 1914[1] of this title, the Secretary of Commerce may sue and be sued in any court of record of a State having general jurisdiction or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against him or his property. Nothing in this section shall be construed to except the activities pursuant to sections 1913 and 1914[1] of this title from the application of sections 517, 519, and 2679 of title 28.

(Pub. L. 87–794, title III, § 320, Oct. 11, 1962, 76 Stat. 892.)

REFERENCES IN TEXT

Sections 1913 and 1914 of this title, referred to in text, were repealed by Pub. L. 93–618, title VI, § 602(e), Jan. 3, 1975, 88 Stat. 2072. See sections 2343 and 2344 of this title, respectively.

CODIFICATION

Reference to ''section 517 of title 28'' substituted in text for reference to section 316 of title 5, and reference to ''section 519 of title 28'' substituted for reference to section 507(b) of title 28 on authority of Pub. L. 89–554, § 7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 15 section 636.

[1] See References in Text note below.

PART III—ADJUSTMENT ASSISTANCE TO WORKERS

§ 1931. Repealed. Pub. L. 93–618, title VI, § 602(e), Jan. 3, 1975, 88 Stat. 2072

Section, Pub. L. 87–794, title III, § 321, Oct. 11, 1962, 76 Stat. 892, authorized giving of adjustment assistance to workers. See section 2271 et seq. of this title.

EFFECTIVE DATE OF REPEAL

Repeal effective on 90th day following Jan. 3, 1975, see note set out under section 1901 of this title.

SUBPART A—TRADE READJUSTMENT ALLOWANCES

§§ 1941 to 1944. Repealed. Pub. L. 93–618, title VI, § 602(e), Jan. 3, 1975, 88 Stat. 2072

Section 1941, Pub. L. 87–794, title III, § 322, Oct. 11, 1962, 76 Stat. 892, set out qualifying requirements for trade readjustment allowances. See section 2291 of this title.

Section 1942, Pub. L. 87–794, title III, § 323, Oct. 11, 1962, 76 Stat. 893, set out provisions covering weekly amount for trade readjustment allowances. See section 2292 of this title.

Section 1943, Pub. L. 87–794, title III, § 324, Oct. 11, 1962, 76 Stat. 894, set out time limitations for trade readjustment allowances. See section 2293 of this title.

Section 1944, Pub. L. 87–794, title III, § 325, Oct. 11, 1962, 76 Stat. 894, provided for application of State laws. See section 2294 of this title.

EFFECTIVE DATE OF REPEAL

Repeal effective on 90th day following Jan. 3, 1975, see note set out under section 1901 of this title.

SUBPART B—TRAINING

§§ 1951, 1952. Repealed. Pub. L. 93–618, title VI, § 602(e), Jan. 3, 1975, 88 Stat. 2072

Section 1951, Pub. L. 87–794, title III, § 326, Oct. 11, 1962, 76 Stat. 895, provided for training to prepare workers for full employment. See section 2295 of this title.

Section 1952, Pub. L. 87–794, title III, § 327, Oct. 11, 1962, 76 Stat. 895, provided for disqualification for refusal of training. See section 2296 of this title.

EFFECTIVE DATE OF REPEAL

Repeal effective on 90th day following Jan. 3, 1975, see note set out under section 1901 of this title.

SUBPART C—RELOCATION ALLOWANCES

§§ 1961 to 1963. Repealed. Pub. L. 93–618, title VI, § 602(e), Jan. 3, 1975, 88 Stat. 2072

Section 1961, Pub. L. 87–794, title III, § 328, Oct. 11, 1962, 76 Stat. 895, provided for application for a relocation allowance. See sections 2297 and 2298 of this title.

Section 1962, Pub. L. 87–794, title III, § 329, Oct. 11, 1962, 76 Stat. 895, set out qualifying requirements for training. See sections 2297 and 2298 of this title.

Section 1963, Pub. L. 87–794, title III, § 330, Oct. 11, 1962, 76 Stat. 896, defined ''relocation allowance''. See sections 2297 and 2298 of this title.

EFFECTIVE DATE OF REPEAL

Repeal effective on 90th day following Jan. 3, 1975, see note set out under section 1901 of this title.

SUBPART D—GENERAL PROVISIONS

§§ 1971 to 1978. Repealed. Pub. L. 93–618, title VI, § 602(e), Jan. 3, 1975, 88 Stat. 2072

Section 1971, Pub. L. 87–794, title III, § 331, Oct. 11, 1962, 76 Stat. 896, made provision for agreements with States. See section 2311 et seq. of this title.

Section 1972, Pub. L. 87–794, title III, § 332, Oct. 11, 1962, 76 Stat. 896, made provision for payments to States. See section 2313 of this title.

Section 1973, Pub. L. 87–794, title III, § 333, Oct. 11, 1962, 76 Stat. 897, provided for liabilities of certifying and disbursing officers. See section 2314 of this title.

Section 1974, Pub. L. 87–794, title III, § 334, Oct. 11, 1962, 76 Stat. 897, provided for recovery of overpayments. See section 2315 of this title.

Section 1975, Pub. L. 87–794, title III, § 335, Oct. 11, 1962, 76 Stat. 897, set out penalties for making false statements or failing to disclose material facts. See section 2316 of this title.

Section 1976, Pub. L. 87–794, title III, § 336, Oct. 11, 1962, 76 Stat. 897, provided for review of determinations as to entitlement for adjustment assistance. See section 2322 of this title.

Section 1977, Pub. L. 87–794, title III, § 337, Oct. 11, 1962, 76 Stat. 897, authorized appropriations for adjustment assistance to workers.

Section 1978, Pub. L. 87–794, title III, § 338, Oct. 11, 1962, 76 Stat. 897, defined terms. See section 2319 of this title.

EFFECTIVE DATE OF REPEAL

Repeal effective on 90th day following Jan. 3, 1975, see note set out under section 1901 of this title.

PART IV—TARIFF ADJUSTMENT

§ 1981. General authority

(a) Proclamation of increase in, or imposition of, any duty or other import restriction; report to the Congress; adoption of resolution of approval; request for additional information

(1) After receiving an affirmative finding of the United States International Trade Commission under section 1901(b) of this title with respect to an industry, the President may proclaim such increase in, or imposition of, any duty or other import restriction on the article causing or threatening to cause serious injury to such industry as he determines to be necessary to prevent or remedy serious injury to such industry.

(2) If the President does not, within 60 days after the date on which he receives such affirmative finding, proclaim the increase in, or imposition of, any duty or other import restriction on such article found and reported by the United States International Trade Commission pursuant to section 1901(e)[1] of this title—

(A) he shall immediately submit a report to the House of Representatives and to the Senate stating why he has not proclaimed such increase or imposition, and

(B) such increase or imposition shall take effect (as provided in paragraph (3)) upon the adoption by both Houses of the Congress (within the 60-day period following the date on which the report referred to in subparagraph (A) is submitted to the House of Representatives and the Senate), by the yeas and nays by the affirmative vote of a majority of the authorized membership of each House, of a concurrent resolution stating in effect that the Senate and House of Representatives approve the increase in, or imposition of, any duty or other import restriction on the article found and reported by the United States International Trade Commission.

[1] See References in Text note below.

For purposes of subparagraph (B), in the computation of the 60-day period there shall be excluded the days on which either House is not in session because of adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die. The report referred to in subparagraph (A) shall be delivered to both Houses of the Congress on the same day and shall be delivered to the Clerk of the House of Representatives if the House of Representatives is not in session and to the Secretary of the Senate if the Senate is not in session.

(3) In any case in which the contingency set forth in paragraph (2)(B) occurs, the President shall (within 15 days after the adoption of such resolution) proclaim the increase in, or imposition of, any duty or other import restriction on the article which was found and reported by the United States International Trade Commission pursuant to section 1901(e) of this title.

(4) The President may, within 60 days after the date on which he receives an affirmative finding of the United States International Trade Commission under section 1901(b)[1] of this title with respect to an industry, request additional information from the United States International Trade Commission. The United States International Trade Commission shall, as soon as practicable but in no event more than 120 days after the date on which it receives the President's request, furnish additional information with respect to such industry in a supplemental report. For purposes of paragraph (2), the date on which the President receives such supplemental report shall be treated as the date on which the President received the affirmative finding of the United States International Trade Commission with respect to such industry.

(b) Maximum rate of increase

No proclamation pursuant to subsection (a) of this section shall be made—

(1) increasing any rate of duty to a rate more than 50 percent above the rate existing on July 1, 1934, or, if the article is dutiable but no rate existed on July 1, 1934, the rate existing at the time of the proclamation.

(2) in the case of an article not subject to duty, imposing a duty in excess of 50 percent ad valorem.

For purposes of paragraph (1), the term ''existing on July 1, 1934'' has the meaning assigned to such term by paragraph (5) of section 1886[1] of this title.

(c) Reduction, termination, or extension of increase in, or imposition of, any duty or other import restriction

(1) Any increase in, or imposition of, any duty or other import restriction proclaimed pursuant to this section or section 7 of the Trade Agreements Extension Act of 1951—

(A) may be reduced or terminated by the President when he determines, after taking into account the advice received from the United States International Trade Commission under subsection (d)(2) of this section and after seeking advice of the Secretary of Commerce and the Secretary of Labor, that such reduction or termination is in the national interest, and

(B) unless extended under section 2253 of this title, shall terminate not later than the close of the date which is 4 years (or, in the case of any such increase or imposition proclaimed pursuant to such section 7, 5 years) after the effective date of the initial proclamation or October 11, 1962, whichever date is the later.

(2) Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072.

(d) Review of developments with respect to industries concerned; annual report to President; advice of probable economic effect; considerations; investigations; hearings

(1) So long as any increase in, or imposition of, any duty or other import restriction pursuant to this section or pursuant to section 7 of the Trade Agreements Extension Act of 1951 remains in effect, the United States International Trade Commission shall keep under review developments with respect to the industry concerned, and shall make annual reports to the President concerning such developments.

(2) Upon request of the President or upon its own motion, the United States International Trade Commission shall advise the President of its judgment as to the probable economic effect on the industry concerned of the reduction or termination of the increase in, or imposition of, any duty or other import restriction pursuant to this section or section 7 of the Trade Agreements Extension Act of 1951.

(3) Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072.

(4) In advising the President under this subsection as to the probable economic effect on the industry concerned, the United States International Trade Commission shall take into account all economic factors which it considers relevant, including idling of productive facilities, inability to operate at a level of reasonable profit, and unemployment or underemployment.

(5) Advice by the United States International Trade Commission under this subsection shall be given on the basis of an investigation during the course of which the United States International Trade Commission shall hold a hearing at which interested persons shall be given a reasonable opportunity to be present, to produce evidence, and to be heard.

(e) Conformity of trade agreements with this section

The President, as soon as practicable, shall take such action as he determines to be necessary to bring trade agreements entered into under section 1351 of this title into conformity with the provisions of this section. No trade agreement shall be entered into under section 1821(a) of this title unless such agreement permits action in conformity with the provisions of this section.

(Pub. L. 87–794, title III, § 351, Oct. 11, 1962, 76 Stat. 899; Pub. L. 93–618, title I, § 171(b), title VI, § 602(c), (d), Jan. 3, 1975, 88 Stat. 2009, 2072.)

REFERENCES IN TEXT

Section 1901 of this title, referred to in subsec. (a), was repealed by Pub. L. 93–618, title VI, § 602(d), (e), Jan. 3, 1975, 88 Stat. 2072. See section 2251 et seq. of this title.

Section 1886 of this title, referred to in subsec. (b), was repealed by Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072. See section 2481 of this title.

Section 7 of the Trade Agreements Extension Act of 1951, referred to in subsecs. (c)(1) and (d)(1), (2), was classified to section 1364 of this title, and was repealed by section 257(e)(1) of Pub. L. 87–794.

AMENDMENTS

1975—Pub. L. 93–618, § 171(b), substituted ''United States International Trade Commission'' for ''United States Tariff Commission'' wherever appearing.

Subsec. (c)(1)(B). Pub. L. 93–618, § 602(c), substituted ''unless extended under section 2253 of this title.'' for ''unless extended under paragraph (2),''.

Subsec. (c)(2). Pub. L. 93–618, § 602(d), struck out par. (2) which provided for the extension of increases in, or imposition of, duties or other import restrictions. See section 2253 of this title.

Subsec. (d)(3). Pub. L. 93–618, § 602(d), struck out par. (3) which provided for notification to the President by the Tariff Commission of the probable impact of the termination of duties or other import restrictions.

STATUS OF CERTAIN CHANGES IN TARIFF SCHEDULES

Section 1(d) of Pub. L. 90–638, Oct. 24, 1968, 82 Stat. 1360, provided that: ''The rates of duty in rate column numbered 1 [of item 662.18] of the Tariff Schedules of the United States (as amended by the subsections (a) and (c)) shall be treated as not having the status of statutory provisions enacted by the Congress, but as having been proclaimed by the President as being required or appropriate to carry out foreign trade agreements to which the United States is a party. The rate of duty in rate column numbered 1 of item 662.20 of the Tariff Schedules of the United States (as amended by subsection (a)) shall not supersede the staged rates of duty provided for such item in Annex III to Proclamation 3822, dated December 16, 1967 (32 Fed. Reg., No. 244, part II).''

Section 2(d) of Pub. L. 90–638, Oct. 24, 1968, 82 Stat. 1360, provided that:

''(1) For purposes of applying sections 256(4) [section 1886(4) of this title], 256(d) [section 1886(5) of this title], and 351(b) of the Trade Expansion Act of 1962 [subsec. (b) of this section] and section 350(c)(2)(A) of the Tariff Act of 1930 [section 1351(c)(2)(A) of this title]—

''(A) the rates of duty in rate column numbered 1 of the Tariff Schedules of the United States [items 355.70, 356.30, and 359.30] (as changed by subsection (b)) shall be treated as the rates of duty existing on July 1, 1962; and

''(B) the rates of duty in rate column numbered 2 of such Schedules (as changed by subsection (b)) shall be treated as the rates of duty existing on July 1, 1934.

''(2) The rates of duty in rate column numbered 1 of the Tariff Schedules of the United States (as amended by subsection (b)) shall be treated as not having the status of statutory provisions enacted by the Congress, but as having been proclaimed by the President as being required or appropriate to carry out foreign trade agreements to which the United States is a party.''

Section 2(c) of Pub. L. 90–564, Oct. 12, 1968, 82 Stat. 1001, provided that:

''(1) The rates of duty in rate column numbered 1 of the Tariff Schedules of the United States for item 149.48 (as added by the first section of this Act and amended by subsection (b) of this section) shall be treated as not having the status of statutory provisions enacted by the Congress, but as having been proclaimed by the President as being required or appropriate to carry out foreign trade agreements to which the United States is a party.

''(2) For purposes of section 351(b) of the Trade Expansion Act of 1962 [subsec. (b) of this section], the rate of duty in rate column numbered 2 of the Tariff Schedules of the United States for item 149.48 (as added by the first section of this Act) shall be treated as the rate of duty existing on July 1, 1934.''

Section 9 of Pub. L. 89–651, Oct. 14, 1966, 80 Stat. 902, provided that: ''Any duty-free treatment provided for in this Act [see Short Title note set out preceding section 1202 of this title] shall, for purposes of title III of the Trade Expansion Act of 1962 (76 Stat. 883; 19 U.S.C., secs. 1901 to 1991) [this subchapter], be treated as a concession granted under a trade agreement: *Provided*, That any action taken pursuant to section 351 of such Act [this section] as the result of this section shall be consistent with obligations of the United States under trade agreements.''

Section 4 of Pub. L. 89–388, Apr. 13, 1966, 80 Stat. 110, provided that: ''For purposes of applying paragraphs (4) and (5) of section 256 (19 U.S.C. 1886) and section 351(b) (19 U.S.C. 1981(b)) of the Trade Expansion Act of 1962 and section 350(c)(2)(A) of the Tariff Act of 1930 (19 U.S.C. 1351(c)(2)(A))—

''(1) The rates of duty in rate column numbered 1 of the Tariff Schedules of the United States as changed by this Act shall be treated as the rates of duty existing on July 1, 1962.

''(2) The rates of duty in rate column numbered 2 of such Schedules as changed by this Act shall be treated as the rates of duty existing on July 1, 1934.''

Section 3 of Pub. L. 89–241, Oct. 7, 1965, 79 Stat. 933, provided that:

''(a) For purposes of applying paragraphs (4) and (5) of section 256 (19 U.S.C., sec. 1886) and section 351(b) (19 U.S.C., sec. 1981(b)) of the Trade Expansion Act of 1962 and section 350(c)(2)(A) of the Tariff Act of 1930 (19 U.S.C., sec. 1351(c)(2)(A))—

''(1) The rates of duty in rate column numbered 1 of the Tariff Schedules of the United States as changed by this Act shall be treated as the rates of duty existing on July 1, 1962.

''(2) The rates of duty in rate column numbered 2 of such Schedules as changed by this Act shall be treated as the rates of duty existing on July 1, 1934.

''(b) The rates of duty in rate column numbered 1 of the Tariff Schedules of the United States as changed by this Act which are lower than the rates of duty in rate column numbered 2 of such Schedules for the corresponding items shall be treated—

''(1) as not having the status of statutory provisions enacted by the Congress, but

''(2) as having been proclaimed by the President as being required or appropriate to carry out foreign trade agreements to which the United States is a party.

''(c) The changes in part 2 of the Appendix to the Tariff Schedules of the United States made by section 30 of this Act [to items 923.75 and 923.77] shall be treated—

''(1) as not having the status of statutory provisions enacted by the Congress, but

''(2) as having been proclaimed by the President pursuant to paragraph (2) of section 102 of the Tariff Classification Act of 1962 (19 U.S.C., sec. 1202 note).

''(d) The changes in part 3 of the Appendix to the Tariff Schedules of the United States made by section 88 of this Act [to headnote 2(b), (c)] shall be treated—

''(1) as not having the status of statutory provisions enacted by the Congress, but

''(2) as having been proclaimed by the President pursuant to section 22 of the Agricultural Adjustment Act, as amended (7 U.S.C., sec. 624).''

[The Tariff Schedules of the United States were replaced by the Harmonized Tariff Schedule of the United States which is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.]

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1982, 2137, 2463 of this title.

§ 1982. Marketing agreements

(a) Negotiations

After receiving an affirmative finding of the United States International Trade Commission

under section 1901(b)[1] of this title with respect to an industry, the President may, in lieu of exercising the authority contained in section 1981(a)(1) of this title but subject to the provisions of sections 1981(a)(2), (3), and (4) of this title, negotiate international agreements with foreign countries limiting the export from such countries and the import into the United States of the article causing or threatening to cause serious injury to such industry, whenever he determines that such action would be more appropriate to prevent or remedy serious injury to such industry than action under section 1981(a)(1) of this title.

(b) Regulations governing entry or withdrawal from warehouse

In order to carry out an agreement concluded under subsection (a) of this section, the President is authorized, to issue regulations governing the entry or withdrawal from warehouse of the article covered by such agreement. In addition, in order to carry out a multilateral agreement concluded under subsection (a) of this section among countries accounting for a significant part of world trade in the article covered by such agreement, the President is also authorized to issue regulations governing the entry or withdrawal from warehouse of the like article which is the product of countries not parties to such agreement.

(Pub. L. 87–794, title III, § 352, Oct. 11, 1962, 76 Stat. 901; Pub. L. 93–618, title I, § 171(b), Jan. 3, 1975, 88 Stat. 2009.)

REFERENCES IN TEXT

Section 1901 of this title, referred to in subsec. (a), was repealed by Pub. L. 93–618, title VI, § 602(d), (e), Jan. 3, 1975, 88 Stat. 2072. See section 2251 et seq. of this title.

AMENDMENTS

1975—Subsec. (a). Pub. L. 93–618 substituted ''United States International Trade Commission'' for ''United States Tariff Commission''.

DELEGATION OF FUNCTIONS

Functions of President under subsec. (b) of this section, concerning issuance of regulations governing entry, or withdrawal from warehouses for consumption, of articles pursuant to any orderly marketing agreement, delegated to Secretary of the Treasury, see section 5(b) of Ex. Ord. No. 11846, Mar. 27, 1975, 40 F.R. 14291, set out as a note under section 2111 of this title.

PART V—ADVISORY BOARD

§ 1991. Repealed. Pub. L. 93–618, title VI, § 602(d), Jan. 3, 1975, 88 Stat. 2072

Section, Pub. L. 87–794, title III, § 361, Oct. 11, 1962, 76 Stat. 901, established the Adjustment Assistance Advisory Board.

CHAPTER 8—AUTOMOTIVE PRODUCTS

SUBCHAPTER I—STATEMENT OF PURPOSES

Sec.
2001. Congressional declaration of purposes.

SUBCHAPTER II—BASIC AUTHORITIES

2011. Implementation of the Agreement.
(a) Modification of Harmonized Tariff Schedule.
(b) Duty-free treatment of Canadian motor-vehicle equipment.
2012. Omitted.
2013. Effective date of proclamations.
(a) Retroactive effect; authority of President.
(b) Filing of request with customs officer.
2014. Termination of proclamations.
2015. Special reports to Congress.
(a) Report on required comprehensive review.
(b) Report on increase on Canadian value added.
(c) Recommendations.

SUBCHAPTER III—TARIFF ADJUSTMENT AND OTHER ADJUSTMENT ASSISTANCE

2021. General authority.
2022, 2023. Omitted.
2024. Authorization of appropriations.

SUBCHAPTER IV—GENERAL PROVISIONS

2031. Authorities; delegation of functions; rules and regulations.
2032. Annual report to Congress.
2033. Applicability of antidumping provisions and antitrust laws.

SUBCHAPTER I—STATEMENT OF PURPOSES

§ 2001. Congressional declaration of purposes

The purposes of this chapter are—

(1) to provide for the implementation of the Agreement Concerning Automotive Products Between the Government of the United States of America and the Government of Canada signed on January 16, 1965 (hereinafter referred to as the ''Agreement''), in order to strengthen the economic relations and expand trade in automotive products between the United States and Canada; and

(2) to authorize the implementation of such other international agreements providing for the mutual reduction or elimination of duties applicable to automotive products as the Government of the United States may hereafter enter into.

(Pub. L. 89–283, title I, § 102, Oct. 21, 1965, 79 Stat. 1016.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''this Act'', meaning Pub. L. 89–283, Oct. 21, 1965, 79 Stat. 1016, as amended. For complete classification of this Act to the Code, see Short Title note set out below and Tables.

SHORT TITLE

Section 101 of Pub. L. 89–283 provided that: ''This Act [enacting this chapter, amending section 1202 of this title and Schedules 2, 3, 5, 6, and 7 of the Tariff Schedules of the United States, and enacting provisions set out as a note preceding section 1202 of this title] may be cited as the 'Automotive Products Trade Act of 1965'.''

SUBCHAPTER II—BASIC AUTHORITIES

§ 2011. Implementation of the Agreement

(a) Modification of Harmonized Tariff Schedule

The President is authorized to proclaim the modifications of the Harmonized Tariff Schedule

[1] See References in Text note below.

of the United States provided for in title IV of this Act.

(b) Duty-free treatment of Canadian motor-vehicle equipment

At any time after the issuance of the proclamation authorized by subsection (a) of this section, the President is authorized to proclaim further modifications of the Harmonized Tariff Schedule of the United States to provide for the duty-free treatment of any Canadian article which is original motor-vehicle equipment (as defined by such Schedules as modified pursuant to subsection (a) of this section) if he determines that the importation of such article is actually or potentially of commercial significance and that such duty-free treatment is required to carry out the Agreement.

(Pub. L. 89–283, title II, § 201, Oct. 21, 1965, 79 Stat. 1016; Pub. L. 100–418, title I, § 1214(i), Aug. 23, 1988, 102 Stat. 1157.)

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States, referred to in text, is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

Title IV of this Act, referred to in subsec. (a), means title IV of Pub. L. 89–283 which amended section 1202 of this title and Schedules 2, 3, 5, 6, and 7 of the Tariff Schedules of the United States, and enacted provisions set out as a note preceding section 1202 of this title.

The Agreement, referred to in subsec. (b), is the Agreement Concerning Automotive Products, which was entered into between the United States and Canada on January 16, 1965, see Proc. No. 3682, Oct. 21, 1965, 30 F.R. 13683 and Proc. No. 3743, Sept. 8, 1966, 31 F.R. 12003, set out as notes below.

AMENDMENTS

1988—Subsecs. (a), (b). Pub. L. 100–418 substituted ''Harmonized Tariff Schedule of the United States'' for ''Tariff Schedules of the United States''.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.

PROC. NO. 3682. IMPLEMENTATION OF AGREEMENT CONCERNING AUTOMOTIVE PRODUCTS

Proc. No. 3682, Oct. 21, 1965, 30 F.R. 13683, provided:

WHEREAS the United States and Canada on January 16, 1965, entered into an Agreement Concerning Automotive Products, which provides that Canada shall accord duty-free treatment to imports of certain automotive products of the United States and that, after enactment of implementing legislation, the United States shall accord duty-free treatment to certain automotive products of Canada retroactively to the earliest date administratively possible following the date on which the agreement has been implemented by Canada (art. II, 89th Cong. 1st sess., H. Rep. 537, 38);

WHEREAS the agreement of January 16, 1965, was implemented by Canada through the granting of the requisite duty-free treatment to United States products on January 18, 1965;

WHEREAS title II [sections 2011 to 2015 of this title] and IV [amending section 1202 of this title] of the Automotive Products Trade Act of 1965 have been enacted to provide for modifications of the Tariff Schedules of the United States (19 U.S.C. 1202) to implement the agreement of January 16, 1965, such modifications to enter into force in the manner proclaimed by the President (79 Stat. 1016);

WHEREAS sections 201(a) and 203 of the Automotive Products Trade Act of 1965 [subsec. (a) of this section and section 2013 of this title] authorize the President to proclaim the modifications of the Tariff Schedules of the United States provided for in sections 403, 404, and 405 of that Act [amending section 1202 of this title] with retroactive effect as of the earliest date after January 17, 1965, which he determines to be practicable, and section 401(b) of that Act provides that the rates of duty in column numbered 1 of the tariff schedules that are modified pursuant to such proclamation shall be treated as having been proclaimed by the President as being required to carry out a foreign trade agreement to which the United States is a party (79 Stat. 1016); and

WHEREAS I determine that the earliest date, after January 17, 1965, as of which it is practicable to give retroactive effect to this proclamation is January 18, 1965:

NOW, THEREFORE, I, LYNDON B. JOHNSON, under the authority vested in me by the Constitution and the statutes, particularly sections 201(a) and 203 of the Automotive Products Trade Act of 1965 [subsec. (a) of this section and section 2013 of this title], do proclaim (1) that the modifications of the Tariff Schedules of the United States provided for in sections 403 and 404 of that Act [amending section 1202 of this title] shall enter into force on the day following the date of this proclamation, and (2) that the modifications of the tariff schedules provided for in section 405 of that Act [amending section 1202 of this title] shall enter into force on December 20, 1965, effective with respect to articles which are or have been entered for consumption, or for warehouse, on or after January 18, 1965.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this twenty-first day of October in the year of our Lord nineteen hundred and sixty-five, and of the Independence of the United States of America the one hundred and ninetieth.

[SEAL]

LYNDON B. JOHNSON.

PROC. NO. 3743. IMPLEMENTATION OF AGREEMENT CONCERNING AUTOMOTIVE PRODUCTS

Proc. No. 3743, Sept. 8, 1966, 31 F.R. 12003, provided:

WHEREAS the United States and Canada on January 16, 1965, entered into an Agreement Concerning Automotive Products, which provides that Canada shall accord duty-free treatment to imports of certain automotive products of the United States and that, after enactment of implementing legislation, the United States shall accord duty-free treatment to certain automotive products of Canada retroactively to the earliest date administratively possible following the date on which the agreement has been implemented by Canada (art. II, 89th Cong. 1st sess., H. Rep. 537, 38);

WHEREAS, the agreement of January 16, 1965, was implemented by Canada through the granting of the requisite duty-free treatment to United States products on January 18, 1965;

WHEREAS titles II [sections 2011 to 2015 of this title] and IV of the Automotive Products Trade Act of 1965 [amending section 1202 of this title] have been enacted to provide for modifications of the Tariff Schedules of the United States (19 U.S.C. 1202) to implement the agreement of January 16, 1965, such modifications to enter into force in the manner proclaimed by the President (79 Stat. 1016);

WHEREAS sections 201 and 203 of the Automotive Products Trade Act of 1965 [sections 2011 and 2013 of this title] authorize the President to proclaim such modifications of the Tariff Schedules of the United States as will provide for the duty-free treatment of Canadian articles which are original motor-vehicle equipment either if the modifications of such articles are set forth in title IV of that Act [amending section 1202 of this title] or if the President subsequently deter-

mines that the importation of the articles is actually or potentially of commercial significance and that such duty-free treatment is required by the agreement, such proclamation to provide for retroactive effect for such duty-free treatment as of the earliest date after January 17, 1965, which the President determines to be practicable;

WHEREAS, by Proclamation No. 3682 of October 21, 1965 (30 F.R. 13683), the President pursuant to sections 201 and 203 [sections 2011 and 2013 of this title] proclaimed the modifications of the Tariff Schedules of the United States provided for in title IV of the Automotive Products Trade Act of 1965 [amending section 1202 of this title]; and

WHEREAS I determine (a) under subsection (b) of section 201 [subsection (b) of this section] that the importation of the Canadian articles which are original motor-vehicle equipment and which are dutiable under TSUS items 688.04, 688.06, and 688.15 is actually or potentially of commercial significance and that duty-free treatment of such Canadian articles is required to carry out the agreement of January 16, 1965, and (b) under section 203 [section 2013 of this title] that the earliest date, after January 17, 1965, as of which it is practicable to give retroactive effect to this proclamation is January 18, 1965:

NOW, THEREFORE, I, LYNDON, B. JOHNSON, under the authority vested in me by the Constitution and the statutes, particularly sections 201(b) and 203 of the Automotive Products Trade Act of 1965 [subsection (b) of this section and section 2013 of this title] do proclaim that the Tariff Schedules of the United States are modified by inserting in proper numerical sequence new items 688.05, 688.07, and 688.16, each such item having the article description ''If Canadian article and original motor-vehicle equipment (see headnote 2, part 6B, schedule 6) . . .'' subordinate to the immediately preceding article description and having ''Free'' in rate of duty column numbered 1. Such modifications shall enter into force on the day following the date of this proclamation and shall be effective with respect to articles which are or have been entered for consumption, or for warehouse, on or after January 18, 1965.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the Seal of the United States of America to be affixed.

DONE at the City of Washington this eighth day of September in the year of our Lord nineteen hundred and sixty-six, and of the Independence of the United States of America the one hundred and ninety-first.

[SEAL]

LYNDON B. JOHNSON.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2013, 2014, 2021 of this title.

§ 2012. Omitted

CODIFICATION

Section, Pub. L. 89–283, title II, § 202, Oct. 21, 1965, 79 Stat. 1016, which related to the modification of tariff schedules to implement duty free motor vehicle agreements and duty reduced or duty free automotive product agreements, the necessity for advice and public notice prior to negotiation of such agreements, the transmission to the Congress of copies of such agreements, and Presidential proclamations to implement such agreements, expired by its own terms on Oct. 22, 1965.

§ 2013. Effective date of proclamations

(a) Retroactive effect; authority of President

Subject to subsection (b) of this section, the President is authorized, notwithstanding section 1514 of this title or any other provision of law, to give retroactive effect to any proclamation issued pursuant to section 2011 of this title as of the earliest date after January 17, 1965, which he determines to be practicable.

(b) Filing of request with customs officer

In the case of liquidated customs entries, the retroactive effect pursuant to subsection (a) of this section of any proclamation shall apply only upon request therefor filed with the customs officer concerned on or before the 90th day after the date of such proclamation and subject to such other conditions as the President may specify.

(Pub. L. 89–283, title II, § 203, Oct. 21, 1965, 79 Stat. 1018.)

§ 2014. Termination of proclamations

The President is authorized at any time to terminate, in whole or in part, any proclamation issued pursuant to section 2011 or 2012 of this title.

(Pub. L. 89–283, title II, § 204, Oct. 21, 1965, 79 Stat. 1018.)

§ 2015. Special reports to Congress

(a) Report on required comprehensive review

No later than August 31, 1968, the President shall submit to the Senate and the House of Representatives a special report on the comprehensive review called for by Article IV(c) of the Agreement. In such report he shall advise the Congress of the progress made toward the achievement of the objectives of Article I of the Agreement.

(b) Report on increase on Canadian value added

Whenever the President finds that any manufacturer has entered into any undertaking, by reason of governmental action, to increase the Canadian value added of automobiles, buses, specified commercial vehicles, or original equipment parts produced by such manufacturer in Canada after August 31, 1968, he shall report such finding to the Senate and the House of Representatives. The President shall also report whether such undertaking is additional to undertakings agreed to in letters of undertaking submitted by such manufacturer before October 21, 1965.

(c) Recommendations

The reports provided for in subsections (a) and (b) of this section shall include recommendations for such further steps, including legislative action, if any, as may be necessary for the achievement of the purposes of the Agreement and this chapter.

(Pub. L. 89–283, title II, § 205, Oct. 21, 1965, 79 Stat. 1018.)

REFERENCES IN TEXT

The Agreement, referred to in subsecs. (a) and (c), is the Agreement Concerning Automotive Products, which was entered into between the United States and Canada on January 16, 1965, see Proc. No. 3682, Oct. 21, 1965, 30 F.R. 13683 and Proc. No. 3743, Sept. 8, 1966, 31 F.R. 12003, set out as notes under section 2011 of this title.

This chapter, referred to in subsec. (c), was in the original ''this Act'', meaning Pub. L. 89–283, Oct. 21, 1965, 79 Stat. 1016, as amended. For complete classification of this Act to the Code, see Short Title note set out under section 2001 of this title and Tables.

SUBCHAPTER III—TARIFF ADJUSTMENT AND OTHER ADJUSTMENT ASSISTANCE

§ 2021. General authority

A petition may be filed for tariff adjustment or for a determination of eligibility to apply for adjustment assistance under title III of the Trade Expansion Act of 1962 [19 U.S.C. 1901 et seq.] as though the reduction or elimination of a duty proclaimed by the President pursuant to section 2011 or 2012 of this title were a concession granted under a trade agreement referred to in section 301 of the Trade Expansion Act of 1962 [19 U.S.C. 1901].

(Pub. L. 89–283, title III, § 301, Oct. 21, 1965, 79 Stat. 1018.)

REFERENCES IN TEXT

The Trade Expansion Act of 1962, referred to in text, is Pub. L. 87–794, Oct. 11, 1962, 76 Stat. 872, as amended. Title III of the Trade Expansion Act of 1962 is classified generally to subchapter III (§ 1901 et seq.) of chapter 7 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 1801 of this title and Tables.

Section 301 of the Trade Expansion Act of 1962, referred to in text, was classified to section 1901 of this title and was repealed by Pub. L. 93–618, title VI, § 602(d), (e), Jan. 3, 1975, 88 Stat. 2072. See section 2251 et seq. of this title.

Section 2012 of this title, referred to in text, was omitted from the Code.

CODIFICATION

The words ''subject to section 2022 of this title'' omitted in view of the omission of section 2022 of this title, which provided special authority after Oct. 21, 1965, and before July 1, 1968, for filing of petitions for determination by the President of eligibility to apply for adjustment assistance.

§§ 2022, 2023. Omitted

CODIFICATION

Section 2022, Pub. L. 89–283, title III, § 302, Oct. 21, 1965, 79 Stat. 1018; Pub. L. 95–598, title III, § 316, Nov. 6, 1978, 92 Stat. 2678, set forth procedures for Presidential certification of petitions filed by firms or group of workers for determination of eligibility to apply for adjustment assistance after the 90th day after Oct. 21, 1965, and before July 1, 1968. See section 2021 of this title for general authority for filing of petition.

Section 2023, Pub. L. 89–283, title III, § 303, Oct. 21, 1965, 79 Stat. 1021, required the President, at the time he transmits an agreement under section 2012(d)(1) of this title, to recommend legislation concerning adjustment assistance to firms and workers in light of the anticipated economic impact of the reduction of duties provided for by such agreement.

§ 2024. Authorization of appropriations

There are hereby authorized to be appropriated such sums as may be necessary from time to time to carry out the provisions of this subchapter, which sums are authorized to be appropriated to remain available until expended.

(Pub. L. 89–283, title III, § 304, Oct. 21, 1965, 79 Stat. 1021.)

SUBCHAPTER IV—GENERAL PROVISIONS

§ 2031. Authorities; delegation of functions; rules and regulations

The head of any agency performing functions authorized by this chapter may—

(1) authorize the head of any other agency to perform any of such functions; and

(2) prescribe such rules and regulations as may be necessary to perform such functions.

(Pub. L. 89–283, title V, § 501, Oct. 21, 1965, 79 Stat. 1025.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''this Act'', meaning Pub. L. 89–283, Oct. 21, 1965, 79 Stat. 1016, as amended. For complete classification of this Act to the Code, see Short Title note set out under section 2001 of this title and Tables.

§ 2032. Annual report to Congress

The President shall submit to the Congress an annual report on the implementation of this chapter. Such report shall include information regarding new negotiations, reductions or eliminations of duties, reciprocal concessions obtained, and other information relating to activities under this chapter. Such report shall also include information providing an evaluation of the Agreement and this chapter in relation to the total national interest, and specifically shall include, to the extent practicable, information with respect to—

(1) the production of motor vehicles and motor vehicle parts in the United States and Canada.

(2) the retail prices of motor vehicles and motor vehicle parts in the United States and Canada.

(3) employment in the motor vehicle industry and motor vehicle parts industry in the United States and Canada, and

(4) United States and Canadian trade in motor vehicles and motor vehicle parts, particularly trade between the United States and Canada.

(Pub. L. 89–283, title V, § 502, Oct. 21, 1965, 79 Stat. 1025.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''this Act'', meaning Pub. L. 89–283, Oct. 21, 1965, 79 Stat. 1016, as amended. For complete classification of this Act to the Code, see Short Title note set out under section 2001 of this title and Tables.

EX. ORD. NO. 12713. DELEGATION OF AUTHORITY FOR SUBMISSION OF REPORT

Ex. Ord. No. 12713, May 1, 1990, 55 F.R. 18719, provided:

By the authority vested in me as President by the Constitution and laws of the United States of America, including the Automotive Products Trade Act of 1965 (19 U.S.C. 2001 *et seq.*) (''Act''), and in order to provide for the submission to the Congress of the annual report required by section 502 of the Act (19 U.S.C. 2032), it is hereby ordered that authority for submission of the report is delegated to the Secretary of Commerce.

GEORGE BUSH.

§ 2033. Applicability of antidumping provisions and antitrust laws

Nothing contained in this chapter shall be construed to affect or modify the provisions of subtitle B of title VII of the Tariff Act of 1930 [19 U.S.C. 1673 et seq.] or of any of the antitrust laws as designated in section 12 of title 15.

(Pub. L. 89–283, title V, § 503, Oct. 21, 1965, 79 Stat. 1026; Pub. L. 96–39, title I, § 106(b)(2), July 26, 1979, 93 Stat. 193.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''this Act'', meaning Pub. L. 89–283, Oct. 21, 1965, 79 Stat. 1016, as amended. For complete classification of this Act to the Code, see Short Title note set out under section 2001 of this title and Tables.

The Tariff Act of 1930, as amended, referred to in text, is act June 17, 1930, ch. 497, 46 Stat. 590, as amended. Subtitle B of title VII of the Tariff Act of 1930 is classified generally to part II of subtitle IV (§ 1673 et seq.) of chapter 4 of this title. For complete classification of this Act to the Code, see section 1654 of this title and Tables.

AMENDMENTS

1979—Pub. L. 96–39 substituted ''subtitle B of title VII of the Tariff Act of 1930'' for ''the Anti-Dumping Act, 1921,''.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective Jan. 1, 1980, see section 107 of Pub. L. 96–39, set out as an Effective Date note under section 1671 of this title.

CHAPTER 9—VISUAL AND AUDITORY MATERIALS OF EDUCATIONAL, SCIENTIFIC, AND CULTURAL CHARACTER

Sec.
2051. Implementation of the Agreement; executive designation and duty of Federal agencies.
2052. Assistance from other Federal agencies; facilities and personnel.

§ 2051. Implementation of the Agreement; executive designation and duty of Federal agencies

The President of the United States is authorized to designate a Federal agency or agencies which shall be responsible for carrying out the provisions of the Agreement for Facilitating the International Circulation of Visual and Auditory Materials of an Educational, Scientific, and Cultural Character and a related protocol of signature, opened for signature at Lake Success on July 15, 1949 (hereinafter in this chapter referred to as the ''Agreement''). It shall be the duty of the Federal agency or agencies so designated to take appropriate measures for the carrying out of the provisions of the Agreement including the issuance of regulations. In carrying out this section, such Federal agency or agencies may not consider visual or auditory material to fail to qualify as being of international educational character—

(1) because it advocates a particular position or viewpoint, whether or not it presents or acknowledges opposing viewpoints;

(2) because it might lend itself to misinterpretation, or to misrepresentation of the United States or other countries, or their people or institutions;

(3) because it is not representative, authentic, or accurate or does not represent the current state of factual knowledge of a subject or aspect of a subject unless the material contains widespread and gross misstatements of fact;

(4) because it does not augment international understanding and goodwill, unless its primary purpose or effect is not to instruct or inform through the development of a subject or an aspect of a subject and its content is not such as to maintain, increase, or diffuse knowledge; or

(5) because in the opinion of the agency the material is propaganda.

Such Federal agency or agencies may not label as propaganda any material that receives a certificate of international educational character under this section and the Agreement.

(Pub. L. 89–634, § 1, Oct. 8, 1966, 80 Stat. 879; Pub. L. 102–138, title II, § 207, Oct. 28, 1991, 105 Stat. 693.)

AMENDMENTS

1991—Pub. L. 102–138 inserted provisions at end limiting the authority of a Federal agency or agencies to fail to qualify visual or auditory material as being of international educational character and providing that any material that receives a certificate of international educational character not be labeled as propaganda.

EX. ORD. NO. 11311. IMPLEMENTATION OF BEIRUT AGREEMENT RELATING TO AUDIO-VISUAL MATERIALS

Ex. Ord. No. 11311, Oct. 14, 1966, 31 F.R. 13413, provided:

By virtue of the authority vested in me as President of the United States, including the provisions of the Joint Resolution of October 8, 1966, Public Law 89–634 [this chapter and amendment to section 1202 of this title], and section 301 of Title 3 of the United States Code, I hereby order and proclaim that—

1. Pursuant to section 3(b) of the Joint Resolution, the amendments to the Tariff Schedules of the United States made by section 3(a) of the Joint Resolution shall apply with respect to articles entered, or withdrawn from warehouse, for consumption, on and after January 1, 1967.

2. Pursuant to the ''Agreement for Facilitating the International Circulation of Visual and Auditory Materials of an Educational, Scientific and Cultural Character'', made at Beirut in 1948, the Joint Resolution, and headnote 1 to schedule 8, part 6 of the Tariff Schedules of the United States, the United States Information Agency is hereby designated as the agency to carry out the provisions of the Agreement and related protocol, and to make any determinations and to prescribe any regulations required by headnote 1.

LYNDON B. JOHNSON.

§ 2052. Assistance from other Federal agencies; facilities and personnel

Agencies of the Federal Government are authorized to furnish facilities and personnel for the purpose of assisting the agency or agencies designated by the President in carrying out the provisions of the Agreement.

(Pub. L. 89–634, § 2, Oct. 8, 1966, 80 Stat. 879.)

CHAPTER 10—CUSTOMS SERVICE

Sec.
2071. Establishment of Service; Commissioner; appointment.
2072. Officers and employees.
(a) Appointment by Secretary of the Treasury.
(b) Absence or disability of Commissioner.
(c) Duties of personnel.
2073. Transfer of personnel, etc., to Service.
2074. Establishment of revolving fund.
2075. Appropriations authorization.
(a) In general.
(b) Authorization of appropriations.
(c) Mandatory 10-day deferment.

Sec.
(d) Overtime pay limitations; waiver.
(e) Pay comparability authorization.
(f) Use of savings resulting from administrative consolidations.
(g) Allocation of resources; notice to Congressional committees.
2076. Advances in foreign countries.
2077. Advances for enforcement of customs provisions.
2078. Certification of reason for advance.
2079. Payments in foreign countries; claims for reimbursement.
2080. Advances from available appropriations; rules and regulations.
2081. Undercover investigative operations of Customs Service.
(a) Certification required for exemption of undercover operations from certain laws.
(b) Liquidation of corporations and business entities.
(c) Deposit of proceeds.
(d) Audits.
(e) Definitions.
2082. Customs Service administration.
(a) In general.
(b) Survey reports.
2083. Annual national trade and customs law violation estimates and enforcement strategy.
(a) Violation estimates.
(b) Applicable statutory provisions.
(c) Enforcement strategy.
(d) Compliance program.
(e) Confidentiality.

§ 2071. Establishment of Service; Commissioner; appointment

There shall be in the Department of the Treasury a service to be known as the United States Customs Service, and a Commissioner of Customs. The Commissioner of Customs, who shall be appointed by the President by and with the advice and consent of the Senate, shall—

(1) be at the head of the United States Customs Service;

(2) carry out the duties and powers prescribed by the Secretary of the Treasury; and

(3) report to the Secretary of the Treasury through such other officials as may be designated by the Secretary.

(Mar. 3, 1927, ch. 348, § 1, 44 Stat. 1381; May 27, 1930, ch. 342, § 8, 46 Stat. 430; Ex. Ord. No. 6639, § 1a, Mar. 10, 1934; Dec. 7, 1989, Pub. L. 101–207, § 3(b)(1), 103 Stat. 1833.)

CODIFICATION

Provisions that fixed the compensation of the Commissioner have been omitted as the position is under the Executive Schedule, see section 5316 of Title 5, Government Organization and Employees.

Provisions that authorized appointment of the Commissioner ''without regard to the civil service laws'' were omitted as the appointment is subject to the civil service laws unless specifically excepted by such laws or by laws enacted subsequent to Executive Order No. 8743, Apr. 23, 1941, issued by the President pursuant to the act of Nov. 26, 1940, ch. 919, title I, § 1, 54 Stat. 1211, which covered most excepted positions into the classified (competitive) civil service. The Order is set out as a note under section 3301 of Title 5. The position is currently excepted from the civil service rules and regulations by Schedule C, see Part 213 of Title 5 of the Code of Federal Regulations.

Section was formerly classified to section 281 of Title 5 prior to the general revision and codification of Title 5 by Pub. L. 89–554, § 1, Sept. 6, 1966, 80 Stat. 378.

References to the Bureau of Prohibition and to the Commissioner of Prohibition were omitted in view of the change of name of the Bureau of Prohibition to the Bureau of Industrial Alcohol by act May 27, 1930, and the abolition of the Bureau of Industrial Alcohol by Ex. Ord. No. 6639.

AMENDMENTS

1989—Pub. L. 101–207 amended second sentence generally. Prior to amendment, second sentence read as follows: ''The Commissioner of Customs shall be at the head of the United States Customs Service, and the Commissioner of Customs shall be appointed by the Secretary of the Treasury.''

CHANGE OF NAME

''United States Customs Service'' substituted in text for ''Bureau of Customs'' pursuant to Treasury Department Order 165–23, Apr. 4, 1973, eff. Aug. 1, 1973, 38 F.R. 13037. See, also, section 308 of Title 31, Money and Finance.

EFFECTIVE DATE

Section 7 of act Mar. 3, 1927, provided that: ''This Act shall take effect April 1, 1927.''

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

Functions vested by law in Attorney General, Department of Justice, or any other officer or any agency of that Department, with respect to the inspection at regular inspection locations at ports of entry of persons, and documents of persons, entering or leaving the United States, were to have been transferred to Secretary of the Treasury by 1973 Reorg. Plan No. 2, § 2, eff. July 1, 1973, 38 F.R. 15932, 87 Stat. 1091, set out in the Appendix to Title 5. The transfer was negated by section 1(a)(1), (b) of Pub. L. 93–253, Mar. 16, 1974, 88 Stat. 50, which repealed section 2 of 1973 Reorg. Plan No. 2, eff. July 1, 1973.

EXTENSION OF PRE-CLEARANCE PROGRAM IN ARUBA

Pub. L. 102–393, title VI, § 637, Oct. 6, 1992, 106 Stat. 1779, provided that: ''Notwithstanding any other provision of law, the United States Customs Service pilot pre-clearance program authorized to be established in Aruba shall be extended through 1994.''

REPORTS REGARDING EXPANSION OF CUSTOMS PRECLEARANCE OPERATIONS AND RECOVERY FOR DAMAGE RESULTING FROM CUSTOMS EXAMINATIONS

Pub. L. 101–382, title I, § 124, Aug. 20, 1990, 104 Stat. 643, provided that:

''(a) CUSTOMS PRECLEARANCE.—The Secretary of the Treasury, in consultation with the Secretary of State, shall assess the advisability of expanding the use of preclearance operations by the United States Customs Service at foreign airports. The Secretary of the Treasury shall submit a report on the assessment to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate (hereafter in this section referred to as the 'Committees') no later than February 1, 1991.

''(b) RECOVERY FOR CUSTOMS DAMAGE.—

''(1) The Secretary of the Treasury, in consultation with the Attorney General, shall determine and evaluate various means by which persons whose merchandise is damaged during customs examinations may seek compensation from, or take other recourse

against, the United States Customs Service regarding the damage.

''(2) No later than February 1, 1991, the Secretary of the Treasury shall submit to the Committees a report on the evaluation required under paragraph (1), together with any legislative recommendation that the Secretary considers appropriate.

''(c) MERCHANDISE DAMAGE STATISTICS.—The Commissioner of Customs shall keep accurate statistics on the incidence, nature, and extent of damage to merchandise resulting from customs examinations and shall provide an annual summary of these statistics to the Committees.''

PILOT PRECLEARANCE PROGRAM

Pub. L. 101–382, title II, § 233, Aug. 20, 1990, 104 Stat. 663, provided that:

''(a) ESTABLISHMENT OF PROGRAM.—Subject to subsection (b), the Commissioner of Customs shall carry out, during fiscal years 1991 and 1992, preclearance operations at a facility of the United States Customs Service in a country within the Caribbean Basin which the Commissioner of Customs considers appropriate for testing the extent to which the availability of preclearance operations can assist in the development of tourism.

''(b) RESTRICTIONS REGARDING PROGRAM.—

''(1) The Commissioner of Customs may not consider a country within the Caribbean Basin to be appropriate for the testing referred to in subsection (a) if preclearance operations are currently carried out by the United States Customs Service in that country.

''(2) Preclearance operations may not be commenced in the country selected for testing under subsection (a) unless the Commissioner of Customs and the Commissioner of Immigration and Naturalization jointly certify that—

''(A) there exists a bilateral agreement between the United States Government and the government of such country which protects the interests of the United States and affords diplomatic protection to United States employees working at the preclearance location;

''(B) the facilities at the preclearance location conform to Federal Inspection Services standards and are suitable for the duties to be performed therein;

''(C) there is adequate security around the structure used for the reception of international arrivals;

''(D) the government of such country grants the United States Customs Service and the United States Immigration and Naturalization Service appropriate search, seizure, and arrest authority; and

''(E) United States employees and their families will not be subject to fear of reprisal, acts of terrorism, and threats of intimidation.

''(3) In determining the country in which to establish the operation described in paragraph (1), the Commissioner of Customs and the Commissioner of Immigration and Naturalization shall first determine the viability of establishing such operations in either Aruba or Jamaica. If the Commissioners determine, after full consultation with the governments of such countries, that it is not viable to establish pre-clearance operations in either Aruba or Jamaica, they shall so report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives, including an explanation of how this determination was reached. Such report shall be submitted to those Committees within six months after the date of the enactment of this Act [Aug. 20, 1990]. Following the submission of such a report, the Commissioners shall take all necessary steps, consistent with the requirements of this section, to establish such operations in another country.

''(c) REPORT.—As soon as practicable after September 30, 1992, the Commissioner of Customs shall submit to the Congress a report regarding the preclearance operations program carried out under subsection (a). The report shall include—

''(1) a summary of the preclearance operations, including the number of individuals processed, any administrative problems encountered, and cost of the operations;

''(2) an evaluation of the extent to which the preclearance operations contributed to—

''(A) the stimulation of the tourism industry of the country concerned, and

''(B) expedited customs processing at United States ports of entry;

''(3) the opinion of the Commissioner of Customs regarding the efficacy of extending preclearance operations to other countries within the Caribbean Basin that are developing tourism industries, and if the opinion is affirmative, the identity of those countries to which such operations should be extended and the estimated costs and results of such extensions; and

''(4) such other matters that the Commissioner of Customs considers relevant.''

INCUMBENT COMMISSIONER ON DECEMBER 6, 1989

Section 3(b)(2) of Pub. L. 101–207 provided that: ''The individual who is serving as the Commissioner of Customs on the day before the date of the enactment of this Act [Dec. 7, 1989] may continue to serve in such capacity until a Commissioner of Customs, appointed as provided in the amendment made by paragraph (1) [amending this section], takes office.''

ADVISORY COMMITTEE ON COMMERCIAL OPERATIONS OF UNITED STATES CUSTOMS SERVICE

Pub. L. 100–203, title IX, § 9503(c), Dec. 22, 1987, 101 Stat. 1330–381, provided that:

''(1) The Secretary of the Treasury shall establish an advisory committee which shall be known as the 'Advisory Committee on Commercial Operations of the United States Customs Service' (hereafter in this subsection referred to as the 'Advisory Committee').

''(2)(A) The Advisory Committee shall consist of 20 members appointed by the Secretary of the Treasury.

''(B) In making appointments under subparagraph (A), the Secretary of the Treasury shall ensure that—

''(i) the membership of the Advisory Committee is representative of the individuals and firms affected by the commercial operations of the United States Customs Service; and

''(ii) a majority of the members of the Advisory Committee do not belong to the same political party.

''(3) The Advisory Committee shall—

''(A) provide advice to the Secretary of the Treasury on all matters involving the commercial operations of the United States Customs Service; and

''(B) submit an annual report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives that shall—

''(i) describe the operations of the Advisory Committee during the preceding year, and

''(ii) set forth any recommendations of the Advisory Committee regarding the commercial operations of the United States Customs Service.

''(4) The Assistant Secretary of the Treasury for Enforcement shall preside over meetings of the Advisory Committee.''

Pub. L. 99–272, title XIII, § 13033, Apr. 7, 1986, 100 Stat. 311, which provided for the establishment of an advisory committee, whose members were to consist of representatives from the airline, shipping, and other transportation industries, the general public, and others, to advise the Secretary of the Treasury on issues related to the performance of the customs services, was repealed by Pub. L. 100–203, title IX, § 9503(d), Dec. 22, 1987, 101 Stat. 1330–382.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2072 of this title; title 31 section 308.

§ 2072. Officers and employees

(a) Appointment by Secretary of the Treasury

The Secretary of the Treasury is authorized to appoint, in the service established by section 2071 of this title, one assistant commissioner, three deputy commissioners, one chief clerk, and such attorneys and other officers and employees as he may deem necessary. One of the deputy commissioners of the United States Customs Service shall have charge of investigations. Appointments under this subsection shall be subject to the provisions of the civil service laws, and the salaries shall be fixed in accordance with chapter 51 and subchapter III of chapter 53 of title 5.

(b) Absence or disability of Commissioner

The Secretary of the Treasury is authorized to designate an officer of the United States Customs Service to act as Commissioner of Customs, during the absence or disability of the Commissioner of Customs, or in the event that there is no Commissioner of Customs.

(c) Duties of personnel

The personnel of the United States Customs Service shall perform such duties as the Secretary of the Treasury may prescribe.

(Mar. 3, 1927, ch. 348, § 2, 44 Stat. 1381; May 27, 1930, ch. 342, § 8, 46 Stat. 430; June 17, 1930, ch. 497, title IV, § 650, 46 Stat. 762; Ex. Ord. No. 6639, § 1a, Mar. 10, 1934; Oct. 28, 1949, ch. 782, title XI, § 1106(a), 63 Stat. 972; Sept. 3, 1954, ch. 1263, § 9, 68 Stat. 1228.)

REFERENCES IN TEXT

The civil service laws, referred to in subsec. (a), are set forth in Title 5, Government Organization and Employees. See, particularly, section 3301 et seq. of Title 5.

CODIFICATION

Section was formerly classified to section 281a of Title 5 prior to the general revision and enactment of Title 5 by Pub. L. 89–554, § 1, Sept. 6, 1966, 80 Stat. 378.

''Chapter 51 and subchapter III of chapter 53 of title 5'' were substituted for ''the Classification Act of 1949, as amended'' on authority of Pub. L. 89–554, § 7(b), Sept. 6, 1966, 80 Stat. 631, the first section of which enacted Title 5, Government Organization and Employees.

AMENDMENTS

1954—Subsec. (c). Act Sept. 3, 1954, struck out references to the National Prohibition Act.

1949—Subsec. (a). Act Oct. 28, 1949, substituted ''Classification Act of 1949'' for ''Classification Act of 1923''.

CHANGE OF NAME

Bureau of Prohibition and Commissioner of Prohibition redesignated Bureau of Industrial Alcohol and Commissioner of Industrial Alcohol, respectively, by act May 27, 1930.

''United States Customs Service'' substituted for ''Bureau of Customs'' pursuant to Treasury Department Order 165–23, Apr. 4, 1973, eff. Aug. 1, 1973, 38 F.R. 13037. See, also, section 308 of Title 31, Money and Finance.

REPEALS

Act Oct. 28, 1949, ch. 782, cited as a credit to this section, was repealed (subject to a savings clause) by Pub. L. 89–554, Sept. 6, 1966, § 8, 80 Stat. 632, 655.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, set out in the Appendix to Title 5, Government Organization and Employees.

Bureau of Industrial Alcohol and office of Commissioner of Industrial Alcohol abolished and Commissioner's functions transferred to Commissioner of Internal Revenue by Ex. Ord. No. 6639.

DEPUTY COMMISSIONER OF CUSTOMS

Act June 17, 1930, authorized the appointment of an additional deputy commissioner in the Bureau of Customs [now the United States Customs Service] in addition to the two deputy commissioners then authorized by law.

§ 2073. Transfer of personnel, etc., to Service

(a) Repealed. Sept. 3, 1954, ch. 1263, § 10, 68 Stat. 1229.

(b) The records, property (including office equipment), and personnel of the Division of Customs are transferred to the United States Customs Service.

(Mar. 3, 1927, ch. 348, § 3, 44 Stat. 1382; Sept. 3, 1954, ch. 1263, § 10, 68 Stat. 1229.)

CODIFICATION

Section was formerly classified to section 281b of Title 5 prior to the general revision and enactment of Title 5 by Pub. L. 89–554, § 1, Sept. 6, 1966, 80 Stat. 378.

Subsection (c) of section 3 of act March 3, 1927, abolished the Division of Customs and offices of directors and assistant directors of customs and Special Agency Service of the Customs.

AMENDMENTS

1954—Subsec. (a). Act Sept. 3, 1954, repealed subsec. (a) which related to the delegation of duty to Commissioner of Customs by Secretary of the Treasury.

CHANGE OF NAME

''United States Customs Service'' substituted in text for ''Bureau of Customs'' pursuant to Treasury Department Order 165–23, Apr. 4, 1973, eff. Aug. 1, 1973, 38 F.R. 13037. See, also, section 308 of Title 31, Money and Finance.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 1643 of this title.

§ 2074. Establishment of revolving fund

There is established a revolving fund of $300,000 which shall be available, without fiscal year limitation exclusively for transfer to the appropriation for collecting the revenue from customs to cover obligations of the United States Customs Service arising from authorized reimbursable services, pending reimbursement from parties in interest: *Provided*, That amounts

so transferred shall be returned to the revolving fund not later than six months after the close of the fiscal year in which transferred.

(June 30, 1949, ch. 286, title I, 63 Stat. 360.)

CODIFICATION

Section was formerly classified to section 281g of Title 5 prior to the general revision and enactment of Title 5 by Pub. L. 89–554, Sept. 6, 1966, §1, 80 Stat. 378.

CHANGE OF NAME

''United States Customs Service'' substituted in text for ''Bureau of Customs'' pursuant to Treasury Department Order 165–23, Apr. 4, 1973, eff. Aug. 1, 1973, 38 F.R. 13037. See, also, section 308 of Title 31, Money and Finance.

TRANSFER OF FUNCTIONS

Functions of all officers of Department of the Treasury and functions of all agencies and employees of such Department transferred, with certain exceptions, to Secretary of the Treasury, with power vested in him to authorize their performance or performance of any of his functions by any of such officers, agencies, and employees, by Reorg. Plan No. 26 of 1950, §§1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

§ 2075. Appropriations authorization

(a) In general

(1) For the fiscal year beginning October 1, 1979, and each fiscal year thereafter, there are authorized to be appropriated to the Department of the Treasury for the United States Customs Service only such sums as may hereafter be authorized by law.

(2) The authorization of the appropriations for the United States Customs Service for each fiscal year after fiscal year 1987 shall specify—

(A) the amount authorized for the fiscal year for the salaries and expenses of the Service in conducting commercial operations; and

(B) the amount authorized for the fiscal year for the salaries and expenses of the Service for other than commercial operations.

(b) Authorization of appropriations

(1) For noncommercial operations

There are authorized to be appropriated for the salaries and expenses of the Customs Service that are incurred in noncommercial operations not to exceed the following:

(A) $516,217,000 for fiscal year 1991.

(B) $542,091,000 for fiscal year 1992.

(2) For commercial operations

(A) There are authorized to be appropriated for the salaries and expenses of the Customs Service that are incurred in commercial operations not less than the following:

(i) $672,021,000 for fiscal year 1991.

(ii) $705,793,000 for fiscal year 1992.

(B) The monies authorized to be appropriated under subparagraph (A) for any fiscal year, except for such sums as may be necessary for the salaries and expenses of the Customs Service that are incurred in connection with the processing of merchandise that is exempt from the fees imposed under section 58c(a)(9) and (10) of this title, shall be appropriated from the Customs User Fee Account.

(3) For air interdiction

There are authorized to be appropriated for the operation (including salaries and expenses) and maintenance of the air interdiction program of the Customs Service not to exceed the following:

(A) $143,047,000 for fiscal year 1991.

(B) $150,199,000 for fiscal year 1992.

(c) Mandatory 10-day deferment

No part of any sum that is appropriated under the authority of subsection (b) of this section may be used to implement any procedure relating to the time of collection of estimated duties that shortens the maximum 10-day deferment procedure in effect on January 1, 1981.

(d) Overtime pay limitations; waiver

No part of any sum that is appropriated under subsection (b) of this section for fiscal years after September 30, 1984, may be used for administrative expenses to pay any employee of the United States Customs Service overtime pay in an amount exceeding $25,000; except that the Commissioner of Customs or his designee may waive this limitation in individual cases in order to prevent excessive costs or to meet emergency requirements of the Service.

(e) Pay comparability authorization

For the fiscal year beginning October 1, 1982, and for each fiscal year thereafter, there are authorized to be appropriated to the Department of the Treasury for salaries of the United States Customs Service such additional sums as may be provided by law to reflect pay rate changes made in accordance with the Federal Pay Comparability Act of 1970.

(f) Use of savings resulting from administrative consolidations

If savings in salaries and expenses result from the consolidation of administrative functions within the Customs Service, the Commissioner of Customs shall apply those savings, to the extent they are not needed to meet emergency requirements of the Service, to strengthening the commercial operations of the Service by increasing the number of inspector, import specialist, patrol officer, and other line operational positions.

(g) Allocation of resources; notice to Congressional committees

(1) The Commissioner of Customs shall ensure that existing levels of commercial services, including inspection and control, classification, and value, shall continue to be provided by Customs personnel assigned to the headquarters office of any Customs district designated by statute before April 7, 1986. The number of such personnel assigned to any such district headquarters shall not be reduced through attrition or otherwise, and such personnel shall be afforded the opportunity to maintain their proficiency through training and workshops to the same extent provided to Customs personnel in any other district. Automation and other modernization equipment shall be made available, as needed on a timely basis, to such headquarters to the same extent as such equipment is made available to any other district headquarters.

(2) The Commissioner of Customs shall notify the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives at least 180 days prior to taking any action which would—

(A) result in any significant reduction in force of employees other than by means of attrition;

(B) result in any significant reduction in hours of operation or services rendered at any office of the United States Customs Service or any port of entry;

(C) eliminate or relocate any office of the United States Customs Service;

(D) eliminate any port of entry; or

(E) significantly reduce the number of employees assigned to any office of the United States Customs Service or any port of entry.

(3) The total number of employees of the United States Customs Service shall be equivalent to at least 17,174 full-time employees.

(Pub. L. 95–410, title III, § 301, Oct. 3, 1978, 92 Stat. 905; Pub. L. 97–456, § 2, Jan. 12, 1983, 96 Stat. 2503; Pub. L. 98–573, title VII, § 702, Oct. 30, 1984, 98 Stat. 3043; Pub. L. 99–272, title XIII, § 13022(a), Apr. 7, 1986, 100 Stat. 305; Pub. L. 99–509, title VIII, § 8102, Oct. 21, 1986, 100 Stat. 1967; Pub. L. 100–203, title IX, § 9503(a), (b), Dec. 22, 1987, 101 Stat. 1330–380, 1330–381; Pub. L. 100–690, title VII, § 7361(a), (b), Nov. 18, 1988, 102 Stat. 4474; Pub. L. 101–207, § 3(a), Dec. 7, 1989, 103 Stat. 1833; Pub. L. 101–382, title I, § 102, Aug. 20, 1990, 104 Stat. 634.)

REFERENCES IN TEXT

The Federal Pay Comparability Act of 1970, referred to in subsec. (e), is Pub. L. 91–656, Jan. 8, 1971, 84 Stat. 1946, as amended, which enacted sections 5305 to 5308 and 5947 of Title 5, Government Organization and Employees, amended sections 5108, 5301, and 5942 of Title 5 and section 410 of Title 39, Postal Service, repealed section 5302 of Title 5, and enacted provisions set out as notes under sections 5303 and 5942 of Title 5, section 60a of Title 2, The Congress, and section 410 of Title 39. For complete classification of the Act to the Code see Short Title note set out under section 5301 of Title 5 and Tables.

AMENDMENTS

1990—Subsec. (b). Pub. L. 101–382, amended subsec. (b) generally, in par. (1), substituting provisions authorizing $516,217,000 and $542,091,000 for fiscal years 1991 and 1992, respectively, for provisions authorizing $418,822,000 for fiscal year 1990, of which at least $26,240,000 was to be used to hire at least 435 additional inspectors and other drug interdiction personnel, in par. (2), designating existing provisions as subpar. (A) and substituting provisions authorizing $672,021,000 and $705,793,000 for fiscal years 1991 and 1992, respectively, for provisions authorizing $656,468,000 for fiscal year 1990, striking out provisions relating to Customs User Fee Account, and adding subpar. (B), and in par. (3), substituting provisions authorizing $143,047,000 and $150,199,000 for fiscal years 1991 and 1992, respectively, for provisions authorizing $128,128,000 for fiscal year 1990.

1989—Subsec. (b)(1). Pub. L. 101–207, § 3(a)(1), (2), substituted ''1990'' for ''1989'' and ''$418,822,000'' for ''$440,504,000''.

Subsec. (b)(2). Pub. L. 101–207, § 3(a)(1), (3), substituted ''1990'' for ''1989'' and ''$656,468,000'' for ''$615,247,000''.

Subsec. (b)(3). Pub. L. 101–207, § 3(a)(1), (4), substituted ''1990'' for ''1989'' and ''$128,128,000'' for ''$142,262,000''.

Subsec. (b)(4). Pub. L. 101–207, § 3(a)(5), struck out par. (4) which read as follows: ''There are authorized to be appropriated to the Secretary of the Treasury for fiscal year 1989, $1,600,000 for payment to the Customs Cooperation Council.''

1988—Subsec. (b)(1). Pub. L. 100–690, § 7361(a)(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''There are authorized to be appropriated for fiscal year 1988 not to exceed $348,192,000 for the salaries and expenses of the United States Customs Service that are incurred in noncommercial operations, of which $171,857.06 shall be available only for concluding Contract TC–82–54 that was awarded for the development and testing of an automatic license plate reader.''

Subsec. (b)(2). Pub. L. 100–690, § 7361(a)(2)(A), (B), substituted authorization of appropriation of $615,247,000 for fiscal year 1989 for authorization of appropriation of $615,000,000 for fiscal year 1988.

Subsec. (b)(3). Pub. L. 100–690, § 7361(a)(2)(A), (C), substituted authorization of appropriation of $142,262,000 for fiscal year 1989 for authorization of appropriation of $118,309,000 for fiscal year 1988.

Subsec. (b)(4). Pub. L. 100–690, § 7361(a)(2)(D), added par. (4).

Subsec. (g)(3). Pub. L. 100–690, § 7361(b), added par. (3).

1987—Subsec. (b). Pub. L. 100–203, § 9503(a), amended subsec. (b) generally, revising and restating as pars. (1) to (3) provisions of former pars. (1) and (2).

Subsec. (f). Pub. L. 100–203, § 9503(b)(1), struck out heading which is now editorially supplied.

Subsec. (g). Pub. L. 100–203, § 9503(b)(2), (3), struck out heading which is now editorially supplied, designated existing provisions as par. (1), and added par. (2).

1986—Subsec. (a). Pub. L. 99–509, § 8102(1), designated existing provisions as par. (1) and added par. (2).

Subsec. (b). Pub. L. 99–570, title III, § 3141(a), Oct. 27, 1986, 100 Stat. 3207–92, which directed an amendment to subsec. (b) of this section did not become effective pursuant to Pub. L. 99–570, title III, § 3141(b), which provided that the amendment made by section 3141(a) would not be effective if H.R. 5300 was enacted with an identical amendment. H.R. 5300 was enacted as Pub. L. 99–509 with an identical amendment in section 8102(2). See below.

Pub. L. 99–509, § 8102(2), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows:

''(1) There are authorized to be appropriated to the Department of the Treasury not to exceed $772,141,000 for the salaries and expenses of the United States Customs Service for fiscal year 1986; of which—

''(A) $27,900,000 is for the addition of 500 inspectors, 150 import specialists, 100 customs patrol officers, and 50 special agents;

''(B) $53,500,000 is for the operation and maintenance of the air interdiction program of the Service; and

''(C) not to exceed $14,000,000 is for the implementation of the 'Operation EXODUS' program and any related program designed to enforce or monitor export controls under the Export Administration Act of 1979 [50 App. U.S.C. 2401 et seq.].

''(2) No part of any sum that is appropriated under the authority of paragraph (1) may be used to close any port of entry at which, during fiscal year 1985—

''(A) not less than 2,500 merchandise entries (including informal entries) were made; and

''(B) not less than $1,500,000 in customs revenues were assessed.

''(3)(A) No part of any sum that is appropriated under the authority of paragraph (1) may be used for further research and development or acquisition of F–15 avionics for the P–3 aircraft and related equipment until 60 days after the Committee on Ways and Means and the Committee on Finance have received from the Secretary of the Treasury a written comparative assessment of the suitability of the P–3, E–2, or other appropriate aircraft for use by the Customs Service in its air drug interdiction program. Such assessment, which the Secretary may not submit to the Committees until the General Accounting Office study required under paragraph (7) is completed, shall include life cycle costs.

''(B) Acquisition of additional aircraft for use by the Customs Service for its air drug interdiction program

after completion of the assessment required under subparagraph (A) shall be subject to competitive bidding through the use of the normal 'request for proposal' process.

''(4) No part of any sum that is appropriated under the authority of paragraph (1) may be used to consolidate the drawback liquidation centers within the Customs Service to less than 4 such centers. If a consolidation is undertaken, the Commissioner of Customs shall select the location of the centers after taking into account the drawback volume at, and the geographic dispersion of, the respective centers being considered for consolidation.

''(5) In addition to any sum authorized to be appropriated under paragraph (1), there are authorized to be appropriated to the Department of the Treasury for fiscal year 1986 not to exceed $8,000,000 from the Customs Forfeiture Fund for the making of payments under section 1613b of this title, of which not to exceed $5,000,000 may be used for the modification of aircraft (whether or not aircraft described in subsection (a)(5) of that section) for drug interdiction.

''(6) In addition to any other amounts authorized to be appropriated for the Customs Service for fiscal years 1987 and 1988, there are authorized to be appropriated $27,900,000 for each of such fiscal years to fund the additional personnel referred to in paragraph (1)(A).

''(7) As soon as possible after April 7, 1986, but not later than 12 months after April 7, 1986, the General Accounting Office shall complete, and submit to the Committee on Ways and Means and the Committee on Finance, a study that evaluates the air detection and interdiction capability of the Customs Service, including assets, geographic dispersal, costs of operation, procurement practices, and the services and equipment provided by other Federal agencies. Within 6 months after commencing the study, the General Accounting Office shall consult with the Committees on the progress of the study.''

Pub. L. 99–272, § 13022(a)(1), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: ''There are authorized to be appropriated to the Department of the Treasury not to exceed $686,399,000 for the salaries and expenses of the United States Customs Service for fiscal year 1985; of which (A) $28,070,000 is for the operation and maintenance of the air interdiction program of the Service, and (B) not to exceed $15,000,000 is for the implementation of the 'Operation EXODUS' program and any related program designed to enforce or monitor export controls under the Export Administration Act of 1979 [50 App. U.S.C. 2401 et seq.].''

Subsecs. (f), (g). Pub. L. 99–272, § 13022(a)(2), added subsecs. (f) and (g).

1984—Subsec. (b). Pub. L. 98–573, § 702(1), amended subsec. (b) generally, which prior to amendment read as follows: ''There are authorized to be appropriated to the Department of the Treasury not to exceed $564,224,000 for the salaries and expenses of the United States Customs Service for fiscal year 1983, of which not to exceed $31,464,000 is for salary and expenses for the enforcement of the alcohol and tobacco revenue laws.''

Subsecs. (d), (e). Pub. L. 98–573, § 702(2), (3), added subsec. (d) and redesignated former subsec. (d) as (e).

1983—Pub. L. 97–456 designated existing provisions as subsec. (a) and added subsecs. (b) to (d).

§ 2076. Advances in foreign countries

Section 3324(a) and (b) of title 31 shall not apply to payments made for the United States Customs Service in foreign countries.

(May 6, 1939, ch. 115, title I, § 1, 53 Stat. 660.)

CODIFICATION

''Section 3324(a) and (b) of title 31'' substituted in text for ''Section 3648 of the Revised Statutes [31 U.S.C. 529]'' on authority of Pub. L. 97–258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

Section was formerly classified to section 529b of Title 31 prior to the general revision and enactment of Title 31, Money and Finance, by Pub. L. 97–258, § 1, Sept. 13, 1982, 96 Stat. 877.

Section is from Treasury Department Appropriation Act, 1940, act May 6, 1939. Similar provisions were contained in the following prior appropriation acts:

Mar. 28, 1938, ch. 55, 52 Stat. 126.
May 14, 1937, ch. 180, title I, 50 Stat. 142.
June 23, 1936, ch. 725, 49 Stat. 1832.
May 14, 1935, ch. 110, 49 Stat. 222.

CHANGE OF NAME

''United States Customs Service'' substituted in text for ''Bureau of Customs'' pursuant to Treasury Department Order 165–23, Apr. 4, 1973, eff. Aug. 1, 1973, 38 F.R. 13037. See, also, section 308 of Title 31, Money and Finance.

TRANSFER OF FUNCTIONS

For transfer of functions of other officers, employees, and agencies of Department of the Treasury, with certain exceptions, to Secretary of the Treasury, with power to delegate, see Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

§ 2077. Advances for enforcement of customs provisions

The Commissioner of Customs, with the approval of the Secretary of the Treasury, is authorized to direct the advance of funds by the Fiscal Service, Treasury Department, in connection with the enforcement of the customs laws.

(Mar. 28, 1928, ch. 266, § 2, as added Aug. 7, 1939, ch. 566, § 1, 53 Stat. 1263; amended 1940 Reorg. Plan No. III, § 1(a)(1), eff. June 30, 1940, 5 F.R. 2107, 54 Stat. 1231.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

CODIFICATION

Section was formerly classified to section 529c of Title 31 prior to the general revision and enactment of Title 31, Money and Finance, by Pub. L. 97–258, § 1, Sept. 13, 1982, 96 Stat. 877.

TRANSFER OF FUNCTIONS

For transfer of functions of other officers, employees, and agencies of Department of the Treasury, with certain exceptions, to Secretary of the Treasury, with power to delegate, see Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

''Fiscal Service'' substituted in text for ''Division of Disbursement'' on authority of section 1(a)(1) of Reorg. Plan No. III of 1940, eff. June 30, 1940, 5 F.R. 2107, 54 Stat. 1231, set out in the Appendix to Title 5, Government Organization and Employees, which consolidated such division into Fiscal Service of Department of the Treasury. See section 306 of title 31, Money and Finance.

§ 2078. Certification of reason for advance

A certificate by the Commissioner of Customs stating the amount of an expenditure made from funds advanced and certifying that the confidential nature of the transaction involved renders it inadvisable to specify the details thereof or

impracticable to furnish the payee's receipt shall be a sufficient voucher for the sum expressed to have been expended.

(Mar. 28, 1928, ch. 266, § 3, as added Aug. 7, 1939, ch. 566, § 1, 53 Stat. 1263; amended Oct. 27, 1970, Pub. L. 91–513, title III, § 1102(n)(2), 84 Stat. 1293.)

CODIFICATION

Section was formerly classified to section 529d of Title 31 prior to the general revision and enactment of Title 31, Money and Finance, by Pub. L. 97–258, § 1, Sept. 13, 1982, 96 Stat. 877.

AMENDMENTS

1970—Pub. L. 91–513 struck out reference to Commissioner of Narcotics.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91–513 effective on first day of seventh calendar month that begins after the day immediately preceding the date of enactment of Pub. L. 91–513, which was approved on Oct. 27, 1970, see section 1105(a) of Pub. L. 91–513, set out as an Effective Date note under section 951 of Title 21, Food and Drugs.

SAVINGS PROVISION

Prosecutions for any violation of law occurring, and civil seizures or forfeitures and injunctive proceedings commenced, prior to the effective date of amendment of this section by section 1102 of Pub. L. 91–513 not to be affected or abated by reason thereof, see section 1103 of Pub. L. 91–513, set out as a note under section 171 of Title 21, Food and Drugs.

TRANSFER OF FUNCTIONS

For transfer of functions of other officers, employees, and agencies of Department of the Treasury, with certain exceptions, to Secretary of the Treasury, with power to delegate, see Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

§ 2079. Payments in foreign countries; claims for reimbursement

The provisions of this Act shall not affect payments made for the United States Customs Service in foreign countries, nor the right of any customs officer or employee to claim reimbursement for personal funds expended in connection with the enforcement of the customs laws.

(Mar. 28, 1928, ch. 266, § 4, as added Aug. 7, 1939, ch. 566, § 1, 53 Stat. 1263; amended Oct. 27, 1970, Pub. L. 91–513, title III, § 1102(n)(3), 84 Stat. 1293.)

REFERENCES IN TEXT

This Act, referred to in text, is act Mar. 28, 1928, ch. 266, 45 Stat. 374, as amended, which enacted sections 2077 to 2080 of this title and sections 529a and 529g of former Title 31, Money and Finance. Sections 529a and 529g of former Title 31, were repealed by sections 1101(a)(3) and 1101(a)(6), respectively, of Pub. L. 91–513, title III, Oct. 27, 1970, 84 Stat. 1291, 1292.

The customs laws, referred to in text, are classified generally to this title.

CODIFICATION

Section was formerly classified to section 529e of Title 31 prior to the general revision and enactment of Title 31, Money and Finance, by Pub. L. 97–258, § 1, Sept. 13, 1982, 96 Stat. 877.

AMENDMENTS

1970—Pub. L. 91–513 struck out references to narcotics officers and narcotics laws.

CHANGE OF NAME

''United States Customs Service'' substituted in text for ''Bureau of Customs'' pursuant to Treasury Department Order 165–23, Apr. 4, 1973, eff. Aug. 1, 1973, 38 F.R. 13037. See, also, section 308 of Title 31, Money and Finance.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91–513 effective on first day of seventh calendar month that begins after the day immediately preceding the date of enactment of Pub. L. 91–513, which was approved on Oct. 27, 1970, see section 1105(a) of Pub. L. 91–513, set out as an Effective Date note under section 951 of Title 21, Food and Drugs.

SAVINGS PROVISION

Prosecutions for any violation of law occurring, and civil seizures or forfeitures and injunctive proceedings commenced, prior to the effective date of amendment of this section by section 1102 of Pub. L. 91–513 not to be affected or abated by reason thereof, see section 1103 of Pub. L. 91–513, set out as a note under section 171 of Title 21, Food and Drugs.

TRANSFER OF FUNCTIONS

For transfer of functions of other officers, employees, and agencies of the Department of the Treasury, with certain exceptions, to Secretary of the Treasury, with power to delegate, see Reorg. Plan No. 26 of 1950, §§ 1, 2, eff. July 31, 1950, 15 F.R. 4935, 64 Stat. 1280, 1281, set out in the Appendix to Title 5, Government Organization and Employees.

§ 2080. Advances from available appropriations; rules and regulations

Advances pursuant to this Act, in connection with the enforcement of the customs laws may be made, notwithstanding the provisions of section 3324(a) and (b) of title 31, from the appropriations available for the enforcement of such laws. The Secretary of the Treasury is authorized to prescribe such rules and regulations concerning advances made pursuant to this Act as are necessary or appropriate for the protection of the interests of the United States.

(Mar. 28, 1928, ch. 266, § 5, as added Aug. 7, 1939, ch. 566, § 1, 53 Stat. 1263; amended Oct. 27, 1970, Pub. L. 91–513, title III, § 1102(n)(4), 84 Stat. 1293.)

REFERENCES IN TEXT

This Act, referred to in text, is act Mar. 28, 1928, ch. 266, 45 Stat. 374, as amended, which enacted sections 2077 to 2080 of this title and sections 529a and 529g of former Title 31, Money and Finance.

Sections 529a and 529g of former Title 31 were repealed by sections 1101(a)(3) and 1101(a)(6), respectively, of Pub. L. 91–513, title III, Oct. 27, 1970, 84 Stat. 1291, 1292.

The customs laws, referred to in text, are classified generally to this title.

CODIFICATION

''Section 3324(a) and (b) of title 31'' substituted in text for ''section 3648 of the Revised Statutes of the United States (U.S.C., title 31, sec. 529)'' on authority of Pub. L. 97–258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

Section was formerly classified to section 529f of Title 31 prior to the general revision and enactment of Title 31, Money and Finance, by Pub. L. 97–258, § 1, Sept. 13, 1982, 96 Stat. 877.

AMENDMENTS

1970—Pub. L. 91–513 struck out reference to enforcement of narcotics laws.

EFFECTIVE DATE OF 1970 AMENDMENT

Amendment by Pub. L. 91–513 effective on first day of seventh calendar month that begins after the day immediately preceding the date of enactment of Pub. L. 91–513, which was approved on Oct. 27, 1970, see section 1105(a) of Pub. L. 91–513, set out as an Effective Date note under section 951 of Title 21, Food and Drugs.

SAVINGS PROVISION

Prosecutions for any violation of law occurring, and civil seizures or forfeitures and injunctive proceedings commenced, prior to the effective date of amendment of this section by section 1102 of Pub. L. 91–513 not to be affected or abated by reason thereof, see section 1103 of Pub. L. 91–513, set out as a note under section 171 of Title 21, Food and Drugs.

§ 2081. Undercover investigative operations of Customs Service

(a) Certification required for exemption of undercover operations from certain laws

With respect to any undercover investigative operation of the United States Customs Service (hereinafter in this section referred to as the ''Service'') which is necessary for the detection and prosecution of offenses against the United States which are within the jurisdiction of the Secretary of the Treasury—

(1) sums authorized to be appropriated for the Service may be used—

(A) to purchase property, buildings, and other facilities, and to lease space, within the United States, the District of Columbia, and the territories and possessions of the United States without regard to—

(i) sections 1341 and 3324 of title 31,

(ii) sections 11(a) and 22 of title 41,

(iii) section 255 of title 41,

(iv) section 34 of title 40, and

(v) section 254(a) and (c) of title 41, and

(B) to establish or to acquire proprietary corporations or business entities as part of the undercover operation, and to operate such corporations or business entities on a commercial basis, without regard to sections 9102 and 9103 of title 31;

(2) sums authorized to be appropriated for the Service and the proceeds from the undercover operation, may be deposited in banks or other financial institutions without regard to the provisions of section 648 of title 18 and section 3302 of title 31; and

(3) the proceeds from the undercover operation may be used to offset necessary and reasonable expenses incurred in such operation without regard to the provisions of section 3302 of title 31;

only upon the written certification of the Commissioner of Customs (or, if designated by the Commissioner the Deputy or an Assistant Commissioner of Customs) that any action authorized by paragraph (1), (2), or (3) of this subsection is necessary for the conduct of such undercover operation.

(b) Liquidation of corporations and business entities

If a corporation or business entity established or acquired as part of an undercover operation under paragraph (1)(B) of subsection (a) of this section with a net value over $50,000 is to be liquidated, sold, or otherwise disposed of, the Service, as much in advance as the Commissioner or his designee determines is practicable, shall report the circumstances to the Secretary of the Treasury and the Comptroller General. The proceeds of the liquidation, sale, or other disposition, after obligations are met, shall be deposited in the Treasury of the United States as miscellaneous receipts.

(c) Deposit of proceeds

As soon as the proceeds from an undercover investigative operation with respect to which an action is authorized and carried out under paragraphs (2) and (3) of subsection (a) of this section are no longer necessary for the conduct of such operation, such proceeds or the balance of such proceeds remaining at the time shall be deposited into the Treasury of the United States as miscellaneous receipts.

(d) Audits

(1) The Service shall conduct a detailed financial audit of each undercover investigative operation which is closed in each fiscal year, and

(A) submit the results of the audit in writing to the Secretary of the Treasury; and

(B) not later than 180 days after such undercover operation is closed, submit a report to the Congress concerning such audit.

(2) The Service shall also submit a report annually to the Congress specifying as to its undercover investigative operations—

(A) the number, by programs, of undercover investigative operations pending as of the end of the 1-year period for which such report is submitted;

(B) the number, by programs, of undercover investigative operations commenced in the 1-year period preceding the period for which such report is submitted; and

(C) the number, by programs, of undercover investigative operations closed in the 1-year period preceding the period for which such report is submitted and, with respect to each such closed undercover operation, the results obtained and any civil claims made with respect thereto.

(e) Definitions

For purposes of subsection (d) of this section—

(1) The term ''closed'' refers to the earliest point in time at which—

(A) all criminal proceedings (other than appeals) are concluded, or

(B) covert activities are concluded, whichever occurs later.

(2) The term ''employees'' means employees, as defined in section 2105 of title 5, of the Service.

(3) The terms ''undercover investigative operation'' and ''undercover operation'' mean any undercover investigative operation of the Service—

(A) in which—

(i) the gross receipts (excluding interest earned) exceed $50,000, or

(ii) expenditures (other than expenditures for salaries of employees) exceed $150,000; and

(B) which is exempt from section 3302 or 9102 of title 31;

except that subparagraphs (A) and (B) shall not apply with respect to the report required under paragraph (2) of subsection (d) of this section.

(Pub. L. 99–570, title III, § 3131, Oct. 27, 1986, 100 Stat. 3207–90.)

§ 2082. Customs Service administration

(a) In general

The Commissioner of Customs shall—

(1) develop and implement accounting systems that accurately determine and report the allocations made of Customs Service personnel and other resources among the various operational functions of the Service, such as passenger processing, merchandise processing and drug enforcement; and

(2) develop and implement periodic labor distribution surveys of major workforce activities (such as inspectors, import specialists, fines, penalties, and forfeiture officers, special agents, data transcribers, and Customs aides) to determine the costs of different types of passenger and merchandise processing transactions, such as informal and formal entries, and automated and manual entries.

(b) Survey reports

The Commissioner of Customs shall no later than January 31, 1991, submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on the results of the first survey implemented under subsection (a)(2) of this section.

(Pub. L. 101–382, title I, § 113, Aug. 20, 1990, 104 Stat. 639; Pub. L. 101–508, title X, § 10001(d), Nov. 5, 1990, 104 Stat. 1388–386.)

AMENDMENTS

1990—Subsec. (a). Pub. L. 101–508, § 10001(d)(1)–(3), inserted ''and'' after semicolon at end of par. (1), substituted a period for semicolon at end of par. (2), and struck out pars. (3) to (5) which read as follows:

''(3) as soon as practicable after the enactment of appropriations for the Customs Service for each fiscal year, but not later than the 15th day after the beginning of such year, estimate, based on the amounts appropriated, the amount of the fee that would, if imposed on the processing of merchandise, offset the salaries and expenses subject to reimbursement from the fee that will likely be incurred by the Service in conducting commercial operations during that year;

''(4) develop annually a detailed derivation of the commercial services cost base and the methodology used for computing the merchandise processing fee under paragraph (3); and

''(5) report within 45 days of the beginning of any fiscal year to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate the results of each fee estimate made under paragraph (3) and each cost base and user fee methodology derivation made under paragraph (4).''

Subsec. (b). Pub. L. 101–508, § 10001(d)(4), substituted ''Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate'' for ''Committees referred to in subsection (a)(5) of this section''.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–508 effective on the date of enactment of the Act providing full-year appropriations for the Customs Service for fiscal year 1992, and applicable to fiscal years beginning on and after Oct. 1, 1991, see section 10001(g)(1) of Pub. L. 101–508, set out as a note under section 58c of this title.

EFFECTIVE DATE

Section effective Oct. 1, 1990, see section 115(a) of Pub. L. 101–382, set out as an Effective Date of 1990 Amendment note under section 58c of this title.

§ 2083. Annual national trade and customs law violation estimates and enforcement strategy

(a) Violation estimates

Not later than 30 days before the beginning of each fiscal year after fiscal year 1991, the Commissioner of Customs shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate (hereafter in this section referred to as the ''Committees'') a report that contains estimates of—

(1) the number and extent of violations of the trade, customs, and illegal drug control laws listed under subsection (b) of this section that will likely occur during the fiscal year; and

(2) the relative incidence of the violations estimated under paragraph (1) among the various ports of entry and customs regions within the customs territory.

(b) Applicable statutory provisions

The Commissioner of Customs, after consultation with the Committees—

(1) shall, within 60 days after August 20, 1990, prepare a list of those provisions of the trade, customs, and illegal drug control laws of the United States for which the United States Customs Service has enforcement responsibility and to which the reports required under subsection (a) of this section will apply; and

(2) may from time-to-time amend the listing developed under paragraph (1).

(c) Enforcement strategy

Within 90 days after submitting a report under subsection (a) of this section for any fiscal year, the Commissioner of Customs shall—

(1) develop a nationally uniform enforcement strategy for dealing during that year with the violations estimated in the report; and

(2) submit to the Committees a report setting forth the details of the strategy.

(d) Compliance program

The Commissioner of Customs shall—

(1) devise and implement a methodology for estimating the level of compliance with the laws administered by the Customs Service; and

(2) include as an additional part of the report required to be submitted under subsection (a) of this section for each of fiscal years 1994, 1995, and 1996, an evaluation of the extent to which such compliance was obtained during the 12-month period preceding the 60th day before each such fiscal year.

(e) Confidentiality

The contents of any report submitted to the Committees under subsection (a) or (c)(2) of this

section are confidential and disclosure of all or part of the contents is restricted to—

(1) officers and employees of the United States designated by the Commissioner of Customs;

(2) the chairman of each of the Committees; and

(3) those members of each of the Committees and staff persons of each of the Committees who are authorized by the chairman thereof to have access to the contents.

(Pub. L. 101–382, title I, § 123, Aug. 20, 1990, 104 Stat. 642; Pub. L. 103–182, title VI, § 691(c), Dec. 8, 1993, 107 Stat. 2224.)

AMENDMENTS

1993—Subsecs. (d), (e). Pub. L. 103–182 added subsec. (d) and redesignated former subsec. (d) as (e).

CHAPTER 11—IMPORTATION OF PRE-COLUMBIAN MONUMENTAL OR ARCHITECTURAL SCULPTURE OR MURALS

Sec.
2091. List of stone carvings and wall art; promulgation and revision; criteria for classification.
2092. Export certification requirement.
(a) Issuance by country of export.
(b) Procedure when certificate lacking.
2093. Forfeiture of unlawful imports.
(a) Seizure.
(b) Disposition of articles.
2094. Rules and regulations.
2095. Definitions.

§ 2091. List of stone carvings and wall art; promulgation and revision; criteria for classification

The Secretary, after consultation with the Secretary of State, by regulation shall promulgate, and thereafter when appropriate shall revise, a list of stone carvings and wall art which are pre-Columbian monumental or architectural sculpture or murals within the meaning of paragraph (3) of section 2095 of this title. Such stone carvings and wall art may be listed by type or other classification deemed appropriate by the Secretary.

(Pub. L. 92–587, title II, § 201, Oct. 27, 1972, 86 Stat. 1297.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2092 of this title.

§ 2092. Export certification requirement

(a) Issuance by country of export

No pre-Columbian monumental or architectural sculpture or mural which is exported (whether or not such exportation is to the United States) from the country of origin after the effective date of the regulation listing such sculpture or mural pursuant to section 2091 of this title may be imported into the United States unless the government of the country of origin of such sculpture or mural issues a certificate, in a form acceptable to the Secretary, which certifies that such exportation was not in violation of the laws of that country.

(b) Procedure when certificate lacking

If the consignee of any pre-Columbian monumental or architectural sculpture or mural is unable to present to the customs officer concerned at the time of making entry of such sculpture or mural—

(1) the certificate of the government of the country of origin required under subsection (a) of this section;

(2) satisfactory evidence that such sculpture or mural was exported from the country of origin on or before the effective date of the regulation listing such sculpture or mural pursuant to section 2091 of this title; or

(3) satisfactory evidence that such sculpture or mural is not covered by the list promulgated under section 2091 of this title;

the customs officer concerned shall take the sculpture or mural into customs custody and send it to a bonded warehouse or public store to be held at the risk and expense of the consignee until such certificate or evidence is filed with such officer. If such certificate or evidence is not presented within the 90-day period after the date on which such sculpture or mural is taken into customs custody, or such longer period as may be allowed by the Secretary for good cause shown, the importation of such sculpture or mural into the United States is in violation of this chapter.

(Pub. L. 92–587, title II, § 202, Oct. 27, 1972, 86 Stat. 1297.)

CODIFICATION

References to section 202 of Pub. L. 92–587 in the original were translated as section 2091 of this title in the classification of Pub. L. 92–587 as the probable intent of Congress.

§ 2093. Forfeiture of unlawful imports

(a) Seizure

Any pre-Columbian monumental or architectural sculpture or mural imported into the United States in violation of this chapter shall be seized and subject to forfeiture under the customs laws.

(b) Disposition of articles

Any pre-Columbian monumental or architectural sculpture or mural which is forfeited to the United States shall—

(1) first be offered for return to the country of origin and shall be returned if that country bears all expenses incurred incident to such return and complies with such other requirements relating to the return as the Secretary shall prescribe; or

(2) if not returned to the country of origin, be disposed of in the manner prescribed by law for articles forfeited for violation of the customs laws.

(Pub. L. 92–587, title II, § 203, Oct. 27, 1972, 86 Stat. 1297.)

REFERENCES IN TEXT

The customs laws, referred to in text, are classified generally to this title.

§ 2094. Rules and regulations

The Secretary shall prescribe such rules and regulations as are necessary and appropriate to carry out the provisions of this chapter.

(Pub. L. 92–587, title II, § 204, Oct. 27, 1972, 86 Stat. 1297.)

§ 2095. Definitions

For the purposes of this chapter—

(1) The term ''Secretary'' means the Secretary of the Treasury.

(2) The term ''United States'' includes the several States, the District of Columbia, and the Commonwealth of Puerto Rico.

(3) The term ''pre-Columbian monumental or architectural sculpture or mural'' means—

(A) any stone carving or wall art which—

(i) is the product of a pre-Columbian Indian culture of Mexico, Central America, South America, or the Caribbean Islands;

(ii) was an immobile monument or architectural structure or was a part of, or affixed to, any such monument or structure; and

(iii) is subject to export control by the country of origin; or

(B) any fragment or part of any stone carving or wall art described in subparagraph (A) of this paragraph.

(4) The term ''country of origin'', as applied to any pre-Columbian monumental or architectural sculpture or mural, means the country where such sculpture or mural was first discovered.

(Pub. L. 92–587, title II, § 205, Oct. 27, 1972, 86 Stat. 1297.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2091 of this title.

CHAPTER 12—TRADE ACT OF 1974

Sec.
2101. Short title.
2102. Congressional statement of purpose.

SUBCHAPTER I—NEGOTIATING AND OTHER AUTHORITY

PART 1—RATES OF DUTY AND OTHER TRADE BARRIERS

2111. Basic authority for trade agreements.
(a) Presidential authority to enter into agreement; modification or continuance of existing duties.
(b) Limitation on authority to decrease duty.
(c) Limitation on authority to increase duty.
2112. Barriers to and other distortions of trade.
(a) Congressional findings; directives; disavowal of prior approval of legislation.
(b) Presidential determinations prerequisite to entry into trade agreements; trade with Israel.
(c) Presidential consultation with Congress prior to entry into trade agreements.
(d) Submission to Congress of agreements, drafts of implementing bills, and statements of proposed administrative action.
(e) Steps prerequisite to entry into force of trade agreements.
(f) Obligations imposed upon foreign countries or instrumentalities receiving benefits under trade agreements.
(g) Definitions.
2113. Overall negotiating objective.
2114. Sector negotiating objectives.
(a) Obtaining equivalent competitive opportunities.
(b) Conduct of negotiations on basis of appropriate product sectors of manufacturing.
(c) Identification of appropriate product sectors of manufacturing.
(d) Presidential analysis of how negotiating objectives are achieved in each product sector by trade agreements.
2114a. Negotiating objectives with respect to trade in services, foreign direct investment, and high technology products.
(a) Trade in services.
(b) Foreign direct investment.
(c) High technology products.
(d) Definition of barriers and other distortions.
2114b. Provisions relating to international trade in services.
2114c. Trade in services: development, coordination, and implementation of Federal policies; staff support and other assistance; specific service sector authorities unaffected; executive functions.
2114d. Foreign export requirements; consultations and negotiations for reduction and elimination; restrictions on and exclusion from entry of products or services; savings provision; compensation authority applicable.
2114e. Negotiation of agreements concerning high technology industries.
2115. Bilateral trade agreements.
2116. Agreements with developing countries.
2117. International safeguard procedures.
(a) Harmonization, reduction, or elimination of barriers and distortions affecting international trade; use of temporary measures.
(b) Permissible provisions.
2118. Access to supplies.
(a) Fair and equitable access.
(b) Continued availability; reciprocal concessions; comparable trade obligations.
2119. Staging requirements and rounding authority.
(a) Maximum aggregate reductions in rates of duty.
(b) Simplification of computation.
(c) Ten-year period for commencement of reductions in rates of duty.

PART 2—OTHER AUTHORITY

2131. Authorization of appropriation for GATT revision.
2132. Balance-of-payments authority.
(a) Presidential proclamations of temporary import surcharges and temporary limitations on imports through quotas in situations of fundamental international payments problems.
(b) Import restrictions not imposed when contrary to national interest of United States.
(c) Presidential proclamations liberalizing imports.
(d) Nondiscriminatory treatment of import restricting actions.
(e) Broad and uniform application of import restricting actions.
(f) Quantitative limitations.
(g) Suspension, modification, or termination of proclamations.
(h) Termination of tariff concessions.
2133. Compensation authority.

Sec.
(a) New concessions.
(b) Reductions in rates of duty.
(c) Consideration of past violations of trade concessions.
(d) Basic authority for trade agreements as authority for granting new concessions as compensation.
(e) International obligations determination prerequisite to application of authority.
2134. Two-year residual authority to negotiate duties.
(a) Trade agreements.
(b) Maximum volume of imported articles subject to reduction of duties or continuance of duty-free or excise treatment.
(c) Maximum reduction in duties.
(d) Two-year period of authority.
2135. Termination and withdrawal authority.
(a) Grant of authority for termination or withdrawal at end of period specified in agreement.
(b) Authority to terminate proclamations at any time.
(c) Increased duties or other import restrictions following withdrawal, suspension, or modification of obligations with respect to trade of foreign countries or instrumentalities.
(d) Retaliatory authority.
(e) Continuation of duties or other import restrictions after termination of or withdrawal from agreements.
(f) Public hearings.
2136. Reciprocal nondiscriminatory treatment.
(a) Direct and indirect imports.
(b) Presidential determination of whether major industrial countries have made substantially equivalent concessions to the United States.
(c) Recommendations to Congress for legislation following a Presidential determination that a major industrial country has failed to grant equivalent concessions.
(d) Major industrial countries.
2137. Reservation of articles for national security or other reasons.
(a) National security considerations.
(b) Action taken under other laws.
2138. Omitted.

PART 3—HEARINGS AND ADVICE CONCERNING NEGOTIATIONS

2151. Advice from International Trade Commission.
(a) Lists of articles which may be considered for action.
(b) Advice to President by Commission.
(c) Additional investigations and reports requested by President or Trade Representative.
(d) Commission steps in preparing its advice to President.
(e) Public hearings.
2152. Advice from executive departments and other sources.
2153. Public hearings.
(a) Opportunity for presentation of views.
(b) Summary of hearings.
2154. Prerequisites for offers.
2155. Information and advice from private and public sectors.
(a) In general.
(b) Advisory Committee for Trade Policy and Negotiations.
(c) General policy, sectoral, or functional advisory committees.
(d) Policy, technical, and other advice and information.
(e) Meeting of advisory committees at conclusion of negotiations.
(f) Application of Federal Advisory Committee Act.
(g) Trade secrets and confidential information.
(h) Advisory committee support.
(i) Consultation with advisory committees; procedures; nonacceptance of committee advice or recommendations.
(j) Private organizations or groups.
(k) Scope of participation by members of advisory committees.
(*l*) Advisory committees established by Department of Agriculture.
(m) ''Non-Federal government'' defined.

PART 4—OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

2171. Structure, functions, powers, and personnel.
(a) Establishment within Executive Office of the President.
(b) United States Trade Representative; Deputy United States Trade Representatives.
(c) Duties of United States Trade Representative and Deputy United States Trade Representatives.
(d) Unfair trade practices; additional duties of Representative; advisory committee; definition.
(e) Powers of United States Trade Representative.
(f) Use of other Federal agencies.
(g) Authorization of appropriations.

PART 5—CONGRESSIONAL PROCEDURES WITH RESPECT TO PRESIDENTIAL ACTIONS

2191. Bills implementing trade agreements on nontariff barriers and resolutions approving commercial agreements with Communist countries.
(a) Rules of House of Representatives and Senate.
(b) Definitions.
(c) Introduction and referral.
(d) Amendments prohibited.
(e) Period for committee and floor consideration.
(f) Floor consideration in the House.
(g) Floor consideration in the Senate.
2192. Resolutions disapproving certain actions.
(a) Contents of resolutions.
(b) Reference to committees.
(c) Discharge of committees.
(d) Floor consideration in the House.
(e) Floor consideration in the Senate.
(f) Procedures in the Senate.
2193. Resolutions relating to extension of waiver authority under section 402 of the Trade Act of 1974.
(a) Contents of resolution.
(b) Application of rules of section 2192 of this title; exceptions.
(c) Consideration of second resolution not in order.
(d) Procedures relating to conference reports in the Senate.
2194. Special rules relating to Congressional procedures.
(a) Delivery of documents to both Houses.
(b) Computation of 90-day period.

PART 6—CONGRESSIONAL LIAISON AND REPORTS

2211. Congressional advisers for trade policy and negotiations.

Sec.
(a) Selection.
(b) Briefing.
(c) Committee consultation.
2212. Transmission of agreements to Congress.
(a) Submission of copy and reasons.
(b) Submission to each member.
2213. Reports.
(a) Annual report on trade agreements program and national trade policy agenda.
(b) Annual trade projection report.
(c) ITC reports.

PART 7—UNITED STATES INTERNATIONAL TRADE COMMISSION

2231. Change of name.
(a) Former United States Tariff Commission.
(b) References in law and other documents.
2232. Independent budget and authorization of appropriations.

PART 8—IDENTIFICATION OF MARKET BARRIERS AND CERTAIN UNFAIR TRADE ACTIONS

2241. Estimates of barriers to market access.
(a) National trade estimates.
(b) Reports.
(c) Assistance of other agencies.
2242. Identification of countries that deny adequate protection, or market access, for intellectual property rights.
(a) In general.
(b) Special rules for identifications.
(c) Revocations and additional identifications.
(d) Definitions.
(e) Publication.
(f) Special rule for actions affecting United States cultural industries.
(g) Annual report.

SUBCHAPTER II—RELIEF FROM INJURY CAUSED BY IMPORT COMPETITION

PART 1—POSITIVE ADJUSTMENT BY INDUSTRIES INJURED BY IMPORTS

2251. Action to facilitate positive adjustment to import competition.
(a) Presidential action.
(b) Positive adjustment to import competition.
2252. Investigations, determinations, and recommendations by Commission.
(a) Petitions and adjustment plans.
(b) Investigations and determinations by Commission.
(c) Factors applied in making determinations.
(d) Provisional relief.
(e) Commission recommendations.
(f) Report by Commission.
(g) Expedited consideration of adjustment assistance petitions.
(h) Limitations on investigations.
(i) Limited disclosure of confidential business information under protective order.
2253. Action by President after determination of import injury.
(a) In general.
(b) Reports to Congress.
(c) Implementation of action recommended by Commission.
(d) Time for taking effect of certain relief.
(e) Limitations on actions.
(f) Certain agreements.
(g) Regulations.

Sec.
2254. Monitoring, modification, and termination of action.
(a) Monitoring.
(b) Reduction, modification, and termination of action.
(c) Extension of action.
(d) Evaluation of effectiveness of action.
(e) Other provisions.

PART 2—ADJUSTMENT ASSISTANCE FOR WORKERS

SUBPART A—PETITIONS AND DETERMINATIONS

2271. Petitions.
(a) Filing of petition; publication of notice.
(b) Hearing.
2272. Group eligibility requirements; agricultural workers; oil and natural gas industry.
2273. Determinations by Secretary of Labor.
(a) Certification of eligibility.
(b) Workers covered by certification.
(c) Publication of determination in Federal Register.
(d) Termination of certification.
2274. Study by Secretary of Labor when International Trade Commission begins investigation.
(a) Subject matter of study.
(b) Report; publication.
2275. Benefit information for workers.

SUBPART B—PROGRAM BENEFITS

2291. Qualifying requirements for workers.
(a) Trade readjustment allowance conditions.
(b) Withholding of trade readjustment allowance pending beginning or resumption of participation in training program; period of applicability.
(c) Approval of training programs; written certifications; revocation of certification; annual report.
2292. Weekly amounts of readjustment allowance.
(a) Formula.
(b) Adversely affected workers who are undergoing training.
(c) Deduction from total number of weeks of allowance entitlement.
2293. Limitations on trade readjustment allowances.
(a) Maximum allowance; deduction for unemployment insurance; additional payments for approved training periods.
(b) Limitations on additional payments for training periods.
(c) Adjustments of amounts payable.
(d) Special adjustments for benefit years ending with extended benefit periods.
(e) Week during which worker received on-the-job training.
(f) Workers treated as participating in training.
2294. Application of State laws.
2295. Employment services.
2296. Training.
(a) Approval of training; limitation on expenditures; reasonable expectation of employment; payment of costs; approved training programs; nonduplication of payments from other sources; disapproval of certain programs; exhaustion of unemployment benefits; promulgation of regulations.
(b) Supplemental assistance.
(c) Payment of costs of on-the-job training.

Sec.
(d) Eligibility for unemployment insurance.
(e) ''Suitable employment'' defined.
2297. Job search allowances.
(a) Terms.
(b) Conditions.
(c) Reimbursement for necessary expenses.
2298. Relocation allowances.
(a) Filing of application.
(b) Suitable employment; bona fide offer; total separation when relocation commences.
(c) Time of relocation.
(d) ''Relocation allowance'' defined.

SUBPART C—GENERAL PROVISIONS

2311. Agreements with States.
(a) Authority of Secretary to enter into agreements.
(b) Amendment, suspension, and termination of agreements.
(c) Unemployment insurance.
(d) Review.
(e) Coordination of benefits and assistance.
(f) Advising and interviewing adversely affected workers.
2312. Administration absent State agreement.
(a) Promulgation of regulations; fair hearing.
(b) Review of final determination.
2313. Payments to States.
(a) Certification to Secretary of the Treasury for payment to cooperating States.
(b) Utilization or return of money.
(c) Surety bonds.
2314. Liabilities of certifying and disbursing officers.
(a) Certifying officer.
(b) Disbursing officer.
2315. Fraud and recovery of overpayments.
(a) Repayment; deductions.
(b) False representation or nondisclosure of material fact.
(c) Notice of determination; fair hearing; finality.
(d) Recovered amount returned to Treasury.
2316. Penalties.
2317. Authorization of appropriations.
(a) In general.
(b) Subpart D.
2318. Supplemental wage allowance demonstration projects.
(a) Establishment of projects; purpose.
(b) Supplemental wage allowances.
(c) Evaluation of projects.
(d) Report to Congress; evaluation and recommendation.
2319. Definitions.
2320. Regulations.
2321. Subpena power.
(a) Subpena by Secretary.
(b) Court order.
2322. Nonduplication of assistance.

SUBPART D—NAFTA TRANSITIONAL ADJUSTMENT ASSISTANCE PROGRAM

2331. Establishment of transitional program.
(a) Group eligibility requirements.
(b) Preliminary findings and basic assistance.
(c) Review of petitions by Secretary; certifications.
(d) Comprehensive assistance.
(e) Administration.

Sec.
PART 3—ADJUSTMENT ASSISTANCE FOR FIRMS

2341. Petitions and determinations.
(a) Filing of petition; receipt of petition; initiation of investigation.
(b) Public hearing.
(c) Certification.
(d) Allowable period for determination.
2342. Approval of adjustment proposals.
(a) Application for adjustment assistance.
(b) Technical assistance.
(c) Termination of certification of eligibility.
2343. Technical assistance.
(a) Discretion of Secretary; types of assistance.
(b) Utilization of existing agencies, private individuals, etc., in furnishing assistance; grants to intermediary organizations.
2344. Financial assistance.
(a) Direct loans and guarantees of loans.
(b) Allowable purposes.
(c) Limitation on direct loans.
(d) Limitations on loans and guarantees.
2345. Conditions for financial assistance.
(a) Unavailability of firm's resources; reasonable assurance of repayment.
(b) Interest rates.
(c) Maturity of loans.
(d) Priority for small firms; servicing of loans.
(e) Loan guarantee conditions.
(f) Operating reserves.
(g) Fees to lenders which make loan guarantees.
(h) Maximum aggregate amount of outstanding guaranteed or direct loans.
(i) Preference for firms having employee stock ownership plans.
2346. Delegation of functions to Small Business Administration.
(a) Delegation of functions as to eligibility certification.
(b) Authorization of appropriations.
(c) Transfer of unexpended appropriations.
2347. Administration of financial assistance.
(a) Powers of Secretary.
(b) Recordation of mortgages.
(c) Availability of receipts for financing functions.
(d) Privileged or confidential information.
(e) Capital assets secured by first lien; exceptions.
2348. Protective provisions.
(a) Recordkeeping.
(b) Audit and examination.
(c) Certifications.
(d) Conflicts of interest.
2349. Penalties.
2350. Civil actions.
2351. ''Firm'' defined.
2352. Regulations.
2353. Repealed.
2354. Study by Secretary of Commerce when International Trade Commission begins investigation.
(a) Subject matter of study.
(b) Report; publication.
(c) Information to firms.
2355. Assistance to industry; authorization of appropriations.
(a) Technical assistance.
(b) Expenditures.

PART 4—ADJUSTMENT ASSISTANCE FOR COMMUNITIES

2371. Petitions and determinations.

Sec.
(a) Filing of petition; receipt of petition; initiation of investigation.
(b) Public hearing.
(c) Certification.
(d) Allowable period for determination.
(e) Size and boundaries of trade impacted areas; criteria.
(f) Termination of certification of eligibility.
2372. Trade Impacted Area Councils for Adjustment Assistance.
(a) Establishment.
(b) Duty and function of Councils.
(c) Grants for staff.
(d) Applications for adjustment assistance.
2373. Program benefits.
(a) Types of adjustment assistance.
(b) Approval of adjustment assistance plan.
(c) Public Works and Economic Development Act of 1965.
(d) Loan guarantees.
(e) Agreement of State or community to pay a portion of liability arising on loan guarantees.
(f) Preference to corporations with employee stock ownership plan; requisite features of plan.
(g) Maximum United States share of loan guarantees.
2374. Community Adjustment Assistance Fund.
(a) Establishment.
(b) Authorization of appropriations.
(c) Authorization for loan guarantees.

PART 5—MISCELLANEOUS PROVISIONS

2391. General Accounting Office study and report.
(a) Adjustment assistance programs.
(b) Assistance from Labor and Commerce Departments.
2392. Adjustment Assistance Coordinating Committee.
2393. Trade monitoring system.
2394. Firms relocating in foreign countries.
2395. Judicial review.
(a) Petition for review; time and place of filing.
(b) Findings of fact by Secretary; conclusiveness; new or modified findings.
(c) Determination; review by Supreme Court.
2396, 2397. Omitted.

SUBCHAPTER III—ENFORCEMENT OF UNITED STATES RIGHTS UNDER TRADE AGREEMENTS AND RESPONSE TO CERTAIN FOREIGN TRADE PRACTICES

2411. Actions by United States Trade Representative.
(a) Mandatory action.
(b) Discretionary action.
(c) Scope of authority.
(d) Definitions and special rules.
2412. Initiation of investigations.
(a) Petitions.
(b) Initiation of investigation by means other than petition.
(c) Discretion.
2413. Consultation upon initiation of investigation.
(a) In general.
(b) Delay of request for consultations.
2414. Determinations by Trade Representative.
(a) In general.
(b) Consultation before determinations.
(c) Publication.
2415. Implementation of actions.
(a) Actions to be taken under section 2411.
(b) Alternative actions in certain cases of export targeting.
2416. Monitoring of foreign compliance.
(a) In general.
(b) Further action.
(c) Consultations.
2417. Modification and termination of actions.
(a) In general.
(b) Notice; report to Congress.
(c) Review of necessity.
2418. Request for information.
(a) In general.
(b) If information not available.
(c) Certain business information not made available.
2419. Administration.
2420. Identification of trade expansion priorities.
(a) Identification.
(b) Initiation of investigations.
(c) Agreements for elimination of barriers.
(d) Reports.

SUBCHAPTER IV—TRADE RELATIONS WITH COUNTRIES NOT CURRENTLY RECEIVING NONDISCRIMINATORY TREATMENT

2431. Exception of products of certain countries or areas.
2432. Freedom of emigration in East-West trade.
(a) Actions of nonmarket economy countries making them ineligible for most-favored-nation treatment, programs of credits, credit guarantees, or investment guarantees, or commercial agreements.
(b) Presidential determination and report to Congress that nation is not violating freedom of emigration.
(c) Waiver authority of President.
(d) Extension of waiver authority.
(e) Countries not covered.
2433. United States personnel missing in action in Southeast Asia.
(a) Penalty for noncooperating countries.
(b) Exception.
2434. Extension of nondiscriminatory treatment.
(a) Presidential proclamation.
(b) Limitation on period of effectiveness.
(c) Suspension or withdrawal of extensions of nondiscriminatory treatment.
2435. Commercial agreements.
(a) Presidential authority.
(b) Terms of agreements.
(c) Congressional action.
2436. Market disruption.
(a) Investigation by International Trade Commission; report; publication.
(b) Affirmative determination.
(c) Products of Communist countries.
(d) Petitions to initiate consultations as provided for by safeguard arrangements.
(e) Definitions; factors determining existence of market disruption.
2437. Procedure for Congressional approval or disapproval of extension of nondiscriminatory treatment and Presidential reports.
(a) Transmission of nondiscriminatory treatment documents to Congress.
(b) Transmission of freedom of emigration documents to Congress.
(c) Effective date of proclamations and agreements; disapproval of reports.
2438. Payment by Czechoslovakia of amounts owed United States citizens and nationals.
(a) Renegotiation of 1974 agreement.
(b) Provisional retention of gold.
2439. Freedom to emigrate to join a very close relative in United States.

Sec.
(a) Sanctions for emigration restrictions.
(b) Report to Congress concerning emigration policies.
(c) Exemption from application of section.
(d) Additional exemption from application of section.
2440. East-West Trade Statistics Monitoring System.
2441. East-West Foreign Trade Board.
(a) Establishment; purpose.
(b) Reports to Board.
(c) Report to Congress.

SUBCHAPTER V—GENERALIZED SYSTEM OF PREFERENCES

2461. Authority to extend preferences.
2462. Beneficiary developing countries.
(a) Designation by President.
(b) Countries ineligible for designation as beneficiary developing countries.
(c) Factors determinative of whether to designate country as beneficiary developing country.
(d) Exemptions.
2463. Eligible articles.
(a) Lists of articles to be considered for designation.
(b) Eligible articles qualifying for duty-free treatment.
(c) Articles which may not be designated as eligible articles.
(d) Tariff-rate quotas.
2464. Limitations on preferential treatment.
(a) Withdrawal, suspension, or limitation of duty-free treatment; reporting requirements.
(b) Withdrawal or suspension of designation as beneficiary developing country.
(c) Beneficiary developing country; determinations, treatment, reviews, etc.
(d) Domestic non-production of like or directly competitive articles.
(e) Coffee imported into Puerto Rico.
(f) Per capita gross national product of beneficiary developing country for determination year.
2465. Termination of duty-free treatment and reports.
(a) Date of termination.
(b) Report on operation of subchapter.
(c) Annual report on worker rights.
2466. Agricultural exports of beneficiary developing countries.

SUBCHAPTER VI—GENERAL PROVISIONS

2481. Definitions.
2482. Exercise of functions of International Trade Commission.
(a) Preliminary investigation.
(b) Use of authority granted under other provisions.
(c) Gathering of current information.
2483. Consequential changes in Tariff Schedules of the United States.
2484. International drug control.
2485. Voluntary limitations on exports of steel to United States.
2486. Trade relations with North American countries.
(a) Negotiations for free trade area with Canada.
(b) Regional study.
2487. Repealed.

SUBCHAPTER VII—TARIFF TREATMENT OF PRODUCTS OF, AND OTHER SANCTIONS AGAINST, UNCOOPERATIVE MAJOR DRUG PRODUCING OR DRUG-TRANSIT COUNTRIES

2491. Short title.
Sec.
2492. Tariff treatment of products of uncooperative major drug producing or drug-transit countries.
(a) Required action by President.
(b) Certifications; Congressional action.
(c) Duration of action.
(d) Presidential action regarding aviation.
(e) Standards and guidelines for determining major drug-transit countries.
2493. Sugar quota.
2494. Progress reports.
2495. Definitions.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in sections 1352, 2502, 2804, 2805, 3004, 3105 of this title; title 28 sections 1581, 2631.

§ 2101. Short title

This chapter may be cited as the ''Trade Act of 1974''.

(Pub. L. 93–618, § 1, Jan. 3, 1975, 88 Stat. 1978.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''this Act'', meaning Pub. L. 93–618, which in addition to enacting this chapter enacted section 1863 of this title, amended sections 160, 162, 163, 164, 170a, 1202, 1303, 1315, 1321, 1330, 1332, 1333, 1337, 1352, 1484, 1516, 1806, 1862, 1872, 1885, and 1981 of this title, sections 5312, 5314, 5315, and 5316 of Title 5, Government Organization and Employees, section 301 of Title 13, Census, section 3302 of Title 26, Internal Revenue Code, sections 2631 and 2632 of Title 28, Judiciary and Judicial Procedure, and section 665 of former Title 31, Money and Finance, repealed sections 1802, 1803, 1804, 1805, 1822, 1831, 1832, 1833, 1841, 1842, 1843, 1844, 1845, 1846, 1861, 1871, 1873, 1882, 1883, 1884, 1886, 1901, 1902, 1911, 1912, 1913, 1914, 1915, 1917, 1931, 1941, 1942, 1943, 1944, 1951, 1952, 1961, 1962, 1963, 1971, 1972, 1973, 1974, 1975, 1976, 1977, 1978, and 1991 of this title, and enacted provisions set out as notes under this section and sections 160, 162, 1303, 1321, 1337, 1484, 1515, 1516, 1901, and 2271 of this title and section 301 of Title 13, Census.

REFERENCES TO OTHER LAWS DEEMED REFERENCES TO TRADE ACT OF 1974

Section 602(f) of Pub. L. 93–618, as amended by Pub. L. 96–39, title XI, § 1106(h)(3), July 26, 1979, 93 Stat. 313, provided that: ''All provisions of law (other than this Act [this chapter], the Trade Expansion Act of 1962 [chapter 7 of this title], and the Trade Agreements Extension Act of 1951 [see Short Title of 1951 Amendment note set out under section 1654 of this title]), in effect after the date of enactment of this Act [Jan. 3, 1975], referring to section 350 of the Tariff Act of 1930 [section 1351 of this title], to that section as amended, to the Act entitled 'An Act to amend the Tariff Act of 1930,' approved June 12, 1934 [enacting sections 1352, 1353, and 1354 and amending section 1351 of this title], to that Act as amended or to the Trade Expansion Act of 1962, or to agreements entered into, or proclamations issued, or actions taken under any of such provisions, shall be construed, unless clearly precluded by the context, to refer also to this Act, or to agreements entered into or proclamations or orders issued pursuant to this Act.''

SHORT TITLE OF 1993 AMENDMENT

Pub. L. 103–182, title V, § 501, Dec. 8, 1993, 107 Stat. 2149, provided that: ''This subtitle [subtitle A (§§ 501–507) of title V of Pub. L. 103–282, enacting sections 2322 and 2331 of this title, amending sections 2271 to 2273, 2275, 2317, and 2395 of this title, sections 3304 and 3306 of Title 26, Internal Revenue Code, and section 503 of Title 42, The Public Health and Welfare, enacting provisions set out as notes under section 2331 of this

title and section 3306 of Title 26, and amending provisions set out as a note preceding section 2271 of this title] may be cited as the 'NAFTA Worker Security Act'.''

SHORT TITLE OF 1990 AMENDMENT

Pub. L. 101–382, § 1(a), Aug. 20, 1990, 104 Stat. 629, provided that: ''This Act [see Tables for classification] may be cited as the 'Customs and Trade Act of 1990'.''

SHORT TITLE OF 1989 AMENDMENT

Pub. L. 101–221, § 1, Dec. 12, 1989, 103 Stat. 1886, provided that: ''This Act [amending section 4611 of Title 26, Internal Revenue Code, enacting provisions set out as notes under sections 2253 and 2703 of this title and section 4611 of Title 26, and amending provisions set out as notes under sections 2253 and 2703 of this title] may be cited as the 'Steel Trade Liberalization Program Implementation Act'.''

SHORT TITLE OF 1986 AMENDMENT

Pub. L. 99–272, title XIII, § 13001, Apr. 7, 1986, 100 Stat. 300, provided that: ''This part [part 1 (§§ 13001–13009) of subtitle A, amending sections 2271, 2272, 2291 to 2293, 2296, 2297, 2311, 2317, 2319, 2341 to 2344, and 2346 of this title, enacting provisions set out as a note under section 2291 of this title, and amending provisions set out as a note preceding section 2271 of this title] may be cited as the 'Trade Adjustment Assistance Reform and Extension Act of 1986'.''

SHORT TITLE OF 1984 AMENDMENT

Pub. L. 98–573, title III, § 301(a), Oct. 30, 1984, 98 Stat. 3000, provided that: ''This title [enacting sections 2114a to 2114e, 2138, and 2241 of this title, amending sections 2112, 2114, 2155, 2171, and 2411 to 2415 of this title and sections 3101 to 3104 of Title 22, Foreign Relations and Intercourse, and enacting provisions set out as notes under section 2102 of this title and section 3101 of Title 22] may be cited as the 'International Trade and Investment Act'.''

Pub. L. 98–573, title V, § 501(a), Oct. 30, 1984, 98 Stat. 3018, provided that: ''This title [enacting section 2466 of this title, amending sections 2461 to 2465 of this title, and enacting provisions set out as notes under section 2461 of this title] may be cited as the 'Generalized System of Preferences Renewal Act of 1984'.''

SEPARABILITY

Section 605 of Pub. L. 93–618 provided that: ''If any provision of this Act [see References in Text note above], or the application of any provision to any circumstances or persons shall be held invalid, the validity of the remainder of this Act, and of the application of such provision to other circumstances or persons, shall not be affected thereby.''

§ 2102. Congressional statement of purpose

The purposes of this chapter are, through trade agreements affording mutual benefits—

(1) to foster the economic growth of and full employment in the United States and to strengthen economic relations between the United States and foreign countries through open and nondiscriminatory world trade;

(2) to harmonize, reduce, and eliminate barriers to trade on a basis which assures substantially equivalent competitive opportunities for the commerce of the United States;

(3) to establish fairness and equity in international trading relations, including reform of the General Agreement on Tariffs and Trade;

(4) to provide adequate procedures to safeguard American industry and labor against unfair or injurious import competition, and to assist industries, firm,[1] workers, and communities to adjust to changes in international trade flows;

(5) to open up market opportunities for United States commerce in nonmarket economies; and

(6) to provide fair and reasonable access to products of less developed countries in the United States market.

(Pub. L. 93–618, § 2, Jan. 3, 1975, 88 Stat. 1981.)

REFERENCES IN TEXT

This chapter, referred to in text, was in the original ''this Act'', meaning Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

STATEMENT OF PURPOSES OF 1984 AMENDMENT

Pub. L. 98–573, title III, § 302, Oct. 30, 1984, 98 Stat. 3000, provided that: ''The purposes of this title [see Short Title of 1984 Amendment note set out under section 2101 of this title] are—

''(1) to foster the economic growth of, and full employment in, the United States by expanding competitive United States exports through the achievement of commercial opportunities in foreign markets substantially equivalent to those accorded by the United States;

''(2) to improve the ability of the President—

''(A) to identify and to analyze barriers to (and restrictions on) United States trade and investment, and

''(B) to achieve the elimination of such barriers and restrictions;

''(3) to encourage the expansion of—

''(A) international trade in services through the negotiation of agreements (both bilateral and multilateral) which reduce or eliminate barriers to international trade in services, and

''(B) United States service industries in foreign commerce; and

''(4) to enhance the free flow of foreign direct investment through the negotiation of agreements (both bilateral and multilateral) which reduce or eliminate the trade distortive effects of certain investment-related measures.''

SUBCHAPTER I—NEGOTIATING AND OTHER AUTHORITY

PART 1—RATES OF DUTY AND OTHER TRADE BARRIERS

§ 2111. Basic authority for trade agreements

(a) Presidential authority to enter into agreement; modification or continuance of existing duties

Whenever the President determines that any existing duties or other import restrictions of any foreign country or the United States are unduly burdening and restricting the foreign trade of the United States and that the purposes of this chapter will be promoted thereby, the President—

(1) during the 5-year period beginning on January 3, 1975, may enter into trade agreements with foreign countries or instrumentalities thereof; and

(2) may proclaim such modification or continuance of any existing duty, such continuance of existing duty-free or excise treatment, or such additional duties, as he determines to be required or appropriate to carry out any such trade agreement.

[1] So in original.

(b) Limitation on authority to decrease duty

(1) Except as provided in paragraph (2), no proclamation pursuant to subsection (a)(2) of this section shall be made decreasing a rate of duty to a rate below 40 percent of the rate existing on January 1, 1975.

(2) Paragraph (1) shall not apply in the case of any article for which the rate of duty existing on January 1, 1975, is not more than 5 percent ad valorem.

(c) Limitation on authority to increase duty

No proclamation shall be made pursuant to subsection (a)(2) of this section increasing any rate of duty to, or imposing a rate above, the higher of the following:

(1) the rate which is 50 percent above the rate set forth in rate column numbered 2 of the Tariff Schedules of the United States as in effect on January 1, 1975, or

(2) the rate which is 20 percent ad valorem above the rate existing on January 1, 1975.

(Pub. L. 93–618, title I, §101, Jan. 3, 1975, 88 Stat. 1982.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original ''this Act'', meaning Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

The Tariff Schedules of the United States, referred to in subsec. (c)(1), to be treated as a reference to the Harmonized Tariff Schedule pursuant to section 3012 of this title. The Harmonized Tariff Schedule is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

CHANGE OF NAME

The Office of the Special Representative for Trade Negotiations was redesignated the Office of the United States Trade Representative, and Special Representative for Trade Negotiations was redesignated the United States Trade Representative by Reorg. Plan No. 3 of 1979, §1(a), (b)(1), 44 F.R. 69273, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title. See, also, section 2171 of this title as amended by Pub. L. 97–456.

REORGANIZING AND RESTRUCTURING OF INTERNATIONAL TRADE FUNCTIONS OF UNITED STATES GOVERNMENT

Pub. L. 96–39, title XI, §1109, July 26, 1979, 93 Stat. 413, provided that the President submit to the Congress, not later than July 10, 1979, a proposal to restructure the international trade functions of the Executive Branch of the United States Government, and directed, in order to ensure that the 96th Congress takes final action on a comprehensive reorganization of trade functions as soon as possible, that the appropriate committee of each House of the Congress give the proposal by the President immediate consideration and make its best efforts to take final committee action to reorganize and restructure the international trade functions of the United States Government by Nov. 10, 1979.

STUDY OF EXPORT TRADE POLICY

Pub. L. 96–39, title XI, §1110, July 26, 1979, 93 Stat. 314, directed the President to review all export promotion functions of the executive branch and potential programmatic and regulatory disincentives to exports, and to submit to the Congress a report of that review not later than July 15, 1980, and not later than July 15, 1980, to submit to the Congress a study of the factors bearing on the competitive posture of United States producers and the policies and programs required to strengthen the relative competitive position of the United States in world markets.

PROC. NO. 4707. CARRYING OUT THE GENEVA (1979) PROTOCOL TO THE GENERAL AGREEMENT ON TARIFFS AND TRADE AND FOR OTHER PURPOSES

Proc. No. 4707, Dec. 11, 1979, 44 F.R. 72348, as amended by Ex. Ord. No. 12204, Mar. 27, 1980, 45 F.R. 20740; Proc. No. 4792, Sept. 15, 1980, 45 F.R. 61589; Proc. No. 4889, Dec. 29, 1981, 47 F.R. 1; Proc. No. 4904, Feb. 27, 1982, 47 F.R. 8753; Ex. Ord. No. 12354, Mar. 30, 1982, 47 F.R. 13477; Ex. Ord. No. 12371, July 12, 1982, 47 F.R. 30449; Ex. Ord. No. 12389, Oct. 25, 1982, 47 F.R. 47529; Ex. Ord. No. 12413, Mar. 30, 1983, 48 F.R. 13921; Proc. No. 5050, Apr. 15, 1983, 48 F.R. 16639; Ex. Ord. No. 12459, Jan. 16, 1984, 49 F.R. 2089; Ex. Ord. No. 12471, Mar. 30, 1984, 49 F.R. 13101; Ex. Ord. No. 12519, June 13, 1985, 50 F.R. 25037; Proc. No. 5365, Aug. 30, 1985, 50 F.R. 36220; Proc. No. 5452, Mar. 31, 1986, 51 F.R. 11539, provided:

1. Pursuant to Section 101(a) of the Trade Act of 1974 (19 U.S.C. 2111(a)), I determined that certain existing duties and other import restrictions of the United States and of foreign countries were unduly burdening and restricting the foreign trade of the United States and that one or more of the purposes stated in Section 2 of the Trade Act of 1974 (19 U.S.C. 2102) would be promoted by entering into the trade agreements identified in the third and fourth recitals of this proclamation.

2. Sections 131, 132, 133, 134, 135, and 161(b) of the Trade Act of 1974 (19 U.S.C. 2151, 2152, 2153, 2154, 2155, and 2211(b)) and Section 4(c) of Executive Order No. 11846 of March 27, 1975, (3 CFR 1971–1975 Comp. 974) [set out below], have been complied with.

3. Pursuant to Section 101(a)(1) of the Trade Act of 1974 (19 U.S.C. 2111(a)(1)), I, through my duly empowered representative, (1) on July 11, 1979, entered into a trade agreement with other contracting parties to the General Agreement on Tariffs and Trade (61 Stat. (pts. 5 and 6)), as amended (the General Agreement), with countries seeking to accede to the General Agreement, and the European Economic Community, which agreement consists of the Geneva (1979) Protocol to the General Agreement, including a schedule of United States concessions annexed thereto (hereinafter referred to as ''Schedule XX (Geneva-1979)''), a copy of which Geneva (1979) Protocol (including Schedule XX (Geneva-1979) annexed thereto) is annexed to this proclamation as Part 1 of Annex I [set out below], (2) on November 18, 1978, entered into a trade agreement with the Hungarian People's Republic, including a schedule of United States concessions annexed thereto, a copy of which agreement, and schedule, is annexed to this proclamation as Part 2 of Annex I [set out below], (3) on October 31, 1979, entered into a trade agreement with the United Mexican States, which agreement consists of an exchange of letters, one enclosing a schedule of United States concessions, a copy of which exchange of letters, including such enclosed schedule, is annexed to this proclamation as Part 3 of Annex I [set out below], and (4) on March 2, 1979, entered into a trade agreement with the Socialist Republic of Romania, which agreement consists of an exchange of letters, one enclosing a schedule of United States concessions, a copy of which exchange of letters, including such enclosed schedule, is annexed to this proclamation as Part 4 of Annex I [set out below], and on October 24, 1979, the American Institute in Taiwan entered into a trade agreement with the Coordination Council for North American Affairs (see the Taiwan Relations Act, Sections 4(b)(1), 6(a)(1), and 10(a), 93 Stat. 15, 17, and 18 [22 U.S.C. 3303(b)(1), 3305(a)(1), and 3309(a)], E.O. 12143, sections 1–203 and 1–204, 44 Fed. Reg. 37191) [22 U.S.C. 3301 note], which agreement consists of an exchange of letters, one enclosing a schedule of the United States concessions, a copy of which exchange of letters, including such enclosed schedule, is annexed to this proclamation as Part 5 of Annex I [set out below].

4. Pursuant to Section 102 of the Trade Act of 1974 (19 U.S.C. 2112), I have determined that barriers to (and

other distortions of) international trade were unduly burdening and restricting the foreign trade of the United States, and, through the Special Representative for Trade Negotiations [now United States Trade Representative, see Change of Name note above] (the Special Representative [now Trade Representative]), I have consulted with the appropriate Committees of the Congress, notified the House of Representatives and the Senate of my intention to enter into the agreements identified in Section 2(c) of the Trade Agreements Act of 1979 (93 Stat. 148) [19 U.S.C. 2503(c)], transmitted to the Congress copies of such agreements (a copy of one of which agreements, with the Hungarian People's Republic, is annexed to this proclamation as Part 6 of Annex I [set out below]), together with a draft of an implementing bill and a statement of administrative action, and such implementing bill, approving the agreements and the proposed administrative action, has been enacted into law (Section 2(a) of the Trade Agreements Act of 1979 (93 Stat. 147) [19 U.S.C. 2503(a)]).

5. (a) Pursuant to Section 502 of the Trade Agreements Act of 1979 (93 Stat. 251) [Pub. L. 96–39, July 26, 1979], I have determined that appropriate concessions have been received from foreign countries under trade agreements entered into under Title I of the Trade Act of 1974 (19 U.S.C. 2111 et seq.);

(b) Pursuant to Section 601(a) of the Trade Agreements Act of 1979 (93 Stat. 267), I have determined that duty-free treatment for certain articles now classified in the items of the Tariff Schedules of the United States (19 U.S.C. 1202) (TSUS) [see Publication of Tariff Schedules note under section 1202 of this title] listed in, and certified pursuant to, Section 601(a)(2) of that Act (93 Stat. 267), will provide treatment comparable to that provided by foreign countries under the Agreement on Trade in Civil Aircraft;

(c) Pursuant to Section 503(a)(2)(A) of the Trade Agreements Act of 1979 (93 Stat. 251), I have determined, after providing interested parties an opportunity to comment, that each article identified in Annex IV to this proclamation [see note below] is not import sensitive;

(d) Pursuant to Section 855(a) of the Trade Agreements Act of 1979 (93 Stat. 295), I have determined that adequate reciprocal concessions have been received, under trade agreements entered into under the Trade Act of 1974 [this chapter], for the application of the rate of duty appearing in rate column numbered 1 on January 1, 1979, for the comparable item on a proof gallon basis in the case of alcoholic beverages classified in all items in subpart D of part 12 of schedule 1 of the TSUS, except items 168.09, 168.12, 168.43, 168.77, 168.81, 168.87, and 168.95 [see Publication of Tariff Schedules note under section 1202 of this title];

(e) Pursuant to Section 2(b)(2)(A) of the Trade Agreements Act of 1979 (93 Stat. 147) [19 U.S.C. 2503(b)(2)(A)], I have determined that obligations substantially the same as those applicable to developing countries set forth in the agreements listed in Section 2(c)(1), (2), (3), (4), and (5) of that Act (93 Stat. 148) [19 U.S.C. 2503(c)(1), (2), (3), (4), and (5)] will be observed in Taiwan.

6. Each modification of existing duty proclaimed herein which provides with respect to an article for a decrease in duty below the limitation specified in Sections 101(b)(1) or 109(a) of the Trade Act of 1974 (19 U.S.C. 2111(b)(1) or 2119(a)), and each modification of any other import restriction or tariff provision so proclaimed is authorized by one or more of the following provisions or statutes:

(a) Section 101(b)(2) of the Trade Act of 1974 (19 U.S.C. 2111(b)(2)), by virtue of the fact that the rate of duty existing on January 1, 1975, applicable to the article was not more than 5 percent ad valorem (or ad valorem equivalent);

(b) Section 109(b) of the Trade Act of 1974 (19 U.S.C. 2119(b)), by virtue of the fact that I have determined, pursuant to that section, that the decrease authorized by that section will simplify the computation of the amount of duty imposed with respect to the article;

(c) Sections 503(a)(2)(A) and 503(a)(3) to (6) of the Trade Agreements Act of 1979 (93 Stat. 251 and 252) [Pub. L. 96–39, July 26, 1979] by virtue of the fact that they permit departures from the staging provisions of Section 109(a) of the Trade Act of 1974 (19 U.S.C. 2119(a));

(d) Sections 502(a), 855(a), and 601(a) of the Trade Agreements Act of 1979 (93 Stat. 251, 295, and 267) by virtue of the authority in such sections for specified concessions based on reciprocity, but in the case of the last such section only after the conditions for acceptance of the Agreement on Trade in Civil Aircraft, identified in Section 2(c)(10) of that Act (93 Stat. 148) [19 U.S.C. 2503(c)(10)], are fulfilled;

(e) Sections 505 through 513, inclusive, of the Trade Agreements Act of 1979 (93 Stat. 252–257) by virtue of the fact that they permit exceeding the limitations specified in Sections 101 or 109 of the Trade Act of 1974 (19 U.S.C. 2111 or 2119);

(f) Section 255 of the Trade Expansion Act of 1962 (19 U.S.C. 1885) by virtue of the fact that it permits termination of proclamations issued pursuant to authority contained in that act;

(g) Section 2(a) of the Trade Agreements Act of 1979 (93 Stat. 147) [19 U.S.C. 2503(a)] by virtue of its approval of the agreements identified in Section 2(c) of that Act (93 Stat. 148) [19 U.S.C. 2503(c)], and

(h) Section 304(a)(3)(J) of the Tariff Act of 1930 (19 U.S.C. 1304(a)(3)(J)) and Section 602(f) of the Trade Act of 1974 (19 U.S.C. 2101 note), by virtue of the fact that I have found that the effectiveness of the proviso to Section 304(a)(3)(J) [19 U.S.C. 1304(a)(3)(J)] with respect to the marking of articles provided for in headnote 2 of part 1 of schedule 2 of the TSUS [see Publication of Tariff Schedules note under section 1202 of this title] is required or appropriate to carry out the first agreement identified in the third recital of this proclamation.

7. In the case of each decrease in duty, including those of the type specified in clause (a) or (b) of the sixth recital of this proclamation, which involves the determination of the ad valorem equivalent of a specific or compound rate of duty, and in the case of each modification in the form of an import duty, the United States International Trade Commission determined, pursuant to Section 601(4) of the Trade Act of 1974 (19 U.S.C. 2481(4)) in accordance with Section 4(e) of Executive Order No. 11846 of March 27, 1975, (3 CFR 1971–1975 Comp. 973) [set out below], and at my direction, the ad valorem equivalent of the specific or compound rate, on the basis of the value of imports of the article concerned during a period determined by it to be representative, utilizing, to the extent practicable, the standards of valuation contained in Sections 402 and 402a of the Tariff Act of 1930 (19 U.S.C. 1401a and 1402) applicable to the article during such representative period.

8. Pursuant to the Trade Act of 1974 [this chapter] and the Trade Agreements Act of 1979 [see 19 U.S.C. 2501], I determine that the modification or continuance of existing duties or other import restrictions or the continuance of existing duty-free or excise treatment hereinafter proclaimed is required or appropriate to carry out the trade agreements identified in the third recital of this proclamation or one or more of the trade agreements identified in Section 2(c) of the Trade Agreements Act of 1979 (93 Stat. 148) [19 U.S.C. 2503(c)].

9. Following unsatisfactory negotiations with the European Economic Community under Articles XXIV:6 and XXVIII of the General Agreement regarding the maintenance by the European Economic Community of unreasonable import restrictions upon imports of poultry from the United States, the President, by Proclamation 3564 of December 4, 1963 (77 Stat. 1035), suspended certain United States tariff concessions; as a result of the reciprocal concessions contained in the Geneva (1979) Protocol to the General Agreement, I determine that the termination of such suspension of tariff concessions contained in Proclamation 3564 (except those applicable to automobile trucks valued at $1,000 or more (provided for in TSUS item 692.02) [see Publication of Tariff Schedules note under section 1202 of this title]) is required to carry out the General Agreement.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes, including but not limited to Title I and Section 604 of the Trade Act of 1974 [this subchapter and 19 U.S.C. 2483], Section 2 [19 U.S.C. 2503], and Titles V, VI, and VIII of the Trade Agreements Act of 1979 [Pub. L. 96–39, July 26, 1979] Section 255 of the Trade Expansion Act of 1962 [19 U.S.C. 1885], and Section 301 of Title 3 of the United States Code, do proclaim that:

(1) At the close of December 31, 1979, the suspension of tariff concessions contained in Proclamation 3564 (except those applicable to automobile trucks valued at $1,000 or more (provided for in TSUS item 692.02) [see Publication of Tariff Schedules note under section 1202 of this title]) shall terminate.

(2) The amendment to Section 466 of the Tariff Act of 1930 (19 U.S.C. 1466) provided for in Section 601(a)(3) of the Trade Agreements Act of 1979 (93 Stat. 268) shall be effective with respect to entries made under Section 466 on and after the date designated by the President under paragraph 5(b) of this proclamation.

(3) The rate of duty applicable to each item as to which the determination has been made in recital 5(d) is the rate of duty appearing in rate column numbered 1 on January 1, 1979, for the comparable item on a proof gallon basis or such rate as reduced under Section 101 of the Trade Act of 1974 (19 U.S.C. 2111).

(4) Subject to the provisions of the General Agreement, of the Geneva (1979) Protocol, of other agreements supplemental to the General Agreement, of the other agreements identified in recitals 3 and 4, and of United States law (including but not limited to provisions for more favorable treatment), the modification or continuance of existing duties or other import restrictions and the continuance of existing duty-free or excise treatment provided for in Schedule XX (Geneva-1979) (except those provided for in the items listed in Parts 1C, 1D, 2D, 2E, 2K, 3C, 3D, 4C, and 4D of Annex I to Schedule XX which are required to implement the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade, and those provided for in Section 1, Chapter 4, Unit C, Note 2 (cheese quotas), and in Section 1, Chapter 10, Unit B, note 2 (chocolate quotas), all of which will be the subject of one or more separate proclamations), in the agreements identified in the third and fourth recitals of this proclamation, and in trade agreements legislation, shall become effective on or after January 1, 1980, as provided for herein.

(5) To this end—

(a) Except as provided for in subparagraph (b), the modifications to the TSUS made by Annex II, Section A of Annex III, and Sections B(1) through (4) of Annex IV of this proclamation [see note below] shall be effective with respect to articles entered, or withdrawn from warehouse, for consumption on and after the effective dates specified in those annexes;

(b) The modifications provided for in Section A of Annex II to this proclamation [see note below] which are authorized by Section 601(a) of the Trade Agreements Act of 1979 (93 Stat. 267) shall apply to articles entered, or withdrawn from warehouse, for consumption on and after the date designated by the President when he determines that the requirements of Section 2(b) of the Trade Agreements Act of 1979 (93 Stat. 147) [19 U.S.C. 2503(b)] have been met with respect to the Agreement on Trade in Civil Aircraft;

(c) The Special Representative [now Trade Representative] shall make any determinations relevant to the designation of the effective dates of the modifications of the TSUS made by Sections B through G of Annex III, and Sections B (5) through (10) of Annex IV of this proclamation, [see note below] and shall publish in the Federal Register the effective date with respect to each of the modifications made by these sections; such modifications shall apply to articles entered, or withdrawn from warehouse, for consumption on and after such effective date;

(d) The modifications to the TSUS made by Section C of Annex IV to this proclamation, [see note below] relating to special treatment for the least developed developing countries (LDDC's), shall be effective with respect to articles entered, or withdrawn from warehouse, for consumption on and after the effective dates as provided for in Section B of Annex IV [see note below]; whenever the rate of duty specified in the column numbered 1 for any TSUS item is reduced to the same level as the corresponding rate of duty specified in the column entitled ''LDDC'' for such item, the rate of duty in the column entitled ''LDDC'' shall be deleted from the TSUS, and when the duty rates for all such items in Annex IV [see note below] have been deleted, the modifications to the TSUS made by Section C of Annex IV to this proclamation [see note below] shall be deleted;

(e) Section A of Annex IV [see note below] shall become effective on January 1, 1980.

IN WITNESS WHEREOF, I have hereunto set my hand this eleventh day of December, in the year of our Lord nineteen hundred and seventy-nine, and of the Independence of the United States of America the two hundred and fourth.

JIMMY CARTER.

ANNEX I

TEXTS OF AGREEMENTS IDENTIFIED IN THE THIRD AND FOURTH RECITALS OF THIS PROCLAMATION[1]

Part 1	Geneva (1979) Protocol to the General Agreement on Tariffs and Trade (Including Schedules of Concessions)
Part 2	Trade Agreement with the People's Republic of Hungary Entered Into on November 18, 1979
Part 3	Trade Agreement with the United Mexican States Entered Into on October 31, 1979
Part 4	Trade Agreement with the Socialist Republic of Romania Entered Into on March 2, 1979
Part 5	Trade Agreement between the American Institute in Taiwan and the Coordination Council for North American Affairs Entered Into on October 24, 1979
Part 6	Agreement with the Hungarian People's Republic Entered Into on June 13, 1979

ANNEXES II TO IV

Annexes II to IV of Proclamation 4707, which amended the Tariff Schedules of the United States, are not set out under this section because the Tariff Schedules were not set out in the Code. The Tariff Schedules of the United States were replaced by the Harmonized Tariff Schedule of the United States which is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

PROC. NO. 4768. CARRYING OUT THE AGREEMENT ON IMPLEMENTATION OF ARTICLES VII OF THE GENERAL AGREEMENT ON TARIFFS AND TRADE AND FOR OTHER PURPOSE

Proc. No. 4768, June 28, 1980, 45 F.R. 45135, as amended by Proc. No. 4792, Sept. 15, 1980, 45 F.R. 61589; Ex. Ord. No. 12311, §5, June 29, 1981, 46 F.R. 34305; Proc. No. 4904, Feb. 27, 1982, 47 F.R. 8753; Ex. Ord. No. 12354, Mar. 30, 1982, 47 F.R. 13477; Ex. Ord. No. 12413, Mar. 30, 1983, 48 F.R. 13921; Ex. Ord. No. 12471, Mar. 30, 1984, 49 F.R. 13101;

[1] Not printed in the Federal Register. The text of the Geneva (1979) Protocol to the General Agreement in part 1 of Annex I has been printed by the Contracting Parties to the General Agreement on Tariffs and Trade in four volumes entitled Geneva (1979) Protocol to the General Agreements on Tariffs and Trade. The Agreement with the Hungarian People's Republic in part 6 of Annex I has been printed in House Document 96–153, vol. 1, p. 703. The general provisions of all the agreements in parts 1 to 6 of annex I, but not schedules of concessions by other parties, will be printed in the Customs Bulletin. The texts of all these agreements will be printed in Treaties and Other International Acts Series, and in the bound volumes of United States Treaties and Other International Agreements.

Ex. Ord. No. 12519, June 13, 1985, 50 F.R. 25037; Proc. No. 5365, Aug. 30, 1985, 50 F.R. 36220; Proc. No. 5452, Mar. 31, 1986, 51 F.R. 11539, provided:

1. Pursuant to Section 204(a)(2) of the Trade Agreements Act of 1979 (93 Stat. 203) [19 U.S.C. 1401a note] in order to implement, beginning on July 1, 1980, the new customs valuation standards as provided in Title II of that Act [Pub. L. 96–39, July 26, 1979, 93 Stat. 194], and for other purposes, I make the following determinations, and do proclaim as hereinafter set forth.

2. Section 225 of the Trade Agreements Act of 1979 (93 Stat. 235) [Pub. L. 96–39, July 26, 1979], Sections 131, 132, 133, 134, 135, and 161(b) of the Trade Act of 1974 (19 U.S.C. 2151, 2152, 2153, 2154, 2155, and 2211(b)) and Section 4(c) of Executive Order No. 11846 of March 27, 1975, (3 CFR 1971–1975 Comp 974) [set out below], have been complied with.

3. Pursuant to Section 101(a) of the Trade Act of 1974 (19 U.S.C. 2111(a)) and having made the determinations required by that section with regard to the following trade agreements, I, through my duly empowered representative, (1) on July 11, 1979, entered into a trade agreement with other contracting parties to the General Agreement on Tariffs and Trade (61 Stat. (pts. 5 and 6)), as amended (the General Agreement), with countries seeking to accede to the General Agreement, and the European Communities, which agreement consists of the Geneva (1979) Protocol to the General Agreement, including a schedule of United States concessions annexed thereto (hereinafter referred to as ''Schedule XX (Geneva–1979)''), (2) on December 18, 1979, entered into a trade agreement with Switzerland, which agreement consists of an exchange of letters, a copy of which is annexed to this proclamation as Part 2 of Annex I, (3) on December 21 and 27, 1979, and on January 2, 1980, entered into trade agreements with the European Communities, which agreements consists of joint memoranda, copies of which are annexed to this proclamation as Part 3 of Annex I, (4) on January 2, 1980, entered into a trade agreement with the Dominican Republic, which agreement consists of an exchange of letters, a copy of which is annexed to this proclamation as Part 4 of Annex I, and (5) on December 29, 1979, entered into a trade agreement with Indonesia, which agreement consists of a memorandum and an exchange of letters, copies of which are annexed to this proclamation as Part 5 of Annex I.

4. After having complied with Section 102 of the Trade Act of 1974 (19 U.S.C. 2112), and having made the required determinations, I notified Congress of my intention to enter into the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade (a copy of which is annexed to this proclamation as Part 1 of Annex I); and an implementing bill, approving the agreement and the proposed administrative action, has been enacted into law (Section 2(a) of the Trade Agreements Act of 1979 (93 Stat. 147) [19 U.S.C. 2503(a)]).

5. (a) Pursuant to Section 2(b)(3) of the Trade Agreements Act of 1979 (93 Stat. 147) [19 U.S.C. 2503(b)(3)], I determine (1) that each major industrial country, as defined therein, with the exception of Canada, is accepting the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade, (2) that the acceptance of this Agreement by Canada is not essential to the effective operation of the Agreement, (3) that a significant portion of United States trade will benefit from the Agreement, notwithstanding such nonacceptance, and (4) that it is in the national interest of the United States to accept the Agreement (and have so reported to the Congress);

(b) Pursuant to Section 204(a)(2)(A) and (B) of the Trade Agreements Act of 1979 (93 Stat. 203) [19 U.S.C. 1401a note], I determine that the European Communities (including the European Economic Community) have accepted the obligations of the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade with respect to the United States and each of the member states of the European Communities has implemented the Agreement under its laws (effective July 1, 1980);

(c) Pursuant to Section 503(a)(1) of the Trade Agreements Act of 1979 (93 Stat. 251) [Pub. L. 96–39, July 26, 1979], I determine, after interested parties were provided an opportunity to comment, that the articles classifiable in the following new items of the Tariff Schedules of the United States (TSUS) (19 U.S.C. 1202) [see Publication of Tariff Schedules note set out under section 1202 of this title], added thereto by Annex II to this proclamation, were not imported into the United States before January 1, 1978, and were not produced in the United States before May 1, 1978:

[Table of new items deleted]

(d) Pursuant to Section 503(a)(2)(A) of the Trade Agreements Act of 1979 (93 Stat. 251), I determine, after providing interested parties an opportunity to comment, that each article identified in Annex IV to this proclamation is not import sensitive.

6. Each modification of existing duty proclaimed herein which provides with respect to an article for a decrease in duty below the limitation specified in Sections 101(b)(1) or 109(a) of the Trade Act of 1974 (19 U.S.C. 2111(b)(1) or 2119(a)), and each modification of any other import restriction or tariff provision so proclaimed is authorized by one or more of the following provisions or statutes:

(a) Section 101(b)(2) of the Trade Act of 1974 (19 U.S.C. 2111(b)(2)), by virtue of the fact that the rate of duty existing on January 1, 1975, applicable to the article was not more than 5 percent ad valorem (or ad valorem equivalent);

(b) Section 109(b) of the Trade Act of 1974 (19 U.S.C. 2119(b)), by virtue of the fact that I have determined, pursuant to that section, that the decrease authorized by that section will simplify the computation of the amount of duty imposed with respect to the article; and

(c) The Trade Agreements Act of 1979 (93 Stat. 144 et seq.) [see 19 U.S.C. 2501] including, but not limited to, Sections 503(a)(1), (2)(A) and (6) (93 Stat. 251 and 252) [Pub. L. 96–39, July 26, 1979] by virtue of the fact that they permit departures from the staging provisions of Section 109(a) of the Trade Act of 1974 (19 U.S.C. 2119(a)).

7. In the case of each decrease in duty, including those of the type specific in clause (a) or (b) of the sixth recital of this proclamation, which involves the determination of the ad valorem equivalent of a specified or compound rate of duty, and in the case of each modification in the form of an import duty, the United States International Trade Commission has determined, pursuant to Section 601(4) of the Trade Act of 1974 (19 U.S.C. 2481(4)), in accordance with Section 4(e) of Executive Order No. 11846 of March 27, 1975 (3 CFR 1971–1975 Comp. 973) [set out below], and at my direction, the ad valorem equivalent of the specific or compound rate, on the basis of the value of imports of the article concerned during a period determined by it to be representative, utilizing, to the extent practicable, the standards of valuation contained in Sections 402 and 402a of the Tariff Act of 1930 (19 U.S.C. 1401a and 1402) applicable to the article during such representative period.

8. Pursuant to the Trade Act of 1974 [this chapter] and the Trade Agreements Act of 1979 [see 19 U.S.C. 2501], I determine that each modification or continuance of existing duties or other import restrictions and each continuance of existing duty-free or excise treatment hereinafter proclaimed is required or appropriate to carry out the trade agreements identified in the third recital of this proclamation or the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes, including but not limited to Title I and Section 604 of the Trade Act of 1974 [this subchapter and 19 U.S.C. 2483], Section 2 [19 U.S.C. 2503] and Titles II and V of the Trade Agreements Act of 1979 [Pub. L. 96–39, July

26, 1979], and Section 301 of Title 3 of the United States Code, do proclaim that:

(1)(a) The valuation standards amendments made by Title II of the Trade Agreements Act of 1979 (93 Stat. 194 et seq.) to Sections 402 and 402a of the Tariff Act of 1930 (19 U.S.C. 1401a and 4102), and

(b) subject to the provisions of the General Agreement, of the Geneva (1979) Protocol, of other agreements supplemental to the General Agreement, of the other agreements identified in recitals 3 and 4, and of United States Law (including but not limited to provisions for more favorable treatment),—

(i) the modification or continuance of existing duties or other import restrictions, and

(ii) the continuance of existing duty-free or excise treatment provided for in these agreements and in trade agreements legislation, shall become effective on or after July 1, 1980, as provided for herein.

(2) To this end—

(a) The amendments made by Title II of the Trade Agreements Act of 1979 (93 Stat. 194 et seq.), except amendments made by section 223(b) [see Effective Date of 1979 Amendment note set out under section 1401a of this title], shall be effective with respect to articles exported to the United States on and after July 1, 1980;

(b) The TSUS is modified as provided in Annexes II, III and IV of the proclamation;

(c) The modifications to the TSUS made by Sections A and C of Annex II, and Section A of Annex III, of this proclamation shall be effective with respect to articles exported to the United States on and after the effective dates specified in those annexes;

(d) The modifications to the TSUS made by Sections B, D and E of Annex II, Section B of Annex III, and Sections A and B of Annex IV, of this proclamation shall be effective with respect to articles entered, or withdrawn from warehouse for consumption, on and after the effective dates specified in those annexes;

(e) The United States Trade Representative shall make the necessary determinations relevant to the designation of the effective dates of the modifications of the TSUS made by Sections F and G of Annex II and Section C of Annex III to this proclamation, and shall publish in the Federal Register the effective date with respect to each of the modifications made by these sections; such modifications shall apply to articles entered, or withdrawn from warehouse for consumption, on and after such effective date;

(f) With respect to the modifications to the TSUS made by Annex IV to this proclamation and Annex IV to Presidential Proclamation 4707 of December 11, 1979 [see note above], relating to special treatment for the least developed developing countries (LDDC's), whenever the rate of duty specified in the column numbered 1 for any TSUS item is reduced to the same level as the corresponding rate of duty specified in the column entitled ''LDDC'' for such item, or to a lower level, the rate of duty in the column entitled ''LDDC'' shall be deleted from the TSUS;

(g) Annexes III and IV of Presidential Proclamation 4707 of December 11, 1979 [see note above], are superseded to the extent inconsistent with this proclamation.

IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of June, in the year of our Lord nineteen hundred and eighty, and of the Independence of the United States of America the two hundred and fourth.

JIMMY CARTER.

ANNEXES I TO IV

Annexes I to IV of Proclamation 4768, which amended the Tariff Schedules of the United States, are not set out under this section because the Tariff Schedules were not set out in the Code. The Tariff Schedules of the United States were replaced by the Harmonized Tariff Schedule of the United States which is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

EX. ORD. NO. 11846. ADMINISTRATION OF TRADE AGREEMENTS PROGRAM

Ex. Ord. No. 11846, Mar. 27, 1975, 40 F.R. 14291, as amended by Ex. Ord. No. 11894, Jan. 3, 1976, 41 F.R. 1041; Ex. Ord. No. 11947, Nov. 8, 1976, 41 F.R. 49799; Ex. Ord. No. 12102, Nov. 17, 1978, 43 F.R. 54197; Ex Ord. No. 12163, Sept. 29, 1979, 44 F.R. 56673, Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 989, provided:

By virtue of the authority vested in me by the Trade Act of 1974, hereinafter referred to as the Act (Public Law 93–618, 88 Stat. 1978) [this chapter], the Trade Expansion Act of 1962, as amended (19 U.S.C. 1801), Section 350 of the Tariff Act of 1930, as amended (19 U.S.C. 1351), and Section 301 of Title 3 of the United States Code, and as President of the United States, it is hereby ordered as follows:

SECTION 1. *The Trade Agreements Program.*

The ''trade agreements program'' includes all activities consisting of, or related to, the negotiation or administration of international agreements which primarily concern trade and which are concluded pursuant to the authority vested in the President by the Constitution, Section 350 of the Tariff Act of 1930 [section 1351 of this title], as amended, the Trade Expansion Act of 1962, as amended [section 1801 et seq. of this title], or the Act [this chapter].

SEC. 2. *The Special Representative for Trade Negotiations* [now United States Trade Representative, see Change of Name note above].

(a) The Special Representative for Trade Negotiations [now United States Trade Representative], hereinafter referred to as the Special Representative [now Trade Representative], in addition to the functions conferred upon him by the Act [this chapter], including Section 141 thereof [section 2171 of this title], and in addition to the functions and responsibilities set forth in this Order, shall be responsible for such other functions as the President may direct.

(b) [Revoked by Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 989.]

(c) The Special Representative [now Trade Representative] shall prepare, for the President's transmission to Congress, the annual report on the trade agreements program required by Section 163(a) of the Act [section 2213(a) of this title]. At the request of the Special Representative [now Trade Representative], other agencies shall assist in the preparation of that report.

(d) The Special Representative [now Trade Representative], except where expressly otherwise provided or prohibited by statute, Executive order, or instructions of the President, shall be responsible for the proper administration of the trade agreements program, and may, as he deems necessary, assign to the head of any Executive agency or body the performance of his duties which are incidental to the administration of the trade agreements program.

(e) The Special Representative [now Trade Representative] shall consult with the Trade Policy Committee in connection with the performance of his functions, including those established or delegated by this Order and shall, as appropriate, consult with other Federal agencies or bodies. With respect to the performance of his functions under Title IV of the Act [section 2431 et seq. of this title], including those established or delegated by this Order, the Special Representative [now Trade Representative] shall also consult with the East-West Foreign Trade Board [abolished].

(f) The Special Representative [now Trade Representative] shall be responsible for the preparation and submission of any Proclamation which relates wholly or primarily to the trade agreements program. Any such Proclamation shall be subject to all the provisions of Executive Order No. 11030, as amended [set out under section 1505 of Title 44, Public Printing and Documents] except that such Proclamation need not be submitted to the Director of the Office of Management and Budget.

(g) The Secretary of State shall advise the Special Representative [now Trade Representative], and the Committee, on the foreign policy implications of any action under the trade agreements program. The Special Representative [now Trade Representative] shall invite appropriate departments to participate in trade negotiations of particular interest to such departments, and the Department of State shall participate in trade negotiations which have a direct and significant impact on foreign policy.

SEC. 3. *The Trade Policy Committee.*

(a) [Revoked by Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 989.]

(b) The Committee shall have the functions conferred by the Trade Expansion Act of 1962, as amended [section 1801 et seq. of this title], upon the inter-agency organization referred to in Section 242 thereof, as amended [section 1872 of this title], the functions delegated to it by the provisions of this Order, and such other functions as the President may from time to time direct. Recommendations and advice of the Committee shall be submitted to the President by the Chairman.

(c) The Special Representative [now Trade Representative] or any other officer who is chief representative of the United States in a negotiation in connection with the trade agreements program shall keep the Committee informed with respect to the status and conduct of negotiations and shall consult with the Committee regarding the basic policy issues arising in the course of negotiations.

(d) Before making recommendations to the President under Section 242(b)(2) of the Trade Expansion Act of 1962, as amended [section 1872(b)(2) of this title], the Committee shall, through the Special Representative [now Trade Representative], request the advice of the Adjustment Assistance Coordinating Committee, established by Section 281 of the Act [section 2392 of this title].

(e), (f) [Revoked by Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 989.]

(g) The Trade Expansion Act Advisory Committee established by Section 4 of Executive Order No. 11075 of January 15, 1963, is abolished and all of its records are transferred to the Trade Policy Committee.

SEC. 4. *Trade Negotiations Under Title I of the Act.*

(a) The functions of the President under Section 102 of the Act [section 2112 of this title] concerning notice to, and consultation with, Congress, in connection with agreements on nontariff barriers to, and other distortions of, trade, are hereby delegated to the Special Representative [now Trade Representative].

(b) The Special Representative [now Trade Representative], after consultation with the Committee, shall prepare, for the President's transmission to Congress, all proposed legislation and other documents necessary or appropriate for the implementation of, or otherwise required in connection with, trade agreements; provided, however, that where implementation of an agreement on nontariff barriers to, and other distortions of, trade requires a change in a domestic law, the department or agency having the primary interest in the administration of such domestic law shall prepare and transmit to the Special Representative [now Trade Representative] the proposed legislation necessary or appropriate for such implementation.

(c) The functions of the President under Section 131(a) of the Act [section 2151(a) of this title], with respect to publishing and furnishing to the International Trade Commission lists of articles, are delegated to the Special Representative [now Trade Representative]. The functions of the President under Section 131(c) of the Act [section 2151(c) of this title] with respect to advice of the International Trade Commission and under Section 132 of the Act [section 2152 of this title] with respect to advice of the departments of the Federal Government and other sources, are delegated to the Special Representative [now Trade Representative]. The functions of the President under Section 133 of the Act [section 2153 of this title] with respect to public hearings in connection with certain trade negotiations are delegated to the Special Representative [now Trade Representative], who shall designate an interagency committee to hold and conduct any such hearings.

(d) The functions of the President under Section 135 of the Act [section 2155 of this title] with respect to advisory committees and, notwithstanding the provisions of any other Executive order, the functions of the President under the Federal Advisory Committee Act (86 Stat. 770, 5 U.S.C. App.), except that of reporting annually to Congress, which are applicable to advisory committees under the Act [this chapter] are delegated to the Special Representative [now Trade Representative]. In establishing and organizing general policy advisory committees or sector advisory committees under Section 135(c) of the Act [section 2155(c) of this title], the Special Representative [now Trade Representative] shall act through the Secretaries of Commerce, Labor and Agriculture, as appropriate.

(e) The functions of the President with respect to determining ad valorem amounts and equivalents pursuant to Sections 601(3) and (4) of the Act [section 2481(3) and (4) of this title] are hereby delegated to the Special Representative [now Trade Representative]. The International Trade Commission is requested to advise the Special Representative [now Trade Representative] with respect to determining such ad valorem amounts and equivalents. The Special Representative [now Trade Representative] shall seek the advice of the Commission and consult with the Committee with respect to the determination of such ad valorem amounts and equivalents.

(f) Advice of the International Trade Commission under Section 131 of the Act [section 2151 of this title], and other advice or reports by the International Trade Commission to the President or the Special Representative [now Trade Representative], the release or disclosure of which is not specifically authorized or required by law, shall not be released or disclosed in any manner or to any extent not specifically authorized by the President or by the Special Representative [now Trade Representative].

(g) All reports, findings, advice, determinations, hearing transcripts, briefs, and information which, under the terms of the Act [this chapter], the International Trade Commission is required to furnish to the President shall be transmitted to the President through the Special Representative [now Trade Representative].

SEC. 5. *Import Relief and Market Disruption.*

(a) The Special Representative [now Trade Representative] is authorized to request from the International Trade Commission the information specified in Sections 202(d) and 203(i)(1) and (2) of the Act [sections 2252(d) and 2253(i)(1) and (2) of this title].

(b) The Secretary of the Treasury, in consultation with the Secretary of Commerce or the Secretary of Agriculture, as appropriate, is authorized to issue, under Section 203(g) of the Act [section 2253(g) of this title], regulations governing the administration of any quantitative restrictions proclaimed in order to provide import relief and is authorized to issue, under Section 203(g) of the Act or 352(b) of the Trade Expansion Act of 1962 [section 1982(b) of this title], regulations governing the entry, or withdrawal from warehouses for consumption, of articles pursuant to any orderly marketing agreement.

(c) The Secretary of Commerce shall exercise primary responsibility for monitoring imports under any orderly marketing agreement.

SEC. 6. [Revoked by Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 989.]

SEC. 7. *East-West Foreign Trade Board* [abolished].

(a) In accordance with Section 411 of the Act [section 2441 of this title], there is hereby established the East-West Foreign Trade Board [abolished], hereinafter referred to as the Board. The Board shall be composed of the following members and such additional members of the Executive branch as the President may designate:

(1) The Secretary of State.

(2) The Secretary of the Treasury.

(3) The Secretary of Defense.
(4) The Secretary of Agriculture.
(5) The Secretary of Commerce.
(6) The Special Representative for Trade Negotiations [now United States Trade Representative].
(7) The Director of the Office of Management and Budget.
(8) The Chairman of the Council of Economic Advisers.
(9) The President of the Export-Import Bank of the United States.
(10) [Deleted by Ex. Ord. No. 12102.]

The President shall designate the Chairman and the Deputy Chairman of the Board. The President may designate an Executive Secretary, who shall be Chairman of a working group which will include membership from the agencies represented on the Board.

(b) The Board shall perform such functions as are required by Section 411 of the Act [section 2441 of this title] and such other functions as the President may direct.

(c) The Board is authorized to promulgate such rules and regulations as are necessary or appropriate to carry out its responsibilities under the Act [this chapter] and this Order.

(d) The Secretary of State shall advise the President with respect to determinations required to be made in connection with Sections 402 and 409 of the Act (dealing with freedom of emigration) [sections 2432 and 2439 of this title] and Section 403 (dealing with United States personnel missing in action in Southeast Asia) [section 2433 of this title], and shall prepare, for the President's transmission to Congress, the reports and other documents required by Sections 402 and 409 of the Act.

(e) The President's Committee on East-West Trade Policy, established by Executive Order No. 11789 of June 25, 1974, as amended by Section 6(d) of Executive Order No. 11808 of September 30, 1974, is abolished and all of its records are transferred to the Board.

SEC. 8. *Generalized System of Preferences.*

(a) The Special Representative [now Trade Representative], in consultation with the Secretary of State, shall be responsible for the administration of the generalized system of preferences under Title V of the Act [section 2461 et seq. of this title].

(b) The Committee, through the Special Representative [now Trade Representative], shall advise the President as to which countries should be designated as beneficiary developing countries, and as to which articles should be designated as eligible articles for the purposes of the system of generalized preferences.

(c) The Committee, through the Special Representative [now Trade Representative], shall perform the functions of the President specified in Section 503(a) of the Act [section 2463(a) of this title], with respect to publishing and furnishing to the International Trade Commission lists of articles that may be considered for designation as eligible articles for purposes of the Generalized System of Preferences.

(d) The Committee, through the Special Representative [now Trade Representative], to the extent necessary to determine the applicability of the provisions of Section 504(d) of the Act [section 2464(d) of this title] to any eligible article, shall perform the functions of the President under Section 332(g) of the Tariff Act of 1930, as amended [section 1332(g) of this title], with respect to requests for investigations by, and reports from, the International Trade Commission.

SEC. 9. *Prior Executive Orders.*

(a) Executive Order No. 11789 of June 25, 1974, and Section 6(d) of Executive Order No. 11808 of September 30, 1974, relating to the President's Committee on East-West Trade Policy are hereby revoked.

(b)(1) Sections 5(b), 7, and 8 of Executive Order No. 11075 of January 15, 1963, are hereby revoked effective April 3, 1975; (2) the remainder of Executive Order No. 11075, and Executive Order No. 11106 of April 18, 1963 and Executive Order No. 11113 of June 13, 1963, are hereby revoked.

GERALD R. FORD.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2113, 2114, 2115, 2116, 2119, 2134, 2462, 2463, 2904 of this title.

§ 2112. Barriers to and other distortions of trade

(a) Congressional findings; directives; disavowal of prior approval of legislation

The Congress finds that barriers to (and other distortions of) international trade are reducing the growth of foreign markets for the products of United States agriculture, industry, mining, and commerce, diminishing the intended mutual benefits of reciprocal trade concessions, adversely affecting the United States economy, preventing fair and equitable access to supplies, and preventing the development of open and nondiscriminatory trade among nations. The President is urged to take all appropriate and feasible steps within his power (including the full exercise of the rights of the United States under international agreements) to harmonize, reduce, or eliminate such barriers to (and other distortions of) international trade. The President is further urged to utilize the authority granted by subsection (b) of this section to negotiate trade agreements with other countries and instrumentalities providing on a basis of mutuality for the harmonization, reduction, or elimination of such barriers to (and other distortions of) international trade. Nothing in this subsection shall be construed as prior approval of any legislation which may be necessary to implement an agreement concerning barriers to (or other distortions of) international trade.

(b) Presidential determinations prerequisite to entry into trade agreements; trade with Israel

(1) Whenever the President determines that any barriers to (or other distortions of) international trade of any foreign country or the United States unduly burden and restrict the foreign trade of the United States or adversely affect the United States economy, or that the imposition of such barriers is likely to result in such a burden, restriction, or effect, and that the purposes of this chapter will be promoted thereby, the President, during the 13-year period beginning on January 3, 1975, may enter into trade agreements with foreign countries or instrumentalities providing for the harmonization, reduction, or elimination of such barriers (or other distortions) or providing for the prohibition of or limitations on the imposition of such barriers (or other distortions).

(2)(A) Trade agreements that provide for the elimination or reduction of any duty imposed by the United States may be entered into under paragraph (1) only with Israel.

(B) The negotiation of any trade agreement entered into under paragraph (1) with Israel that provides for the elimination or reduction of any duty imposed by the United States shall take fully into account any product that benefits from a discriminatory preferential tariff arrangement between Israel and a third country if the tariff preference on such product has been the subject of a challenge by the United States Government under the authority of section 2411 of this title and the General Agreement on Tariffs and Trade.

(C) Notwithstanding any other provision of this section, the requirements of subsections (c) and (e)(1) of this section shall not apply to any trade agreement entered into under paragraph (1) with Israel that provides for the elimination or reduction of any duty imposed by the United States.

(3) Notwithstanding any other provision of law, no trade benefit shall be extended to any country by reason of the extension of any trade benefit to another country under a trade agreement entered into under paragraph (1) with such other country that provides for the elimination or reduction of any duty imposed by the United States.

(4)(A) Notwithstanding paragraph (2), a trade agreement that provides for the elimination or reduction of any duty imposed by the United States may be entered into under paragraph (1) with any country other than Israel if—

(i) such country requested the negotiation of such an agreement, and

(ii) the President, at least 60 days prior to the date notice is provided under subsection (e)(1) of this section—

(I) provides written notice of such negotiations to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives, and

(II) consults with such committees regarding the negotiation of such agreement.

(B) The provisions of section 2191 of this title shall not apply to an implementing bill (within the meaning of section 2191(b) of this title if—

(i) such implementing bill contains a provision approving of any trade agreement which—

(I) is entered into under this section with any country other than Israel, and

(II) provides for the elimination or reduction of any duty imposed by the United States, and

(ii) either—

(I) the requirements of subparagraph (A) were not met with respect to the negotiation of such agreement, or

(II) the Committee on Finance of the Senate or the Committee on Ways and Means of the House of Representatives disapproved of the negotiation of such agreement before the close of the 60-day period which begins on the date notice is provided under subparagraph (A)(ii)(I) with respect to the negotiation of such agreement.

(C) The 60-day period described in subparagraphs (A)(ii) and (B)(ii)(II) shall be computed without regard to—

(i) the days on which either House of Congress is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die, and

(ii) any Saturday and Sunday, not excluded under clause (i), when either House of Congress is not in session.

(c) Presidential consultation with Congress prior to entry into trade agreements

Before the President enters into any trade agreement under this section providing for the harmonization, reduction, or elimination of a barrier to (or other distortion of) international trade, he shall consult with the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and with each committee of the House and the Senate and each joint committee of the Congress which has jurisdiction over legislation involving subject matters which would be affected by such trade agreement. Such consultation shall include all matters relating to the implementation of such trade agreement as provided in subsections (d) and (e) of this section. If it is proposed to implement such trade agreement, together with one or more other trade agreements entered into under this section, in a single implementing bill, such consultation shall include the desirability and feasibility of such proposed implementation.

(d) Submission to Congress of agreements, drafts of implementing bills, and statements of proposed administrative action

Whenever the President enters into a trade agreement under this section providing for the harmonization, reduction, or elimination of a barrier to (or other distortion of) international trade, he shall submit such agreement, together with a draft of an implementing bill (described in section 2191(b) of this title) and a statement of any administrative action proposed to implement such agreement, to the Congress as provided in subsection (e) of this section, and such agreement shall enter into force with respect to the United States only if the provisions of subsection (e) of this section are complied with and the implementing bill submitted by the President is enacted into law.

(e) Steps prerequisite to entry into force of trade agreements

Each trade agreement submitted to the Congress under this subsection shall enter into force with respect to the United States if (and only if)—

(1) the President, not less than 90 days before the day on which he enters into such trade agreement, notifies the House of Representatives and the Senate of his intention to enter into such an agreement, and promptly thereafter publishes notice of such intention in the Federal Register;

(2) after entering into the agreement, the President transmits a document to the House of Representatives and to the Senate containing a copy of the final legal text of such agreement together with—

(A) a draft of an implementing bill and a statement of any administrative action proposed to implement such agreement, and an explanation as to how the implementing bill and proposed administrative action change or affect existing law, and

(B) a statement of his reasons as to how the agreement serves the interests of United States commerce and as to why the implementing bill and proposed administrative action is required or appropriate to carry out the agreement; and

(3) the implementing bill is enacted into law.

(f) Obligations imposed upon foreign countries or instrumentalities receiving benefits under trade agreements

To insure that a foreign country or instrumentality which receives benefits under a trade agreement entered into under this section is subject to the obligations imposed by such agreement, the President may recommend to Congress in the implementing bill and statement of administrative action submitted with respect to such agreement that the benefits and obligations of such agreement apply solely to the parties to such agreement, if such application is consistent with the terms of such agreement. The President may also recommend with respect to any such agreement that the benefits and obligations of such agreement not apply uniformly to all parties to such agreement, if such application is consistent with the terms of such agreement.

(g) Definitions

For purposes of this section—

(1) the term ''barrier'' includes—

(A) the American selling price basis of customs evaluation as defined in section 1401a or 1402 of this title, as appropriate, and

(B) any duty or other import restriction;

(2) the term ''distortion'' includes a subsidy; and

(3) the term ''international trade'' includes—

(A) trade in both goods and services, and

(B) foreign direct investment by United States persons, especially if such investment has implications for trade in goods and services.

(Pub. L. 93–618, title I, §102, Jan. 3, 1975, 88 Stat. 1982; Pub. L. 96–39, title XI, §§1101, 1106(c)(1), July 26, 1979, 93 Stat. 307, 311; Pub. L. 98–573, title III, §307(a), title IV, §401(a)–(c)(1), Oct. 30, 1984, 98 Stat. 3012, 3013–3015; Pub. L. 99–47, §8(b)(1), June 11, 1985, 99 Stat. 84; Pub. L. 99–514, title XVIII, §1887(a)(1), Oct. 22, 1986, 100 Stat. 2923.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (b)(1), was in the original ''this Act'', meaning Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

Section 1402 of this title, referred to in subsec. (g)(1)(A), was repealed by Pub. L. 96–39.

AMENDMENTS

1986—Subsec. (b)(4)(B)(ii)(II). Pub. L. 99–514 substituted ''subparagraph'' for ''subsection''.

1985—Subsec. (b)(3). Pub. L. 99–47 inserted ''that provides for the elimination or reduction of any duty imposed by the United States'' after ''such other country''.

1984—Subsec. (b). Pub. L. 98–573, §401(a), designated existing provisions as par. (1) and added pars. (2) to (4).

Subsec. (g)(1). Pub. L. 98–573, §401(b), designated existing provisions as subpar. (A) and added subpar. (B).

Subsec. (g)(3). Pub. L. 98–573, §307(a), designated existing provisions as subpar. (A) and added subpar. (B).

1979—Subsec. (b). Pub. L. 96–39, §1101, substituted ''13-year period'' for ''5-year period''.

Subsec. (e)(2). Pub. L. 96–39, §1106(c)(1), substituted ''copy of the final legal text of such agreement'' for ''copy of such agreement''.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment of subsec. (b) of this section by section 1101 of Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

Section 1106(c)(1) of Pub. L. 96–39 provided in part that the amendment of subsec. (e)(2) of this section by section 1106(c)(1) of Pub. L. 96–39 shall apply with respect to trade agreements submitted to the Congress under this section after July 26, 1979.

PROTECTIVE ORDER PROVISIONS APPLICABLE WITH RESPECT TO COUNTERVAILING AND ANTIDUMPING DUTY INVESTIGATIONS INVOLVING PRODUCTS OF CANADIAN ORIGIN

Pub. L. 101–382, title I, §135(c), Aug. 20, 1990, 104 Stat. 652, provided that: ''For purposes of section 404 of the United States-Canada Free-Trade Agreement Implementation Act of 1988 [Pub. L. 100–449, set out in a note below], the amendments made by subsection (b) [amending section 1677f of this title] also apply with respect to investigations under title VII of the Tariff Act of 1930 [19 U.S.C. 1671 et seq.] involving products of Canadian origin.''

UNITED STATES-CANADA FREE-TRADE AGREEMENT IMPLEMENTATION ACT OF 1988

Pub. L. 100–449, Sept. 28, 1988, 102 Stat. 1851, as amended by Pub. L. 101–207, §1(b), Dec. 7, 1989, 103 Stat. 1833; Pub. L. 101–382, title I, §§103(b), 134(b), Aug. 20, 1990, 104 Stat. 635, 651; Pub. L. 103–182, title I, §107, title III, §308(a), title IV, §413, Dec. 8, 1993, 107 Stat. 2065, 2104, 2147, provided that:

''SECTION 1. SHORT TITLE AND TABLE OF CONTENTS.

''(a) SHORT TITLE.—This Act [enacting section 1584 of Title 28, Judiciary and Judicial Procedure, amending sections 58c, 81c, 1305, 1306, 1311, 1312, 1313, 1502, 1508, 1514, 1516a, 1562, 1677, 1677f, and 2518 of this title, sections 150bb, 150cc, 154, 156, 624, 1582, and 2803 of Title 7, Agriculture, section 1184 of Title 8, Aliens and Nationality, section 24 of Title 12, Banks and Banking, section 152 of Title 21, Food and Drugs, sections 1581, 2201, and 2643 of Title 28, section 2201 of Title 42, The Public Health and Welfare, section 2406 of the Appendix to Title 50, War and National Defense, enacting provisions set out as notes below, and amending provisions set out as a note under section 2253 of this title] may be cited as the 'United States-Canada Free-Trade Agreement Implementation Act of 1988'.

''(b) TABLE OF CONTENTS.—[Omitted.]

''SEC. 2. PURPOSES.

''The purposes of this Act are—

''(1) to approve and implement the Free-Trade Agreement between the United States and Canada negotiated under the authority of section 102 of the Trade Act of 1974 [19 U.S.C. 2112];

''(2) to strengthen and develop economic relations between the United States and Canada for their mutual benefit;

''(3) to establish a free-trade area between the two nations through the reduction and elimination of barriers to trade in goods and services and to investment; and

''(4) to lay the foundation for further cooperation to expand and enhance the benefits of such Agreement.

''TITLE I—APPROVAL OF UNITED STATES-CANADA FREE-TRADE AGREEMENT AND RELATIONSHIP OF AGREEMENT TO UNITED STATES LAW

''SEC. 101. APPROVAL OF UNITED STATES-CANADA FREE-TRADE AGREEMENT.

''(a) APPROVAL OF AGREEMENT AND STATEMENT OF ADMINISTRATIVE ACTION.—Pursuant to sections 102 and 151 of the Trade Act of 1974 (19 U.S.C. 2112 and 2191), the Congress approves—

''(1) the United States-Canada Free-Trade Agreement (hereinafter in this Act referred to as the

'Agreement') entered into on January 2, 1988, and submitted to the Congress on July 25, 1988;

''(2) the letters exchanged between the Governments of the United States and Canada—

''(A) dated January 2, 1988, relating to negotiations regarding articles 301 (Rules of Origin) and 401 (Tariff Elimination) of the Agreement, and

''(B) dated January 2, 1988, relating to negotiations regarding article 2008 (Plywood Standards) of the Agreement; and

''(3) the statement of administrative action proposed to implement the Agreement that was submitted to the Congress on July 25, 1988.

''(b) CONDITIONS FOR ENTRY INTO FORCE OF THE AGREEMENT.—At such time as the President determines that Canada has taken measures necessary to comply with the obligations of the Agreement, the President is authorized to exchange notes with the Government of Canada providing for the entry into force, on or after January 1, 1989, of the Agreement with respect to the United States.

''(c) REPORT ON CANADIAN PRACTICES.—Within 60 days after the date of the enactment of this Act [Sept. 28, 1988] (but not later than December 15, 1988), the United States Trade Representative shall submit to the Congress a report identifying, to the maximum extent practicable, major current Canadian practices (and the legal authority for such practices) that, in the opinion of the United States Trade Representative—

''(1) are not in conformity with the Agreement; and

''(2) require a change of Canadian law, regulation, policy, or practice to enable Canada to conform with its international obligations under the Agreement.

''SEC. 102. RELATIONSHIP OF THE AGREEMENT TO UNITED STATES LAW.

''(a) UNITED STATES LAWS TO PREVAIL IN CONFLICT.—No provision of the Agreement, nor the application of any such provision to any person or circumstance, which is in conflict with any law of the United States shall have effect.

''(b) RELATIONSHIP OF AGREEMENT TO STATE AND LOCAL LAW.—

''(1) The provisions of the Agreement prevail over—

''(A) any conflicting State law; and

''(B) any conflicting application of any State law to any person or circumstance;

to the extent of the conflict.

''(2) Upon the enactment of this Act, the President shall, in accordance with section 306(c)(2)(A) of the Trade and Tariff Act of 1984 (19 U.S.C. 2114c), initiate consultations with the State governments on the implementation of the obligations of the United States under the Agreement. Such consultations shall be held—

''(A) through the intergovernmental policy advisory committees on trade established under such section for the purpose of achieving conformity of State laws and practices with the Agreement; and

''(B) with the individual States as necessary to deal with particular questions that may arise.

''(3) The United States may bring an action challenging any provision of State law, or the application thereof to any person or circumstance, on the ground that the provision or application is inconsistent with the Agreement.

''(4) For purposes of this subsection, the term 'State law' includes—

''(A) any law of a political subdivision of a State; and

''(B) any State law regulating or taxing the business of insurance.

''(c) EFFECT OF AGREEMENT WITH RESPECT TO PRIVATE REMEDIES.—No person other than the United States shall—

''(1) have any cause of action or defense under the Agreement or by virtue of congressional approval thereof, or

''(2) challenge, in any action brought under any provision of law, any action or inaction by any department, agency, or other instrumentality of the United States, any State, or any political subdivision of a State on the ground that such action or inaction is inconsistent with the Agreement.

''(d) INITIAL IMPLEMENTING REGULATIONS.—Initial regulations necessary or appropriate to carry out the actions proposed in the statement of administrative action submitted under section 101(a)(3) to implement the Agreement shall, to the maximum extent feasible, be issued within 1 year after the date of entry into force of the Agreement [Jan. 1, 1989]. In the case of any implementing action that takes effect after the date of entry into force of the Agreement, initial regulations to carry out that action shall, to the maximum extent feasible, be issued within 1 year after such effective date.

''(e) CHANGES IN STATUTES TO IMPLEMENT A REQUIREMENT, AMENDMENT, OR RECOMMENDATION.—The provisions of section 3(c) of the Trade Agreements Act of 1979 (19 U.S.C. 2504(c)) shall apply as if the Agreement were an agreement approved under section 2(a) of that Act [19 U.S.C. 2503(a)] whenever the President determines that it is necessary or appropriate to amend, repeal, or enact a statute of the United States in order to implement any requirement of, amendment to, or recommendation, finding or opinion under, the Agreement; but such provisions shall not apply to any bill to implement any such requirement, amendment, recommendation, finding, or opinion that is submitted to the Congress after the close of the 30th month after the month in which the Agreement enters into force [January 1989].

''SEC. 103. CONSULTATION AND LAY-OVER REQUIREMENTS FOR, AND EFFECTIVE DATE OF, PROCLAIMED ACTIONS.

''(a) CONSULTATION AND LAY-OVER REQUIREMENTS.—If a provision of this Act provides that the implementation of an action by the President by proclamation is subject to the consultation and lay-over requirements of this section, such action may be proclaimed only if—

''(1) the President has obtained advice regarding the proposed action from—

''(A) the appropriate advisory committees established under section 135 of the Trade Act of 1974 [19 U.S.C. 2155], and

''(B) the United States International Trade Commission;

''(2) the President has submitted a report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate that sets forth—

''(A) the action proposed to be proclaimed and the reasons therefor, and

''(B) the advice obtained under paragraph (1);

''(3) a period of at least 60 calendar days that begins on the first day on which the President has met the requirements of paragraphs (1) and (2) with respect to such action has expired; and

''(4) the President has consulted with such Committees regarding the proposed action during the period referred to in paragraph (3).

''(b) EFFECTIVE DATE OF CERTAIN PROCLAIMED ACTIONS.—No action proclaimed by the President under the authority of this Act, if such action is not subject to the consultation and lay-over requirements under subsection (a), may take effect before the 15th day after the date on which the text of the proclamation is published in the Federal Register.

''SEC. 104. HARMONIZED SYSTEM.

''(a) DEFINITION.—As used in this Act, the term 'Harmonized System' means the nomenclature system established under the International Convention on the Harmonized Commodity Description and Coding System (done at Brussels on June 14, 1983, and the protocol thereto, done at Brussels on June 24, 1986) as implemented under United States law.

''(b) INTERIM APPLICATION OF TSUS.—The following apply if the International Convention, and the protocol thereto, referred to in subsection (a) are not imple-

mented under United States law before the Agreement enters into force:

''(1) The President, subject to subsection (c), shall proclaim such modifications to the Tariff Schedules of the United States (19 U.S.C. 1202) as may be necessary to give effect, until such time as such Convention and protocol are so implemented, to the rules of origin, schedule of rate reductions, and other provisions that would, but for the absence of such implementation, be proclaimed under the authority of this Act to, or in terms of, the Harmonized System to implement the obligations of the United States under the Agreement.

''(2) Until such time as such Convention and protocol are so implemented, any reference in this Act to the nomenclature of such Convention and protocol shall be treated as a reference to the corresponding nomenclature of the Tariff Schedules of the United States as modified under paragraph (1).

''(c) RESTRICTIONS.—

''(1) No modification described in subsection (b)(1) that is to take effect concurrently with the entry into force of the Agreement may be proclaimed unless the text of the modification is published in the Federal Register at least 30 days before the date of entry into force [Jan. 1, 1989].

''(2) All modifications proclaimed under the authority of subsection (b)(1) after the Agreement enters into force with respect to the United States are subject to the consultation and lay-over requirements of section 103(a).

''SEC. 105. IMPLEMENTING ACTIONS IN ANTICIPATION OF ENTRY INTO FORCE.

''Subject to section 103 or 104(c), as appropriate, and any other applicable restriction or limitation in this Act on the proclaiming of actions or the issuing of regulations to carry out this Act or any amendment made by this Act, after the date of the enactment of this Act [Sept. 28, 1988]—

''(1) the President may proclaim such actions; and

''(2) other appropriate officers of the United States Government may issue such regulations;

as may be necessary to ensure that any provision of this Act, or amendment made by this Act, that takes effect on the date the Agreement enters into force [Jan. 1, 1989] is appropriately implemented on such date, but no such proclamation or regulation may have an effective date earlier than the date of entry into force.

''TITLE II—TARIFF MODIFICATIONS, RULES OF ORIGIN, USER FEES, DRAWBACK, ENFORCEMENT, AND OTHER CUSTOMS PROVISIONS

''SEC. 201. TARIFF MODIFICATIONS.

''(a) TARIFF MODIFICATIONS SPECIFIED IN THE AGREEMENT.—The President may proclaim—

''(1) such modifications or continuance of any existing duty;

''(2) such continuance of existing duty-free or excise treatment; or

''(3) such additional duties;

as the President determines to be necessary or appropriate to carry out article 401 of the Agreement and the schedule of duty reductions with respect to Canada set forth in Annexes 401.2 and 401.7 to the Agreement, as approved under section 101(a)(1). For purposes of proclaiming necessary modifications under such Annex 401.2, any article covered under subheading 9813.00.05 (contained in the United States Schedule in such Annex) shall, unless such article is a drawback eligible good under section 204(a), be treated as being subject to any otherwise applicable customs duty if the article, or merchandise incorporating such article, is exported to Canada.

''(b) OTHER TARIFF MODIFICATIONS.—Subject to the consultation and lay-over requirements of section 103(a), the President may proclaim—

''(1) such modifications as the United States and Canada may agree to regarding the staging of any duty treatment set forth in Annexes 401.2 and 401.7 of the Agreement;

''(2) such modifications or continuance of any existing duty;

''(3) such continuance of existing duty-free or excise treatment; or

''(4) such additional duties;

as the President determines to be necessary or appropriate to maintain the general level of reciprocal and mutually advantageous concessions with respect to Canada provided for by the Agreement.

''(c) MODIFICATIONS AFFECTING PLYWOOD.—

''(1) The Congress encourages the President to facilitate the preparation, and the implementation with Canada, of common performance standards for the use of softwood plywood and other structural panels in construction applications in the United States and Canada.

''(2) The President shall report to the Congress on the incorporation of common plywood performance standards into building codes in the United States and Canada and may implement the provisions of article 2008 of the Agreement when he determines that the necessary conditions have been met.

''(3) Any tariff reduction undertaken pursuant to paragraph (2) shall be in equal annual increments ending January 1, 1998, unless those reductions commence after January 1, 1991.

''SEC. 202. RULES OF ORIGIN.

''(a) IN GENERAL.—

''(1) For purposes of implementing the tariff treatment contemplated under the Agreement, goods originate in the territory of a Party if—

''(A) they are wholly obtained or produced in the territory of either Party or both Parties; or

''(B) they—

''(i) have been transformed in the territory of either Party or both Parties so as to be subject to a change in tariff classification as described in the Annex rules or to such other requirements as the Annex rules may provide when no change in tariff classifications occurs, and

''(ii) meet the other conditions set out in the Annex.

''(2) A good shall not be considered to originate in the territory of a party [Party] under paragraph (1)(B) merely by virtue of having undergone—

''(A) simple packaging or, except as expressly provided by the Annex rules, combining operations;

''(B) mere dilution with water or another substance that does not materially alter the characteristics of the good; or

''(C) any process or work in respect of which it is established, or in respect of which the facts as ascertained clearly justify the presumption, that the sole object was to circumvent the provisions of chapter 3 of the Agreement.

''(3) Accessories, spare parts, or tools delivered with any piece of equipment, machinery, apparatus, or vehicle that form part of its standard equipment shall be treated as having the same origin as that equipment, machinery, apparatus, or vehicle if the quantities and values of such accessories, spare parts, or tools are customary for the equipment, machinery, apparatus, or vehicle.

''(b) TRANSSHIPMENT.—Goods exported from the territory of one Party originate in the territory of that Party only if—

''(1) the goods meet the applicable requirements of subsection (a) and are shipped to the territory of the other Party without having entered the commerce of any third country;

''(2) the goods, if shipped through the territory of a third country, do not undergo any operation other than unloading, reloading, or any operation necessary to transport them to the territory of the other Party or to preserve them in good condition; and

''(3) the documents related to the exportation and shipment of the goods from the territory of a Party show the territory of the other Party as their final destination.

''(c) INTERPRETATION.—In interpreting this section, the following apply:

''(1) Whenever the processing or assembly of goods in the territory of either Party or both Parties results in one of the changes in tariff classification described in the Annex rules, such goods shall be considered to have been transformed in the territory of that Party and shall be treated as goods originating in the territory of that Party if—

''(A) such processing or assembly occurs entirely within the territory of either Party or both Parties; and

''(B) such goods have not subsequently undergone any processing or assembly outside the territories of the Parties that improves the goods in condition or advances them in value.

''(2) Whenever the assembly of goods in the territory of a Party fails to result in a change of tariff classification because either—

''(A) the goods were imported into the territory of the Party in an unassembled or a disassembled form and were classified as unassembled or disassembled goods pursuant to General Rule of Interpretation 2(a) of the Harmonized System; or

''(B) the tariff subheading for the goods provides for both the goods themselves and their parts;

such goods shall not be treated as goods originating in the territory of a Party.

''(3) Notwithstanding paragraph (2), goods described in that paragraph shall be considered to have been transformed in the territory of a Party and be treated as goods originating in the territory of the Party if—

''(A) the value of materials originating in the territory of either Party or both Parties used or consumed in the production of the goods plus the direct cost of assembling the goods in the territory of either Party or both Parties constitute not less than 50 percent of the value of the goods when exported to the territory of the other Party; and

''(B) the goods have not subsequent to assembly undergone processing or further assembly in a third country and they meet the requirements of subsection (b).

''(4) The provisions of paragraph (3) shall not apply to goods of chapters 61–63 of the Harmonized System.

''(5) In making the determination required by paragraph (3)(A) and in making the same or a similar determination when required by the Annex rules, where materials originating in the territory of either Party or both Parties and materials obtained or produced in a third country are used or consumed together in the production of goods in the territory of a Party, the value of materials originating in the territory of either Party or both Parties may be treated as such only to the extent that it is directly attributable to the goods under consideration.

''(6) In applying the Annex rules, a specific rule shall take precedence over a more general rule.

''(d) ANNEX RULES.—

''(1) The President is authorized to proclaim, as a part of the Harmonized System, the rules set forth under the heading 'Rules' in Annex 301.2 of the Agreement. For purposes of carrying out this paragraph—

''(A) the phrase 'headings 2207–2209' in paragraph 7 of section IV of such Annex 301.2 shall be treated as a reference to headings 2203–2209; and

''(B) the phrase 'any other heading' in paragraph 11 of section XV in such Annex 301.2 shall be treated as a reference to any other heading of chapter 74 of the Harmonized System.

''(2) Subject to the consultation and lay-over requirements of section 103, the President is authorized to proclaim such modifications to the rules as may from time-to-time be agreed to by the United States and Canada.

''(e) AUTOMOTIVE PRODUCTS.—

''(1) The President is authorized to proclaim such modifications to the definition of Canadian articles (relating to the administration of the Automotive Products Trade Act of 1965 [19 U.S.C. 2001 et seq.]) in the general notes of the Harmonized System as may be necessary to conform that definition with chapter 3 of the Agreement.

''(2) For purposes of administering the value requirement (as defined in section 304(c)(3)) with respect to vehicles, the Secretary of the Treasury shall prescribe regulations governing the averaging of the value content of vehicles of the same class, or of sister vehicles, assembled in the same plant as an alternative to the calculation of the value content of each vehicle.

''(f) DEFINITIONS.—For purposes of this section:

''(1) The term 'Annex' means—

''(A) the interpretative guidelines set forth in subsection (c); and

''(B) the Annex rules.

''(2) The term 'Annex rules' means the rules proclaimed under subsection (d).

''(3) The term 'direct cost of processing or direct cost of assembling' means the costs directly incurred in, or that can reasonably be allocated to, the production of goods, including—

''(A) the cost of all labor, including benefits and on-the-job training, labor provided in connection with supervision, quality control, shipping, receiving, storage, packaging, management at the location of the process or assembly, and other like labor, whether provided by employees or independent contractors;

''(B) the cost of inspecting and testing the goods;

''(C) the cost of energy, fuel, dies, molds, tooling, and the depreciation and maintenance of machinery and equipment, without regard to whether they originate within the territory of a Party;

''(D) development, design, and engineering costs;

''(E) rent, mortgage interest, depreciation on buildings, property insurance premiums, maintenance, taxes and the cost of utilities for real property used in the production of goods; and

''(F) royalty, licensing, or other like payments for the right to the goods;

but not including—

''(i) costs relating to the general expense of doing business, such as the cost of providing executive, financial, sales, advertising, marketing, accounting and legal services, and insurance;

''(ii) brokerage charges relating to the importation and exportation of goods;

''(iii) the costs for telephone, mail, and other means of communication;

''(iv) packing costs for exporting the goods;

''(v) royalty payments related to a licensing agreement to distribute or sell the goods;

''(vi) rent, mortgage interest, depreciation on buildings, property insurance premiums, maintenance, taxes, and the cost of utilities for real property used by personnel charged with administrative functions; or

''(vii) profit on the goods.

''(4) The term 'goods wholly obtained or produced in the territory of either Party or both Parties' means—

''(A) mineral goods extracted in the territory of either Party or both Parties;

''(B) goods harvested in the territory of either Party or both Parties;

''(C) live animals born and raised in the territory of either Party or both Parties;

''(D) goods (fish, shellfish, and other marine life) taken from the sea by vessels registered or recorded with a Party and flying its flag;

''(E) goods produced on board factory ships from the goods referred to in subparagraph (D) provided such factory ships are registered or recorded with that Party and fly its flag;

''(F) goods taken by a Party or a person of a Party from the seabed or beneath the seabed outside territorial waters, provided that Party has rights to exploit such seabed;

''(G) goods taken from space, provided they are obtained by a Party or a person of a Party and not processed in a third country;

''(H) waste and scrap derived from manufacturing operations and used goods, provided they were collected in the territory of either Party or both Parties and are fit only for the recovery of raw materials; and

''(I) goods produced in the territory of either Party or both Parties exclusively from goods referred to in subparagraphs (A) to (H) inclusive or from their derivatives, at any stage of production.

''(5) The term 'materials' means goods, other than those included as part of the direct cost of processing or assembling, used or consumed in the production of other goods.

''(6) The term 'Party' means Canada or the United States.

''(7) The term 'territory' means—

''(A) with respect to Canada, the territory to which its customs laws apply, including any areas beyond the territorial seas of Canada within which, in accordance with international law and its domestic laws, Canada may exercise rights with respect to the seabed and subsoil and their natural resources; and

''(B) with respect to the United States—

''(i) the customs territory of the United States, which includes the fifty States, the District of Columbia and the Commonwealth of Puerto Rico,

''(ii) the foreign trade zones located in the United States, and the Commonwealth of Puerto Rico, and

''(iii) any area beyond the territorial seas of the United States within which, in accordance with international law and its domestic laws, the United States may exercise rights with respect to the seabed and subsoil and their natural resources.

''(8) The term 'third country' means any country other than Canada or the United States or any territory not a part of the territory of either.

''(9) The term 'value of materials originating in the territory of either Party or both Parties' means the aggregate of—

''(A) the price paid by the producer of an exported good for materials originating in the territory of either Party or both Parties or for materials imported from a third country used or consumed in the production of such originating materials; and

''(B) when not included in that price, the following costs related thereto—

''(i) freight, insurance, packing, and all other costs incurred in transporting any of the materials referred to in subparagraph (A) to the location of the producer;

''(ii) duties, taxes, and brokerage fees on such materials paid in the territory of either Party or both Parties;

''(iii) the cost of waste or spoilage resulting from the use or consumption of such materials, less the value of renewable scrap or byproduct; and

''(iv) the value of goods and services relating to such materials determined in accordance with subparagraph 1(b) of article 8 of the Agreement on Implementation of article VII of the General Agreement on Tariffs and Trade.

''(10) The term 'value of the goods when exported to the territory of the other Party' means the aggregate of—

''(A) the price paid by the producer for all materials, whether or not the materials originate in either Party or both Parties, and, when not included in the price paid for the materials, the costs related to—

''(i) freight, insurance, packing, and all other costs incurred in transporting all materials to the location of the producer;

''(ii) duties, taxes, and brokerage fees on all materials paid in the territory of either Party or both Parties;

''(iii) the cost of waste or spoilage resulting from the use or consumption of such materials, less the value of renewable scrap or byproduct; and

''(iv) the value of goods and services relating to all materials determined in accordance with subparagraph 1(b) of article 8 of the Agreement on Implementation of article VII of the General Agreement on Tariffs and Trade; and

''(B) the direct cost of processing or the direct cost of assembling the goods.

''(g) SPECIAL PROVISION REGARDING APPLICATION OF RULES OF ORIGIN TO CERTAIN APPAREL.—The Secretary of Commerce is authorized to issue regulations governing the exportation to Canada of apparel products that are cut, or knit to shape, and sewn, or otherwise assembled, in either Party from fabric produced or obtained in a third country for the purpose of establishing which exports of such products shall be permitted to claim preferential tariff treatment under the rules of origin of the Agreement, to the extent that the Agreement provides for quantitative limits on the availability of preferential tariff treatment for such products.

''SEC. 203. CUSTOMS USER FEES.

[Amended section 58c of this title.]

''SEC. 204. DRAWBACK.

''(a) DEFINITION.—For purposes of this section, the term 'drawback eligible goods' means—

''(1) goods provided for under paragraph 8 of article 404 of the Agreement;

''(2) goods provided for under paragraphs 4 and 5 of such article; and

''(3) goods other than those referred to in paragraphs (1) and (2) that the United States and Canada agree are not subject to paragraphs 1, 2, and 3 of such article.

No drawback may be paid with respect to countervailing duties or antidumping duties imposed on drawback eligible goods.

''(b) IMPLEMENTATION OF ARTICLE 404.—The President is authorized—

''(1) to proclaim the identity, in accordance with the nomenclature of the Harmonized System, of goods referred to in subsection (a)(1); and

''(2) subject to the consultation and lay-over requirements of section 103(a), to proclaim—

''(A) the identity, in accordance with the nomenclature of the Harmonized System, of goods referred to in subsection (a)(3); and

''(B) a delay in the taking effect of article 404 of the Agreement to a date later than January 1, 1994, with respect to any merchandise if the United States and Canada agree to the delay under paragraph 7 of such article.

''(c) CONSEQUENTIAL AMENDMENTS.—

''(1) BONDED MANUFACTURING WAREHOUSES.—[Amended section 1311 of this title.]

''(2) BONDED SMELTING AND REFINING WAREHOUSES.—[Amended section 1312 of this title.]

''(3) DRAWBACK.—[Amended section 1313 of this title.]

''(4) MANIPULATION IN WAREHOUSE.—[Amended section 1562 of this title.]

''(5) FOREIGN TRADE ZONES.—[Amended section 81c of this title.]

''SEC. 205. ENFORCEMENT.

''(a) CERTIFICATIONS OF ORIGIN.—

''(1) Any person that certifies in writing that goods exported to Canada meet the rules of origin under section 202 of the United States-Canada Free-Trade Agreement Implementation Act of 1988 [section 202 of this note] shall provide, upon request by any customs official, a copy of that certification.

''(2) Any person that fails to provide a copy of a certification requested under paragraph (1) shall be liable to the United States for a civil penalty not to exceed $10,000.

''(3) Any person that certifies falsely that goods exported to Canada meet the rules of origin under such section 202 shall be liable to the United States for the

same civil penalties provided under section 592 of the Tariff Act of 1930 (19 U.S.C. 1592) for a violation of section 592(a) of such Act by fraud, gross negligence, or negligence, as the case may be. The procedures and provisions of section 592 of such Act that are applicable to a violation under section 592(a) of such Act shall apply with respect to such false certification.

''(b) HOUSEKEEPING REQUIREMENTS.—[Amended section 1508 of this title.]

''SEC. 206. EXEMPTION FROM LOTTERY TICKET EMBARGO

[Amended section 1305 of this title.]

''SEC. 207. PRODUCTION-BASED DUTY REMISSION PROGRAMS WITH RESPECT TO AUTOMOTIVE PRODUCTS.

''(a) USTR STUDY.—The United States Trade Representative shall—

''(1) undertake a study to determine whether any of the production-based duty remission programs of Canada with respect to automotive products is either—

''(A) inconsistent with the provisions of, or otherwise denies the benefits to the United States under, the General Agreement on Tariffs and Trade, or

''(B) being implemented inconsistently with the obligations under article 1002 of the Agreement not—

''(i) to expand the extent or the application, or

''(ii) to extend the duration,

of such programs; and

''(2) determine whether to initiate an investigation under section 302 of the Trade Act of 1974 [19 U.S.C. 2412] with respect to any of such production-based duty remission programs.

''(b) REPORT AND MONITORING.—

''(1) The United States Trade Representative shall submit a report to Congress no later than June 30, 1989 (or no later than September 30, 1989, if the Trade Representative considers an extension to be necessary) containing—

''(A) the results of the study under subsection (a)(1), as well as a description of the basis used for measuring and verifying compliance with the obligations referred to in subsection (a)(1)(B); and

''(B) any determination made under subsection (a)(2) and the reasons therefor.

''(2) Notwithstanding the submission of the report under paragraph (1), the Trade Representative shall continue to monitor the degree of compliance with the obligations referred to in subsection (a)(1)(B).

''TITLE III—APPLICATION OF AGREEMENT TO SECTORS AND SERVICES

''SEC. 301. AGRICULTURE.

''(a) SPECIAL TARIFF PROVISIONS FOR FRESH FRUITS AND VEGETABLES.—

''(1) The Secretary of Agriculture (hereafter in this section referred to as the 'Secretary') may recommend to the President the imposition of a temporary duty on any Canadian fresh fruit or vegetable entered into the United States if the Secretary determines that both of the following conditions exist at the time that imposition of the duty is recommended:

''(A) For each of 5 consecutive working days the import price of the Canadian fresh fruit or vegetable is below 90 percent of the corresponding 5-year average monthly import price for such fruit or vegetable.

''(B) The planted acreage in the United States for the like fresh fruit or vegetable is no higher than the average planted acreage over the preceding 5 years, excluding the years with the highest and lowest acreage. For the purposes of applying this subparagraph, any acreage increase attributed directly to a reduction in the acreage that was planted to wine grapes as of October 4, 1987, shall be excluded.

Whenever the Secretary makes a determination that the conditions referred to in subparagraphs (A) and (B) regarding any Canadian fresh fruit or vegetable exist, the Secretary shall immediately submit for publication in the Federal Register notice of the determination.

''(2) No later than 6 days after publication in the Federal Register of the notice described in paragraph (1), the Secretary shall decide whether to recommend the imposition of a temporary duty to the President, and if the Secretary decides to make such a recommendation, the recommendation shall be forwarded immediately to the President.

''(3) In determining whether to recommend the imposition of a temporary duty to the President under paragraph (1), the Secretary shall consider whether the conditions in subparagraphs (A) and (B) of such paragraph have led to a distortion in trade between the United States and Canada of the fresh fruit or vegetable and, if so, whether the imposition of the duty is appropriate, including consideration of whether it would significantly correct this distortion.

''(4) Not later than 7 days after receipt of a recommendation of the Secretary under paragraph (1), the President, after taking into account the national economic interests of the United States, shall determine whether to impose a temporary duty on the Canadian fresh fruit or vegetable concerned. If the determination is affirmative, the President shall proclaim the imposition and the rate of the temporary duty, but such duty shall not apply to the entry of articles that were in transit to the United States on the first day on which the temporary duty is in effect.

''(5) A temporary duty imposed under paragraph (4) shall cease to apply with respect to articles that are entered on or after the earlier of—

''(A) the day following the last of 5 consecutive working days with respect to which the Secretary determines that the point of shipment price in Canada for the Canadian fruit or vegetable concerned exceeds 90 percent of the corresponding 5-year average monthly import price; or

''(B) the 180th day after the date on which the temporary duty first took effect.

''(6) No temporary duty may be imposed under this subsection on a Canadian fresh fruit or vegetable during such time as import relief is provided with respect to such fresh fruit or vegetable under chapter 1 of title II of the Trade Act of 1974 [19 U.S.C. 2251 et seq.].

''(7) For purposes of this subsection:

''(A) The term 'Canadian fresh fruit or vegetable' means any article originating in Canada (as determined in accordance with section 202) and classified within any of the following headings of the Harmonized System:

''(i) 07.01 (relating to potatoes, fresh or chilled);

''(ii) 07.02 (relating to tomatoes, fresh or chilled);

''(iii) 07.03 (relating to onions, shallots, garlic, leeks and other alliaceous vegetables, fresh or chilled);

''(iv) 07.04 (relating to cabbages, cauliflowers, kohlrabi, kale and similar edible brassicas, fresh or chilled);

''(v) 07.05 (relating to lettuce (lactuca sativa) and chicory (cichorium spp.), fresh or chilled);

''(vi) 07.06 (relating to carrots, salad beets or beetroot, salsify, celeriac, radishes and similar edible roots (excluding turnips), fresh or chilled);

''(vii) 07.07 (relating to cucumbers and gherkins, fresh or chilled);

''(viii) 07.08 (relating to leguminous vegetables, shelled or unshelled, fresh or chilled);

''(ix) 07.09 (relating to other vegetables (excluding truffles), fresh or chilled);

''(x) 08.06.10 (relating to grapes, fresh);

''(xi) 08.08.20 (relating to pears and quinces, fresh);

''(xii) 08.09 (relating to apricots, cherries, peaches (including nectarines), plums and sloes, fresh); and

''(xiii) 08.10 (relating to other fruit (excluding cranberries and blueberries), fresh).

''(B) The term 'corresponding 5-year average monthly import price' for a particular day means the average import price of a Canadian fresh fruit or vegetable, for the calendar month in which that day occurs, for that month in each of the preceding 5 years, excluding the years with the highest and lowest monthly averages.

''(C) The term 'import price' has the meaning given such term in article 711 of the Agreement.

''(D) The rate of a temporary duty imposed under this subsection with respect to a Canadian fresh fruit or vegetable means a rate that, including the rate of any other duty in effect for such fruit or vegetable, does not exceed the lesser of—

''(i) the duty that was in effect for the fresh fruit or vegetable before January 1, 1989, under column one of the Tariff Schedules of the United States for the applicable season in which the temporary duty is applied; or

''(ii) the duty in effect for the fresh fruit or vegetable under column one of such Schedules, or column 1 (General) of the Harmonized System, at the time the temporary duty is applied.

''(8)(A) The Secretary shall, to the extent practicable, administer the provisions of this subsection to the 8-digit level of classification under the Harmonized System.

''(B) The Secretary may issue such regulations as may be necessary to implement the provisions of this subsection.

''(9) For purposes of assisting the Secretary in carrying out this subsection—

''(A) the Commissioner of Customs and the Director of the Bureau of Census shall cooperate in providing the Secretary with timely information and data relating to the importation of Canadian fresh fruits and vegetables, and

''(B) importers shall report such information relating to Canadian fresh fruits and vegetables to the Commissioner of Customs at such time and in such manner as the Commissioner requires.

''(10) The authority to impose temporary duties under this subsection expires on the 20th anniversary of the date on which the Agreement enters into force.

''(b) MEAT IMPORT ACT OF 1979.—[Amended section 2 of Pub. L. 88–482, set out as a note under section 2253 of this title.]

''(c) AGRICULTURAL ADJUSTMENT ACT.—[Amended section 624 of Title 7, Agriculture.]

''(d) IMPORTATION OF ANIMAL VACCINES.—[Amended section 152 of Title 21, Food and Drugs.]

''(e) IMPORTATION OF SEEDS.—[Amended section 1582 of Title 7, Agriculture.]

''(f) PLANT AND ANIMAL HEALTH REGULATIONS.—

''(1) [Amended section 150bb of Title 7.]

''(2) [Amended section 150cc of Title 7.]

''(3) [Amended sections 154 and 156 of Title 7.]

''(4) [Amended section 2803 of Title 7.]

''(5) [Amended section 1306 of this title.]

''SEC. 302. RELIEF FROM IMPORTS.

''(a) RELIEF FROM IMPORTS OF CANADIAN ARTICLES.—

''(1) A petition requesting action under this section for the purpose of adjusting to the obligations of the United States under the Agreement may be filed with the United States International Trade Commission (hereafter in this section referred to as the 'Commission') by an entity, including a trade association, firm, certified or recognized union, or group of workers, which is representative of an industry. The Commission shall transmit a copy of any petition filed under this paragraph to the United States Trade Representative.

''(2)(A) Upon the filing of a petition under paragraph (1), the Commission shall promptly initiate an investigation to determine whether, as a result of a reduction or elimination of a duty provided for under the United States-Canada Free-Trade Agreement, an article originating in Canada is being imported into the United States in such increased quantities, in absolute terms, and under such conditions, so that imports of such Canadian article, alone, constitute a substantial cause of serious injury to the domestic industry producing an article like, or directly competitive with, the imported article.

''(B) The provisions of—

''(i) paragraphs (2), (3), (4), (6), and (7) of subsection (b), other than paragraph (2)(B), and

''(ii) subsection (c),

of section 201 of the Trade Act of 1974 (19 U.S.C. 2251), as in effect on June 1, 1988, shall apply with respect to any investigation initiated under subparagraph (A).

''(C) By no later than the date that is 120 days after the date on which an investigation is initiated under subparagraph (A), the Commission shall make a determination under subparagraph (A) with respect to such investigation.

''(D) If the determination made by the Commission under subparagraph (A) with respect to imports of an article is affirmative, the Commission shall find and recommend to the President the amount of import relief that is necessary to remedy the injury found by the Commission in such affirmative determination, which shall be limited to that set forth in paragraph (3)(C).

''(E)(i) By no later than the date that is 30 days after the date on which a determination is made under subparagraph (A) with respect to an investigation, the Commission shall submit to the President a report on the determination and the basis for the determination. The report shall include any dissenting or separate views and a transcript of the hearings and any briefs which were submitted to the Commission in the course of the investigation initiated under subparagraph (A).

''(ii) Any finding made under subparagraph (D) shall be included in the report submitted to the President under clause (i).

''(F) Upon submitting a report to the President under subparagraph (E), the Commission shall promptly make public such report (with the exception of information which the Commission determines to be confidential) and shall cause a summary thereof to be published in the Federal Register.

''(G) For purposes of this subsection—

''(i) The provisions of paragraphs (1), (2), and (3) of section 330(d) of the Tariff Act of 1930 (19 U.S.C. 1330(d)) shall be applied with respect to determinations and findings made under this paragraph as if such determinations and findings were made under section 201 of the Trade Act of 1974 (19 U.S.C. 2251).

''(ii) The determination of whether an article originates in Canada shall be made in accordance with section 202 (including any proclamations issued under section 202).

''(3)(A) By no later than the date that is 30 days after the date on which the President receives the report of the Commission containing an affirmative determination made by the Commission under paragraph (2)(A), the President shall provide relief from imports of the article originating in Canada that is the subject of such determination to the extent that, and for such time (not to exceed 3 years) as the President determines to be necessary to remedy the injury found by the Commission.

''(B) The President is not required to provide import relief by reason of this paragraph if the President determines that the provision of such import relief is not in the national economic interest.

''(C) The import relief that the President is authorized to provide by reason of this paragraph with respect to an article originating in Canada is limited to—

''(i) the suspension of any further reductions provided for under the Agreement in the duty imposed on such article originating in Canada,

''(ii) an increase in the rate of duty imposed on such article originating in Canada to a level that does not exceed the lesser of—

''(I) the most-favored-nation rate of duty that is imposed by the United States on such article from any other foreign country at the time such import relief is provided, or

''(II) the most-favored-nation rate of duty that is imposed by the United States on such article from any other foreign country on the day before the date on which the Agreement enters into force [Jan. 1, 1989], or

''(iii) in the case of a duty applied on a seasonal basis to such article originating in Canada, an increase in the rate of duty imposed on such article originating in Canada to a level that does not exceed the most-favored-nation rate of duty imposed by the United States on such article originating in Canada for the corresponding season immediately prior to the date on which the Agreement enters into force.

''(4)(A) No investigation may be initiated under paragraph (2)(A) with respect to any article for which import relief has been provided under this subsection.

''(B) No import relief may be provided under this subsection after the date that is 10 years after the date on which the Agreement enters into force [Jan. 1, 1989].

''(5) For purposes of section 123 of the Trade Act of 1974 (19 U.S.C. 2133), any import relief provided by the President under paragraph (3) shall be treated as action taken under chapter I [1] of title II of such Act [19 U.S.C. 2251 et seq.].

''(b) RELIEF FROM IMPORTS FROM ALL COUNTRIES.—

''(1)(A) If, in any investigation initiated under chapter 1 of title II of the Trade Act of 1974 [19 U.S.C. 2251 et seq.], the Commission makes an affirmative determination (or a determination which is treated as an affirmative determination under such chapter by reason of section 330(d) of the Tariff Act of 1930 [19 U.S.C. 1330(d)]) that an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry, the Commission shall also find (and report to the President at the time such injury determination is submitted to the President), whether imports from Canada of the article that is the subject of such investigation are substantial and are contributing importantly to such injury or threat thereof.

''(B)(i) In determining under subparagraph (A) whether imports of an article from Canada are substantial, the Commission shall not normally consider imports from Canada in the range of 5 to 10 percent or less of total imports of such article to be substantial.

''(ii) For purposes of this paragraph, the term 'contributing importantly' means an important cause, but not necessarily the most important cause, of the serious injury or threat thereof caused by imports.

''(2)(A) In determining whether to take action under chapter 1 of title II of the Trade Act of 1974 with respect to imports from Canada, the President shall determine whether imports from Canada of such article are substantial and contributing importantly to the serious injury or threat of serious injury found by the Commission.

''(B) In determining the nature and extent of action to be taken under chapter 1 of title II of the Trade Act of 1974, the President shall exclude from such action imports from Canada if the President has made a negative determination under subparagraph (A) regarding imports from Canada.

''(3)(A) If, under paragraph (2)(B), the President excludes imports from Canada from action taken under chapter 1 of title II of the Trade Act of 1974, the President may, if the President thereafter determines that a surge in imports from Canada of the article that is the subject of the action is undermining the effectiveness of the action, take appropriate action under such chapter with respect to such imports from Canada to include such imports in such action.

''(B)(i) If, under paragraph (2)(B), the President excludes imports from Canada from action taken under chapter 1 of title II of the Trade Act of 1974, any entity, including a trade association, firm, certified or recognized union, or group of workers, that is representative of an industry for which such action is being taken under such chapter may request the Commission to conduct an investigation of imports from Canada of the article that is the subject of such action.

''(ii) Upon receiving a request under clause (i), the Commission shall conduct an investigation to determine whether a surge in imports from Canada of the article that is the subject of action being taken under chapter 1 of title II of the Trade Act of 1974 undermines the effectiveness of such action. The Commission shall submit the findings of such investigation to the President by no later than the date that is 30 days after the date on which such request is received by the Commission.

''(C) For purposes of this paragraph, the term 'surge' means a significant increase in imports over the trend for a reasonable, recent base period for which data are available.

''(c) Any entity that is representative of an industry may submit a petition for relief under subsection (a), under chapter 1 of title II of the Trade Act of 1974, or under both subsection (a) and such chapter at the same time. If petitions are submitted by such an entity under subsection (a) and such chapter at the same time, the Commission shall consider such petitions jointly.

''SEC. 303. ACTS IDENTIFIED IN NATIONAL TRADE ESTIMATES.

''With respect to any act, policy, or practice of Canada that is identified in the annual report submitted under section 181 of the Trade Act of 1974 (19 U.S.C. 2241), the United States Trade Representative shall include—

''(1) information with respect to the action taken regarding such act, policy, or practice, including but not limited to—

''(A) any action under section 301 of the Trade Act of 1974 [19 U.S.C. 2411] (including resolution through appropriate dispute settlement procedures),

''(B) any action under section 307 of the Trade and Tariff Act of 1984 [section 307 of Pub. L. 98–573, enacting section 2114d of this title and amending this section], and

''(C) negotiations or consultations, whether on a bilateral or multilateral basis; or

''(2) the reasons that no action was taken regarding such act, policy, or practice.

''SEC. 304. NEGOTIATIONS REGARDING CERTAIN SECTORS; BIENNIAL REPORTS.

''(a) IN GENERAL.—

''(1) The President is authorized to enter into negotiations with the Government of Canada for the purpose of concluding an agreement (including an agreement amending the Agreement) or agreements to—

''(A) liberalize trade in services in accordance with article 1405 of the Agreement;

''(B) liberalize investment rules;

''(C) improve the protection of intellectual property rights;

''(D) increase the value requirement applied for purposes of determining whether an automotive product is treated as originating in Canada or the United States; and

''(E) liberalize government procurement practices, particularly with regard to telecommunications.

''(2) As an exercise of the foreign relations powers of the President under the Constitution, the President will enter into immediate consultations with the Government of Canada to obtain the exclusion from the transport rates established under Canada's Western Grain Transportation Act of agricultural goods that originate in Canada and are shipped via east coast ports for consumption in the United States.

''(b) NEGOTIATING OBJECTIVES REGARDING SERVICES, INVESTMENT, AND INTELLECTUAL PROPERTY RIGHTS.—

''(1) The objectives of the United States in negotiations conducted under subsection (a)(1)(A) to liberalize trade in services include—

''(A) with respect to developing services sectors not covered in the Agreement, the elimination of those tariff, nontariff, and subsidy trade distortions that have potential to affect significant bilateral trade;

''(B) the elimination or reduction of measures grandfathered by the Agreement that deny or restrict national treatment in the provision of services;

''(C) the elimination of local presence requirements; and

''(D) the liberalization of government procurement of services.

In conducting such negotiations, the President shall consult with the services advisory committees established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155).

''(2) The objectives of the United States in any negotiations conducted under subsection (a)(1)(B) to liberalize investment rules include—

''(A) the elimination of direct investment screening;

''(B) the extension of the principles of the Agreement to energy and cultural industries, to the extent such industries are not currently covered by the Agreement;

''(C) the elimination of technology transfer requirements and other performance requirements not currently barred by the Agreement; and

''(D) the subjection of all investment disputes to dispute resolution under chapter 18 of the Agreement.

In conducting such negotiations, the President shall consult with persons representing diverse interests in the United States in investment.

''(3) The objectives of the United States in any negotiations conducted under subsection (a)(1)(C) to improve the protection of intellectual property rights include—

''(A) the recognition and adequate protection of intellectual property, including copyrights, patents, process patents, trademarks, mask works, and trade secrets; and

''(B) the establishment of dispute resolution procedures and binational enforcement of intellectual property standards.

In conducting such negotiations, the President shall consult with persons representing diverse interests in the United States in intellectual property.

''(c) NEGOTIATING OBJECTIVES REGARDING AUTOMOTIVE PRODUCTS.—

''(1) In conducting negotiations under subsection (a)(1)(D) regarding the value requirement for automotive products, the President shall seek to conclude an agreement by no later than January 1, 1990, to increase the value requirement from 50 percent to at least 60 percent.

''(2) The President is authorized, through January 1, 1999, to proclaim any agreed increase in the value requirement.

''(3) As used in this section, the term 'value requirement' means the minimum percentage of the value of an automotive product that must be accounted for by the value of the materials in the product that originated in the United States or Canada, or both, plus the direct cost of processing or assembly performed in the United States or Canada, or both, with respect to the product.

''(d) NEGOTIATION OF LIMITATION ON POTATO TRADE.—

''(1) During the 5-year period beginning on the date of enactment of this Act [Sept. 28, 1988], the President is authorized to enter into negotiations with Canada for the purpose of obtaining an agreement to limit the exportation and importation of all potatoes between the United States and Canada, including seed potatoes, fresh, chilled or frozen potatoes, dried, desiccated or dehydrated potatoes, and potatoes otherwise prepared or preserved. Any agreement negotiated under this subsection shall provide for an annual limitation divided equally into each half of the year.

''(2) For the purpose of conducting negotiations under paragraph (1), the Secretary of Agriculture and the United States Trade Representative shall consult with representatives of the potato producing industry, including the Ad Hoc Potato Advisory Group and the United States/Canada Horticultural Industry Advisory Committee, to solicit their views on negotiations with Canada for reciprocal quantitative limits on the potato trade.

''(3) The President is authorized to direct the Secretary of the Treasury to—

''(A) carry out such actions as may be necessary or appropriate to ensure the attainment of the objectives of any agreement that is entered into under this section; and

''(B) enforce any quantitative limitation, restriction, and other terms contained in the agreement.

Such actions may include, but are not limited to, requirements that valid export licenses or other documentation issued by a foreign government be presented as a condition for the entry into the United States of any article that is subject to the agreement.

''(4) The provisions of section 1204 of the Agriculture and Food Act of 1981 (7 U.S.C. 1736j) and the last sentence of section 812 of the Agricultural Act of 1970 (7 U.S.C. 612c–3) shall not apply in the case of actions taken pursuant to this subsection.

''(e) CANADIAN CONTROLS ON FISH.—

''(1) Within 30 days of the application by Canada of export controls on unprocessed fish under statutes exempted from the Agreement under article 1203, or the application of landing requirements for fish caught in Canadian waters, the President shall take appropriate action to enforce United States rights under the General Agreement on Tariffs and Trade that are retained in article 1205 of the Agreement.

''(2) In enforcing the United States rights referred to in paragraph (1), the President has discretion to—

''(A) bring a challenge to the offending Canadian practices before the GATT;

''(B) retaliate against such offending practices;

''(C) seek resolution directly with Canada;

''(D) refer the matter for dispute resolution to the Canada-United States Trade Commission; or

''(E) take other action that the President considers appropriate to enforce such United States rights.

''(f) BIENNIAL REPORT.—The President shall submit to the Congress, at the close of each biennial period occurring after the date on which the Agreement enters into force [Jan. 1, 1989], a report regarding—

''(1) the status of the negotiations regarding agreements that the President is authorized to enter into with Canada under this section;

''(2) the effectiveness and operation of any agreement entered into under section 304 that is in force with respect to the United States;

''(3) the effectiveness of operation of the Agreement generally; and

''(4) the actions taken by the United States and Canada to implement further the objectives of the Agreement.

''SEC. 305. ENERGY.

''(a) ALASKAN OIL.—[Amended section 2406 of the Appendix to Title 50, War and National Defense.]

''(b) URANIUM.—[Amended section 2201 of Title 42, The Public Health and Welfare.]

''SEC. 306. LOWERED THRESHOLD FOR GOVERNMENT PROCUREMENT UNDER TRADE AGREEMENTS ACT OF 1979 IN THE CASE OF CERTAIN CANADIAN PRODUCTS.

[Amended section 2518 of this title.]

''SEC. 307. TEMPORARY ENTRY FOR BUSINESS PERSONS.

''(a) NONIMMIGRANT TRADERS AND INVESTORS.—Upon a basis of reciprocity secured by the United States-Canada Free-Trade Agreement, a citizen of Canada, and the spouse and children of any such citizen if accompanying or following to join such citizen, may, if otherwise eligible for a visa and if otherwise admissible into the United States under the Immigration and Nationality Act (8 U.S.C. 1101 et seq.), be considered to be classifiable as a nonimmigrant under section 101(a)(15)(E) of such Act (8 U.S.C. 1101(a)(15)(E)) if entering solely for a purpose specified in Annex 1502.1 (United States of America), Part B—Traders and Investors, of such Agreement, but only if any such purpose shall have been specified in such Annex as of the date of entry into force of such Agreement [Jan. 1, 1989].

''(b) NONIMMIGRANT PROFESSIONALS.—[Amended section 1184 of Title 8, Aliens and Nationality.]

''SEC. 308. AMENDMENT TO SECTION 5136 OF THE REVISED STATUTES.

[Amended section 24 of Title 12, Banks and Banking.]

''SEC. 309. STEEL PRODUCTS.

''Nothing in this Act shall preclude any discussion or negotiation between the United States and Canada in order to conclude voluntary restraint agreements or mutually agreed quantitative restrictions on the volume of steel products entering the United States from Canada.

''TITLE IV—BINATIONAL PANEL DISPUTE SETTLEMENT IN ANTIDUMPING AND COUNTERVAILING DUTY CASES.

''SEC. 401. AMENDMENTS TO SECTION 516A OF THE TARIFF ACT OF 1930.

[Amended section 1516a of this title.]

''SEC. 402. AMENDMENTS TO TITLE 28, UNITED STATES CODE.

''(a) JURISDICTION OF COURT OF INTERNATIONAL TRADE.—[Amended section 1581 of Title 28, Judiciary and Judicial Procedure.]

''(b) RELIEF IN COURT OF INTERNATIONAL TRADE.—[Amended section 2643 of Title 28.]

''(c) DECLARATORY JUDGMENTS.—[Amended section 2201 of Title 28.]

''(d) ACTIONS UNDER THE AGREEMENT.—[Enacted section 1584 of Title 28.]

''SEC. 403. CONFORMING AMENDMENTS TO THE TARIFF ACT OF 1930.

[Amended sections 1502, 1514, 1677, and 1677f of this title.]

''SEC. 404. AMENDMENTS TO ANTIDUMPING AND COUNTERVAILING DUTY LAW.

''Any amendment enacted after the Agreement enters into force with respect to the United States [Jan. 1, 1989] that is made to—

''(1) section 303 [19 U.S.C. 1303] or title VII of the Tariff Act of 1930 [19 U.S.C. 1671 et seq.], or any successor statute, or

''(2) any other statute which—

''(A) provides for judicial review of final determinations under such section, title, or statute, or

''(B) indicates the standard of review to be applied,

shall apply to Canada only to the extent specified in such amendment.

''SEC. 405. ORGANIZATIONAL AND ADMINISTRATIVE PROVISIONS REGARDING THE IMPLEMENTATION OF CHAPTERS 18 AND 19 OF THE AGREEMENT.

''(a) APPOINTMENT OF INDIVIDUALS TO PANELS AND COMMITTEES.—

''(1)(A) There is established within the interagency organization established under section 242 of the Trade Expansion Act of 1962 (19 U.S.C. 1872) an interagency group which shall—

''(i) be chaired by the United States Trade Representative (hereafter in this section referred to as the 'Trade Representative'), and

''(ii) consist of such officers (or the designees thereof) of the Government of the United States as the Trade Representative considers appropriate.

''(B) The interagency group established under subparagraph (A) shall, in a manner consistent with chapter 19 of the Agreement—

''(i) prepare by January 3 of each calendar year—

''(I) a list of individuals who are qualified to serve as members of binational panels convened under chapter 19 of the Agreement, and

''(II) a list of individuals who are qualified to serve on extraordinary challenge committees convened under such chapter,

''(ii) if the Trade Representative makes a request under paragraph (5)(A)(i) with respect to a final candidate list during any calendar year, prepare by July 1 of such calendar year a list of those individuals who are qualified to be added to that final candidate list,

''(iii) exercise oversight of the administration of the United States Secretariat that is authorized to be established under subsection (e), and

''(iv) make recommendations to the Trade Representative regarding the convening of extraordinary challenge committees under chapter 19 of the Agreement.

''(2)(A) The Trade Representative shall select individuals from the respective lists prepared by the interagency group under paragraph (1)(B)(i) for placement on a preliminary candidate list of individuals eligible to serve as members of binational panels under Annex 1901.2 of the Agreement and a preliminary candidate list of individuals eligible for selection as members of extraordinary challenge committees under Annex 1904.13 of the Agreement.

''(B) The selection of individuals for—

''(i) placement on lists prepared by the interagency group under clause (i) or (ii) of paragraph (1)(B),

''(ii) placement on preliminary candidate lists under subparagraph (A),

''(iii) placement on final candidate lists under paragraph (3),

''(iv) placement by the Trade Representative on the rosters described in Annex 1901.2(1) and Annex 1904.13(1) of the Agreement, and

''(v) appointment by the Trade Representative for service on binational panels and extraordinary challenge committees convened under chapter 19 of the Agreement,

shall be made on the basis of the criteria provided in Annex 1901.2(1) and Annex 1904.13(1) of the Agreement and shall be made without regard to political affiliation.

''(C) For purposes of applying section 1001 of title 18, United States Code, the written or oral responses of individuals to inquiries of the interagency group established under paragraph (1) or the Trade Representative regarding their personal and professional qualifications, and financial and other relevant interests, that bear on their suitability for the placements and appointments described in subparagraph (B), shall be treated as matters within the jurisdiction of an agency of the United States.

''(3)(A) By no later than January 3 of each calendar year, the Trade Representative shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives (hereafter in this section referred to as the 'appropriate Congressional Committees') the preliminary candidate lists of those individuals selected by the Trade Representative under paragraph (2)(A) to be candidates eligible to serve on binational panels or extraordinary challenge committees convened pursuant to chapter 19 of the Agreement during the 1-year period beginning on April 1 of such calendar year.

''(B) Upon submission of the preliminary candidate lists under subparagraph (A) to the appropriate Con-

gressional Committees, the Trade Representative shall consult with the appropriate Congressional Committees with regard to the individuals listed on the preliminary candidate lists.

''(C) The Trade Representative may add or delete individuals from the preliminary candidate lists submitted under subparagraph (A) after consulting the appropriate Congressional Committees with regard to such addition or deletion. The Trade Representative shall provide to the appropriate Congressional Committees written notice of any addition or deletion of an individual from the preliminary candidate lists.

''(4)(A) By no later than March 31 of each calendar year, the Trade Representative shall submit to the appropriate Congressional Committees the final candidate lists of those individuals selected by the Trade Representative to be candidates eligible to serve on binational panels and extraordinary challenge committees convened pursuant to chapter 19 of the Agreement during the 1-year period beginning on April 1 of such calendar year. An individual may be included on a final candidate list only if written notice of the addition of such individual to the preliminary candidate list was submitted to the appropriate Congressional Committees at least 15 days before the date on which that final candidate list is submitted to the appropriate Congressional Committees under this subparagraph.

''(B) Except as provided in paragraph (5), no additions may be made to the final candidate lists after the final candidate lists are submitted to the appropriate Congressional Committees under subparagraph (A).

''(5)(A) If, after the Trade Representative has submitted the final candidate lists to the appropriate Congressional Committees under paragraph (4)(A) for a calendar year and before July 1 of such calendar year, the Trade Representative determines that additional individuals need to be added to a final candidate list, the Trade Representative shall—

''(i) request the interagency group established under paragraph (1)(A) to prepare a list of individuals who are qualified to be added to such candidate list,

''(ii) select individuals from the list prepared by the interagency group under paragraph (1)(B)(ii) to be included in a proposed amendment to such final candidate list, and

''(iii) by no later than July 1 of such calendar year, submit to the appropriate Congressional Committees the proposed amendments to such final candidate list developed by the Trade Representative under clause (ii).

''(B) Upon submission of a proposed amendment under subparagraph (A)(iii) to the appropriate Congressional Committees, the Trade Representative shall consult with the appropriate Congressional Committees with regard to the individuals included in the proposed amendment.

''(C) The Trade Representative may add or delete individuals from any proposed amendment submitted under subparagraph (A)(iii) after consulting the appropriate Congressional Committees with regard to such addition or deletion. The Trade Representative shall provide to the appropriate Congressional Committees written notice of any addition or deletion of an individual from the proposed amendment.

''(D)(i) If the Trade Representative submits under subparagraph (A)(iii) in any calendar year a proposed amendment to a final candidate list, the Trade Representative shall, by no later than September 30 of such calendar year, submit to the appropriate Congressional Committees the final form of such amendment. On October 1 of such calendar year, such amendment shall take effect and the individuals included in the final form of such amendment shall be added to the final candidate list.

''(ii) An individual may be included in the final form of an amendment submitted under clause (i) only if written notice of the addition of such individual to the proposed form of such amendment was submitted to the appropriate Congressional Committees at least 15 days before the date on which the final form of such amendment is submitted under clause (i).

''(iii) Individuals added to a final candidate list under clause (i) shall be eligible to serve on binational panels or extraordinary challenge committees convened pursuant to chapter 19 of the Agreement, as the case may be, during the 6-month period beginning on October 1 of the calendar year in which such addition occurs.

''(iv) No additions may be made to the final form of an amendment described in clause (i) after the final form of such amendment is submitted to the appropriate Congressional Committees under clause (i).

''(6)(A) The Trade Representative is the only officer of the Government of the United States authorized to act on behalf of the Government of the United States in making any selection or appointment of an individual to—

''(i) the rosters described in Annex 1901.2(1) and Annex 1904.13(1) of the Agreement, or

''(ii) the binational panels or extraordinary challenge committees convened pursuant to chapter 19 of the Agreement,

that is to be made solely or jointly by the Government of the United States under the terms of the Agreement.

''(B) Except as otherwise provided in paragraph (7)(B), the Trade Representative may—

''(i) select an individual for placement on the rosters described in Annex 1901.2(1) and Annex 1904.13(1) of the Agreement during the 1-year period beginning on April 1 of any calendar year,

''(ii) appoint an individual to serve as one of those members of any binational panel or extraordinary challenge committee convened pursuant to chapter 19 of the Agreement during such 1-year period who, under the terms of the Agreement, are to be appointed solely by the Government of the United States, or

''(iii) act to make a joint appointment with the Government of Canada, under the terms of the Agreement, of any individual who is a citizen or national of the United States to serve as any other member of such a panel or committee,

only if such individual is on the appropriate final candidate list that was submitted to the appropriate Congressional Committees under paragraph (4)(A) during such calendar year or on such list as it may be amended under paragraph (5)(D)(i).

''(7)(A) Except as otherwise provided in this paragraph, no individual may—

''(i) be selected by the Government of the United States for placement on the rosters described in Annex 1901.2(1) and Annex 1904.13(1) of the Agreement, or

''(ii) be appointed solely or jointly by the Government of the United States to serve as a member of a binational panel or extraordinary challenge committee convened pursuant to chapter 19 of the Agreement,

during the 1-year period beginning on April 1 of any calendar year for which the Trade Representative has not met the requirements of this subsection.

''(B)(i) Notwithstanding paragraphs (3), (4), or (6)(B) (other than paragraph (3)(A)), individuals listed on the preliminary candidate lists submitted to the appropriate Congressional Committees under paragraph (3)(A) may—

''(I) be selected by the Trade Representative for placement on the rosters described in Annex 1901.2(1) and Annex 1904.13(1) of the Agreement during the 3-month period beginning on the date on which the Agreement enters into force, and

''(II) be appointed solely or jointly by the Trade Representative under the terms of the Agreement to serve as members of binational panels or extraordinary challenge committees that are con-

vened pursuant to chapter 19 of the Agreement during such 3-month period.

''(ii) If the Agreement enters into force after January 3, 1989, the provisions of this subsection shall be applied with respect to the calendar year in which the Agreement enters into force—

''(I) by substituting 'the date that is 30 days after the date on which the Agreement enters into force' for 'January 3 of each calendar year' in paragraphs (1)(B)(i) and (3)(A), and

''(II) by substituting 'the date that is 3 months after the date on which the Agreement enters into force' for 'March 31 of each calendar year' in paragraph (4)(A).

''(b) STATUS OF PANELISTS.—Notwithstanding any other provision of law, individuals appointed by the United States to serve on panels or committees convened pursuant to chapter 19 of the Agreement, and individuals designated to assist such appointed individuals, shall not be considered to be employees or special employees of, or to be otherwise affiliated with, the Government of the United States.

''(c) IMMUNITY OF PANELISTS.—With the exception of acts described in section 777f(d)(3) [777(d)(3)] of the Tariff Act of 1930, as added by this Act [19 U.S.C. 1677f(d)(3)], individuals serving on panels or committees convened pursuant to chapter 19 of the Agreement, and individuals designated to assist the individuals serving on such panels or committees, shall be immune from suit and legal process relating to acts performed by such individuals in their official capacity and within the scope of their functions as such panelists or committee members or assistants to such panelists or committee members.

''(d) REGULATIONS.—The administering authority under title VII of the Tariff Act of 1930 [19 U.S.C. 1671 et seq.], the United States International Trade Commission, and the United States Trade Representative may promulgate such regulations as are necessary or appropriate to carry out actions in order to implement their respective responsibilities under chapters 18 and 19 of the Agreement. Initial regulations to carry out such functions shall be issued prior to the date of entry into force of the Agreement [Jan. 1, 1989].

''(e) ESTABLISHMENT OF UNITED STATES SECRETARIAT.—

''(1) The President is authorized to establish within any department or agency of the Federal Government a United States Secretariat which, subject to the oversight of the interagency group established under subsection (a)(1)(A), shall facilitate—

''(A) the operation of chapters 18 and 19 of the Agreement, and

''(B) the work of the binational panels and extraordinary challenge committees convened under chapters 18 and 19 of the Agreement.

''(2) The United States Secretariat established by the President under paragraph (1) shall not be considered to be an agency for purposes of section 552 of title 5, United States Code.

''SEC. 406. AUTHORIZATION OF APPROPRIATIONS FOR THE SECRETARIAT, THE PANELS, AND THE COMMITTEES.

''(a) THE SECRETARIAT.—There are authorized to be appropriated to the department or agency within which the United States Secretariat described in chapter 19 of the Agreement is established the lesser of—

''(1) such sums as may be necessary, or

''(2) $5,000,000,

for each fiscal year succeeding fiscal year 1988 for the establishment and operations of such United States Secretariat and for the payment of the United States share of the expenses of the dispute settlement proceedings under chapter 18 of the Agreement.

''(b) PANELS AND COMMITTEES.—

''(1) There are authorized to be appropriated to the Office of the United States Trade Representative for fiscal year 1990, $1,492,000 to pay during such fiscal year the United States share of the expenses of binational panels and extraordinary challenge committees convened pursuant to chapter 19 of the Agreement.

''(2) The United States Trade Representative is authorized to transfer to any department or agency of the United States, from sums appropriated pursuant to the authorization provided under paragraph (1) or section 141(g)(1) of the Trade Act of 1974 [19 U.S.C. 2171(g)(1)], such funds as may be necessary to facilitate the payment of the expenses described in paragraph (1).

''(3) Funds appropriated for the payment of expenses described in paragraph (1) during any fiscal year may be expended only to the extent such funds do not exceed the amount authorized to be appropriated under paragraph (1) for such fiscal year. This paragraph shall apply, notwithstanding any law enacted after the date of enactment of this Act [Sept. 28, 1988], unless such subsequent law specifically provides that this paragraph shall not apply and specifically cites this paragraph.

''(4) If the Canadian Secretariat described in chapter 19 of the Agreement provides funds during any fiscal year for the purpose of paying, in accordance with Annex 1901.2 of the Agreement, the Canadian share of the expenses of binational panels, the United States Secretariat established under section 405(e)(1) may hereafter retain and use such funds for such purposes.

''SEC. 407. TESTIMONY AND PRODUCTION OF PAPERS IN EXTRAORDINARY CHALLENGES.

''(a) AUTHORITY OF EXTRAORDINARY CHALLENGE COMMITTEE TO OBTAIN INFORMATION.—If an extraordinary challenge committee (hereinafter referred to in this section as the 'committee') is convened pursuant to article 1904(13) of the Agreement, and the allegations before the committee include a matter referred to in article 1904(13)(a)(i) of the Agreement, for the purposes of carrying out its functions and duties under Annex 1904.13 of the Agreement, the committee—

''(1) shall have access to, and the right to copy, any document, paper, or record pertinent to the subject matter under consideration, in the possession of any individual, partnership, corporation, association, organization, or other entity,

''(2) may summon witnesses, take testimony, and administer oaths,

''(3) may require any individual, partnership, corporation, association, organization, or other entity to produce documents, books, or records relating to the matter in question, and

''(4) may require any individual, partnership, corporation, association, organization, or other entity to furnish in writing, in such detail and in such form as the committee may prescribe, information in its possession pertaining to the matter.

Any member of the committee may sign subpoenas, and members of the committee, when authorized by the committee, may administer oaths and affirmations, examine witnesses, take testimony, and receive evidence.

''(b) WITNESSES AND EVIDENCE.—The attendance of witnesses who are authorized to be summoned, and the production of documentary evidence authorized to be ordered, under subsection (a) may be required from any place in the United States at any designated place of hearing. In the case of disobedience to a subpoena authorized under subsection (a), the committee may request the Attorney General of the United States to invoke the aid of any district or territorial court of the United States in requiring the attendance and testimony of witnesses and the production of documentary evidence. Such court, within the jurisdiction of which such inquiry is carried on, may, in case of contumacy or refusal to obey a subpoena issued to any individual, partnership, corporation, association, organization, or other entity, issue an order requiring such individual or entity to appear before the committee, or to produce documentary evidence if so ordered or to give evidence concerning the matter in question. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

''(c) MANDAMUS.—Any court referred to in subsection (b) shall have jurisdiction to issue writs of mandamus commanding compliance with the provisions of this section or any order of the committee made in pursuance thereof.

''(d) DEPOSITIONS.—The committee may order testimony to be taken by deposition at any stage of the committee review. Such deposition may be taken before any person designated by the committee and having power to administer oaths. Such testimony shall be reduced to writing by the person taking the deposition, or under the direction of such person, and shall then be subscribed by the deponent. Any individual, partnership, corporation, association, organization or other entity may be compelled to appear and depose and to produce documentary evidence in the same manner as witnesses may be compelled to appear and testify and produce documentary evidence before the committee, as provided in this section.

''SEC. 408. REQUESTS FOR REVIEW OF CANADIAN ANTIDUMPING AND COUNTERVAILING DUTY DETERMINATIONS.

''(a) REQUESTS FOR REVIEW BY THE UNITED STATES.—In the case of a final antidumping or countervailing duty determination of a competent investigating authority of Canada, as defined in article 1911 of the Agreement, requests by the United States for binational panel review under article 1904 of the Agreement shall be made by the United States Secretary, described in article 1909(4) of the Agreement.

''(b) REQUESTS FOR REVIEW BY A PERSON.—In the case of a final antidumping or countervailing duty determination of a competent investigating authority of Canada, as defined in article 1911 of the Agreement, a person, within the meaning of article 1904(5) of the Agreement, may request a binational panel review of such determination by filing with the United States Secretary, described in article 1909(4) of the Agreement, such a request within the time limit provided for in article 1904(4) of the Agreement. The receipt of such request by the United States Secretary shall be deemed to be a request for binational panel review within the meaning of article 1904(4) of the Agreement. Such request shall contain such information and be in such form, manner, and style as the administering authority shall prescribe by regulations. The request for such panel review shall not preclude the United States, Canada, or any other person from challenging before a binational panel the basis for a particular request for review.

''(c) SERVICE OF REQUEST FOR REVIEW.—Whenever binational panel review is requested under this section, the United States Secretary shall serve a copy of the request on all persons who would otherwise be entitled under Canadian law to commence procedures for judicial review of a final antidumping or countervailing duty determination made by a competent investigating authority of Canada.

''SEC. 409. SUBSIDIES.

''(a) NEGOTIATING AUTHORITY.—

''(1) The President is authorized to enter into an agreement with Canada, including an agreement to amend the Agreement, on rules applicable to trade between the United States and Canada that—

''(A) deal with unfair pricing and government subsidization, and

''(B) provide for increased discipline on subsidies.

''(2)(A) The objectives of the United States in negotiating an agreement under paragraph (1) include (but are not limited to)—

''(i) achievement, on an expedited basis, of increased discipline on government production and export subsidies that have a significant impact, directly or indirectly, on bilateral trade between the United States and Canada; and

''(ii) attainment of increased and more effective discipline on those Canadian Government (including provincial) subsidies having the most significant adverse impact on United States producers that compete with subsidized products of Canada in the markets of the United States and Canada.

''(B) Special emphasis should be given in negotiating an agreement under paragraph (1) to obtain discipline on Canadian subsidy programs that adversely affect United States industries which directly compete with subsidized imports.

''(3) The United States members of the working group established under article 1907 of the Agreement shall—

''(A) consult regularly with the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, and advisory committees established under section 135 of the Trade Act of 1974 (19 U.S.C. 2155) regarding—

''(i) the issues being considered by the working group, and

''(ii) as appropriate, the objectives and strategy of the United States in the negotiations, and

''(B) beginning in January 1990, submit an annual report to such Congressional Committees on the progress being made in the negotiations to obtain an agreement that meets the objectives described in paragraph (2).

''(4) Notwithstanding any other provision of this Act or of any other law, the provisions of section 151 of the Trade Act of 1974 (19 U.S.C. 2191) shall not apply to any bill or joint resolution that implements an agreement entered into under paragraph (1), unless the President determines and notifies the Congress that such agreement—

''(A) will provide greater discipline over government subsidies and no less discipline over unfair pricing practices by producers than that provided by the agreements described in paragraphs (5) and (6) of section 2[(c)] of the Trade Agreements Act of 1979 [19 U.S.C. 2503(c)(5), (6)] (the Subsidies Code and Antidumping Code), respectively, taking into account the effects of the Agreement, and

''(B) will neither undermine such multilateral discipline nor detract from United States efforts to increase such discipline on a multilateral basis in, or subsequent to, the Uruguay Round of multilateral trade negotiations.

''(b) IDENTIFICATION OF INDUSTRIES FACING SUBSIDIZED IMPORTS.—

''(1) Any entity, including a trade association, firm, certified or recognized union, or group of workers, that is representative of a United States industry and has reason to believe that—

''(A)(i) as a result of implementation of provisions of the Agreement, the industry is likely to face increased competition from subsidized Canadian imports with which it directly competes; or

''(ii) the industry is likely to face increased competition from subsidized imports with which it directly competes from any other country designated by the President, following consultations with the Congress, as benefitting from a reduction of tariffs or other trade barriers under a trade agreement that enters into force after January 1, 1989; and

''(B) the industry is likely to experience a deterioration of its competitive position before rules and disciplines relating to the use of government subsidies have been developed with respect to such country;

may file a petition with the United States Trade Representative (hereafter referred to in this section as the 'Trade Representative') to be identified under this section.

''(2) Within 90 days of receipt of a petition under paragraph (1), the Trade Representative, in consultation with the Secretary of Commerce, shall decide whether to identify the industry on the basis that there is a reasonable likelihood that the industry may face both the subsidization described in paragraph (1)(A) and the deterioration described in paragraph (1)(B).

''(3) At the request of an entity that is representative of an industry identified under paragraph (2), the Trade Representative shall—

''(A) compile and make available to the industry information under section 308 of the Trade Act of 1974 [19 U.S.C. 2418],

''(B) recommend to the President that an investigation by the United States International Trade Commission be requested under section 332 of the Tariff Act of 1930 [19 U.S.C. 1332], or

''(C) take actions described in both subparagraphs (A) and (B).

The industry may request the Trade Representative to take appropriate action to update (as often as annually) any information obtained under subparagraph (A) or (B), or both, as the case may be, until an agreement on adequate rules and disciplines relating to government subsidies is reached.

''(4)(A) The Trade Representative and the Secretary of Commerce shall review information obtained under paragraph (3) and consult with the industry identified under paragraph (2) with a view to deciding whether any action is appropriate under section 301 of the Trade Act of 1974 [19 U.S.C. 2411], including the initiation of an investigation under section 302(c) of that Act [19 U.S.C. 2412(c)] (in the case of the Trade Representative), or under subtitle A of title VII of the Tariff Act of 1930 [19 U.S.C. 1671 et seq.], including the initiation of an investigation under section 702(a) of that Act [19 U.S.C. 1671a(a)] (in the case of the Secretary of Commerce).

''(B) In determining whether to initiate any investigation under section 301 of the Trade Act of 1974 [19 U.S.C. 2411] or any other trade law, other than title VII of the Tariff Act of 1930 [19 U.S.C. 1671 et seq.], the Trade Representative, after consultation with the Secretary of Commerce—

''(i) shall seek the advice of the advisory committees established under section 135 of the Trade Act of 1974 [19 U.S.C. 2155];

''(ii) shall consult with the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives;

''(iii) shall coordinate with the interagency committee established under section 242 of the Trade Expansion Act of 1962 [19 U.S.C. 1872]; and

''(iv) may ask the President to request advice from the United States International Trade Commission.

''(C) In the event an investigation is initiated under section 302(c) of the Trade Act of 1974 [19 U.S.C. 2412(c)] as a result of a review under this paragraph and the President, following such investigation (including any applicable dispute settlement proceedings under the Agreement or any other trade agreement), determines to take action under section 301(a) of such Act [19 U.S.C. 2411(a)], the President shall give preference to actions that most directly affect the products that benefit from governmental subsidies and were the subject of the investigation, unless there are no significant imports of such products or the President otherwise determines that application of the action to other products would be more effective.

''(5) Any decision, whether positive or negative, or any action by the Trade Representative or the Secretary of Commerce under this section shall not in any way—

''(A) prejudice the right of any industry to file a petition under any trade law,

''(B) prejudice, affect, or substitute for, any proceeding, investigation, determination, or action by the Secretary of Commerce, the United States International Trade Commission, or the Trade Representative pursuant to such a petition,

''(C) prejudice, affect, substitute for, or obviate any proceeding, investigation, or determination under section 301 of the Trade Act of 1974 [19 U.S.C. 2411], title VII of the Tariff Act of 1930 [19 U.S.C. 1671 et seq.], or any other trade law.

''(6) Nothing in this subsection may be construed to alter in any manner the requirements in effect before the enactment of this Act [Sept. 28, 1988] for standing under any law of the United States or to add any additional requirements for standing under any law of the United States.

''SEC. 410. TERMINATION OF AGREEMENT.

''(a) IN GENERAL.—If—

''(1) no agreement is entered into between the United States and Canada on a substitute system of rules for antidumping and countervailing duties before the date that is 7 years after the date on which the Agreement enters into force [Jan. 1, 1989], and

''(2) the President decides not to exercise the rights of the United States under article 1906 of the Agreement to terminate the Agreement,

the President shall submit to the Congress a report on such decision which explains why continued adherence to the Agreement is in the national economic interest of the United States. In calculating the 7-year period referred to in paragraph (1), any time during which Canada is a NAFTA country (as defined in section 2(4) of the North American Free Trade Agreement Implementation Act [19 U.S.C. 3301(4)]) shall be disregarded.

''(b) TRANSITION PROVISIONS.—

''(1) If on the date on which the Agreement should cease to be in force an investigation or enforcement proceeding concerning the violation of a protective order issued under section 777(d) of the Tariff Act of 1930 (as amended by this Act) [19 U.S.C. 1677f(d)] or a Canadian undertaking is pending, such investigation or proceeding shall continue and sanctions may continue to be imposed in accordance with the provisions of such section.

''(2) If on the date on which the Agreement should cease to be in force a binational panel review under article 1904 of the Agreement is pending, or has been requested, with respect to a determination to which section 516A(g)(2) of the Tariff Act of 1930 (as added by this Act) [19 U.S.C. 1516a(g)(2)] applies, such determination shall be reviewable under section 516A(a) of the Tariff Act of 1930. In the case of a determination to which the provisions of this paragraph apply, the time limits for commencing an action under section 516A(a)(2)(A) of the Tariff Act of 1930 shall not begin to run until the date on which the Agreement ceases to be in force.

''TITLE V—EFFECTIVE DATES AND SEVERABILITY

''SEC. 501. EFFECTIVE DATES.

''(a) IN GENERAL.—Except as provided in subsection (b), the provisions of this Act, and the amendments made by this Act, shall take effect on the date the Agreement enters into force [Jan. 1, 1989].

[A Presidential Memorandum on the Canada-United States Free-Trade Agreement, dated Dec. 31, 1988, directing the Secretary of State to exchange notes with the Government of Canada to provide for the entry into force of the Agreement on Jan. 1, 1989, is set out in 24 Weekly Compilation of Presidential Documents 1688, Jan. 2, 1989. See, also, confirmation by Office of the United States Trade Representative, 54 F.R. 505.]

''(b) EXCEPTIONS.—Sections 1 and 2, title I, section 304 (except subsection (f)), section 309, this section and section 502 shall take effect on the date of enactment of this Act [Sept. 28, 1988].

''(c) TERMINATION OR SUSPENSION OF AGREEMENT.—

''(1) TERMINATION OF AGREEMENT.—On the date the Agreement ceases to be in force, the provisions of this Act (other than this paragraph and section 410(b)), and the amendments made by this Act, shall cease to have effect.

''(2) EFFECT OF AGREEMENT SUSPENSION.—An agreement by the United States and Canada to suspend the operation of the Agreement shall not be deemed to cause the Agreement to cease to be in force within the meaning of paragraph (1).

''(3) SUSPENSION RESULTING FROM NAFTA.—On the date the United States and Canada agree to suspend the operation of the Agreement by reason of the entry into force between them of the North American

Free Trade Agreement, the following provisions of this Act are suspended and shall remain suspended until such time as the suspension of the Agreement may be terminated:

''(A) Sections 204(a) and (b) and 205(a).

''(B) Sections 302 and 304(f).

''(C) Sections 404, 409, and 410(b).

''SEC. 502. SEVERABILITY.

''If any provision of this Act, any amendment made by this Act, or the application of such a provision or amendment to any person or circumstances is held to be invalid, the remainder of this Act, the remaining amendments made by this Act, and the application of such provision or amendment to persons or circumstances other than those to which it is held invalid, shall not be affected thereby.''

[Amendment by section 107 of Pub. L. 103–182 to section 501(c) of Pub. L. 100–449, set out above, effective on the date the North American Free Trade Agreement enters into force between the United States and Canada [Jan. 1, 1994], see section 109(a)(2) of Pub. L. 103–182, set out as an Effective Date; Termination of NAFTA Status note under section 3311 of this title.]

[Section 308(b) of Pub. L. 103–182 provided that: ''The amendments made by subsection (a) [amending section 301(a) of Pub. L. 100–449, set out above] take effect on the date of the enactment of this Act [Dec. 8, 1993].'']

[Amendment by section 413 of Pub. L. 103–182 to section 410(a) of Pub. L. 100–449, set out above, effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], but not applicable to any final determination described in section 1516a(a)(1)(B) or (2)(B)(i) to (iii) of this title, notice of which is published in the Federal Register before such date, or to a determination described in section 1516a(a)(2)(B)(vi) of this title, notice of which is received by the Government of Canada before such date, or to any binational panel review under the United States-Canada Free-Trade Agreement, or any extraordinary challenge arising out of such review, that was commenced before such date, see section 416 of Pub. L. 103–182, set out as an Effective Date note under section 3431 of this title.]

[For provisions relating to effect of termination of NAFTA country status on the provisions of sections 401 to 416 of Pub. L. 103–182, see section 3451 of this title.]

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§1101–1147 and 1171–1177] or title XVIII [§§1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

UNITED STATES-ISRAEL FREE TRADE AREA IMPLEMENTATION

Sections 1 to 6 of Pub. L. 99–47 provided that:

''SECTION 1. SHORT TITLE.

''This Act [amending sections 2112, 2462 to 2464, and 2518 of this title and provisions set out as a note below] may be cited as the 'United States-Israel Free Trade Area Implementation Act of 1985'.

''SEC. 2. PURPOSES.

''The purposes of this Act are—

''(1) to approve and implement the agreement on the establishment of a free trade area between the United States and Israel negotiated under the authority of section 102 of the Trade Act of 1974 [19 U.S.C. 2112];

''(2) to strengthen and develop the economic relations between the United States and Israel for their mutual benefit; and

''(3) to establish free trade between the two nations through the removal of trade barriers.

''SEC. 3. APPROVAL OF A FREE TRADE AREA AGREEMENT.

''Pursuant to sections 102 and 151 of the Trade Act of 1974 (19 U.S.C. 2112; 2191), the Congress approves—

''(1) the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel (hereinafter in this Act referred to as 'the Agreement') entered into on April 22, 1985, and submitted to the Congress on April 29, 1985, and

''(2) the statement of administrative action proposed to implement the Agreement that was submitted to the Congress on April 29, 1985.

''SEC. 4. PROCLAMATION AUTHORITY.

''(a) TARIFF MODIFICATIONS.—Except as provided in subsection (c), the President may proclaim—

''(1) such modifications or continuance of any existing duty,

''(2) such continuance of existing duty-free or excise treatment, or

''(3) such additional duties,

as the President determines to be required or appropriate to carry out the schedule of duty reductions with respect to Israel set forth in annex 1 of the Agreement.

''(b) ADDITIONAL TARIFF MODIFICATION AUTHORITY.—Except as provided in subsection (c), whenever the President determines that it is necessary to maintain the general level of reciprocal and mutually advantageous concessions with respect to Israel provided for by the Agreement, the President may proclaim—

''(1) such withdrawal, suspension, modification, or continuance of any duty,

''(2) such continuance of existing duty-free or excise treatment, or

''(3) such additional duties,

as the President determines to be required or appropriate to carry out the Agreement.

''(c) EXCEPTION TO AUTHORITY.—No modification of any duty imposed on any article provided for in paragraph (4) of annex 1 of the Agreement that may be proclaimed under subsection (a) or (b) shall take effect prior to January 1, 1995.

''SEC. 5. RELATIONSHIP OF THE AGREEMENT TO UNITED STATES LAW.

''(a) UNITED STATES STATUTES TO PREVAIL IN CONFLICT.—No provision of the Agreement, nor the application of any such provision to any person or circumstance, which is in conflict with—

''(1) title IV of the Trade and Tariff Act of 1984 [title IV of Pub. L. 98–573, amending this section and enacting provisions set out below], or

''(2) any other statute of the United States,

shall be given effect under the laws of the United States.

''(b) IMPLEMENTING REGULATIONS.—Regulations that are necessary or appropriate to carry out actions proposed in any statement of proposed administrative action submitted to the Congress under section 102 of the Trade Act of 1974 (19 U.S.C. 2112) in order to implement the Agreement shall be prescribed. Initial regulations to carry out such action shall be issued within one year after the date of the entry into force of the Agreement.

''(c) CHANGES IN STATUTES TO IMPLEMENT A REQUIREMENT, AMENDMENT, OR RECOMMENDATION.—

''(1) Except as otherwise provided in paragraph (2), the provisions of section 3(c) of the Trade Agreements Act of 1979 (19 U.S.C. 2504(c)) shall apply with respect to the Agreement and—

''(A) no requirement of, amendment to, or recommendation under the Agreement shall be implemented under United States law, and

''(B) no amendment, repeal, or enactment of a statute of the United States to implement any such requirement, amendment, or recommendation shall enter into force with respect to the United States,

unless there has been compliance with the provisions of section 3(c) of the Trade Agreements Act of 1979.

''(2) The provisions of section 3(c)(4) of the Trade Agreements Act of 1979 (19 U.S.C. 2504(c)(4)) shall apply to any bill implementing any requirement of, amendment to, or recommendation made under, the Agreement that reduces or eliminates any duty imposed on any article provided for in paragraph (4) of Annex 1 of the Agreement only if—

''(A) any reduction of such duty provided in such bill—

''(i) takes effect after December 31, 1989, and

''(ii) takes effect gradually over the period that begins on January 1, 1990, and ends on December 31, 1994,

''(B) any elimination of such duty provided in such bill does not take effect prior to January 1, 1995, and

''(C) the consultations required under section 3(c)(1) of such Act occur at least ninety days prior to the date on which such bill is submitted to the Congress under section 3(c) of such Act.

''(d) PRIVATE REMEDIES NOT CREATED.—Neither the entry into force of the Agreement with respect to the United States, nor the enactment of this Act, shall be construed as creating any private right of action or remedy for which provision is not explicitly made under this Act or under the laws of the United States.

''SEC. 6. TERMINATION.

''The provisions of section 125(a) of the Trade Act of 1974 (19 U.S.C. 2135(a)) shall not apply to the Agreement.''

TRADE AGREEMENTS WITH ISRAEL

Pub. L. 98–573, title IV, §§ 402–405, formerly §§ 402–404, 406, Oct. 30, 1984, 98 Stat. 3015–3017, as renumbered and amended by Pub. L. 99–47, § 8(a), June 11, 1985, 99 Stat. 84; Pub. L. 99–514, title XVIII, § 1889(6), Oct. 22, 1986, 100 Stat. 2926; Pub. L. 100–418, title I, §§ 1214(s)(4), 1401(b)(3), Aug. 23, 1988, 102 Stat. 1160, 1240, provided that:

''SEC. 402. CRITERIA FOR DUTY-FREE TREATMENT OF ARTICLES.

''(a)(1) The reduction or elimination of any duty imposed on any article by the United States provided for in a trade agreement entered into with Israel under section 102(b)(1) of the Trade Act of 1974 [19 U.S.C. 2112(b)(1)] shall apply only if—

''(A) that article is the growth, product, or manufacture of Israel or is a new or different article of commerce that has been grown, produced, or manufactured in Israel;

''(B) that article is imported directly from Israel into the customs territory of the United States; and

''(C) the sum of—

''(i) the cost of value of the materials produced in Israel, plus

''(ii) the direct costs of processing operations performed in Israel,

is not less than 35 percent of the appraised value of such article at the time it is entered.

If the cost or value of materials produced in the customs territory of the United States is included with respect to an article to which this subsection applies, an amount not to exceed 15 percent of the appraised value of the article at the time it is entered that is attributable to such United States cost or value may be applied toward determining the percentage referred to in subparagraph (C).

''(2) No article may be considered to meet the requirements of paragraph (1)(A) by virtue of having merely undergone—

''(A) simple combining or packaging operations; or

''(B) mere dilution with water or mere dilution with another substance that does not materially alter the characteristics of the article.

''(b) As used in this section, the phrase 'direct costs of processing operations' includes, but is not limited to—

''(1) all actual labor costs involved in the growth, production, manufacture, or assembly of the specific merchandise, including fringe benefits, on-the-job training and the cost of engineering, supervisory, quality control, and similar personnel; and

''(2) dies, molds, tooling, and depreciation on machinery and equipment which are allocable to the specific merchandise.

Such phrase does not include costs which are not directly attributable to the merchandise concerned, or are not costs of manufacturing the product, such as (A) profit, and (B) general expenses of doing business which are either not allocable to the specific merchandise or are not related to the growth, production, manufacture, or assembly of the merchandise, such as administrative salaries, casualty and liability insurance, advertising, and salesmen's salaries, commissions or expenses.

''(c) REGULATIONS.—The Secretary of the Treasury, after consultation with the United States Trade Representative, shall prescribe such regulations as may be necessary to carry out this section.

''SEC. 403. APPLICATION OF CERTAIN OTHER TRADE LAW PROVISIONS.

''(a) SUSPENSION OF DUTY-FREE TREATMENT.—The President may by proclamation suspend the reduction or elimination of any duty provided under any trade agreement provision entered into with Israel under the authority of section 102(b)(1) of the Trade Act of 1974 [19 U.S.C. 2112(b)(1)] with respect to any article and may proclaim a duty rate for such article if such action is proclaimed under section 203 of the Trade Act of 1974 [19 U.S.C. 2253] or section 232 of the Trade Expansion Act of 1962 [19 U.S.C. 1862].

''(b) ITC REPORTS.—In any report by the United States International Trade Commission (hereinafter referred to in this title [this note] as the 'Commission') to the President under section 202(f) of the Trade Act of 1974 [19 U.S.C. 2252(f)] regarding any article for which a reduction or elimination of any duty is provided under a trade agreement entered into with Israel under section 102(b)(1) of the Trade Act of 1974 [19 U.S.C. 2112(b)(1)], the Commission shall state whether and to what extent its findings and recommendations apply to such an article when imported from Israel.

''(c) For purposes of section 203 of the Trade Act of 1974 [19 U.S.C. 2253], the suspension of the reduction or elimination of a duty under subsection (a) shall be treated as an increase in duty.

''(d) No proclamation which provides solely for a suspension referred to in subsection (a) with respect to any article shall be made under section 203 of the Trade Act of 1974 [19 U.S.C. 2253], unless the Commission, in addition to making an affirmative determination with respect to such article under section 202(b) of the Trade Act of 1974 [19 U.S.C. 2252(b)], determines in the course of its investigation under that section that the serious injury (or threat thereof) substantially caused by imports to the domestic industry producing a like or directly competitive article results from the reduction or elimination of any duty provided under any trade agreement provision entered into with Israel under section 102(b)(1) of the Trade Act of 1974 [19 U.S.C. 2112(b)(1)].

''(e)(1) Any proclamation issued under section 203 of the Trade Act of 1974 [19 U.S.C. 2253] that is in effect when an agreement with Israel is entered into under section 102(b)(1) of the Trade Act of 1974 [19 U.S.C. 2112(b)(1)] shall remain in effect until modified or terminated.

''(2) If any article is subject to import relief at the time an agreement is entered into with Israel under section 102(b)(1) of the Trade Act of 1974 [19 U.S.C. 2112(b)(1)], the President may reduce or terminate the application of such import relief to the importation of such article before the otherwise scheduled date on which such reduction or termination would occur pursuant to the criteria and procedures of sections 203 and 204 of the Trade Act of 1974 [19 U.S.C. 2253, 2254].

''SEC. 404. FAST TRACK PROCEDURES FOR PERISHABLE ARTICLES.

''(a) If a petition is filed with the Commission under the provisions of section 202(a) of the Trade Act of 1974 [19 U.S.C. 2252(a)] regarding a perishable product which is subject to any reduction or elimination of a duty imposed by the United States under a trade agreement entered into with Israel under section 102(b)(1) of the Trade Act of 1974 [19 U.S.C. 2112(b)(1)] and alleges injury from imports of that product, then the petition may also be filed with the Secretary of Agriculture with a request that emergency relief be granted under subsection (c) with respect to such article.

''(b) Within 14 days after the filing of a petition under subsection (a)—

''(1) if the Secretary of Agriculture has reason to believe that a perishable product from Israel is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing a perishable product like or directly competitive with the imported product and that emergency action is warranted, he shall advise the President and recommend that the President take emergency action; or

''(2) the Secretary of Agriculture shall publish a notice of his determination not to recommend the imposition of emergency action and so advise the petitioner.

''(c) Within 7 days after the President receives a recommendation from the Secretary of Agriculture to take emergency action under subsection (b), he shall issue a proclamation withdrawing the reduction or elimination of duty provided to the perishable product under any trade agreement provision entered into under section 102(b)(1) of the Trade Act of 1974 [19 U.S.C. 2112(b)(1)] or publish a notice of his determination not to take emergency action.

''(d) The emergency action provided under subsection (c) shall cease to apply—

''(1) upon the taking of actions under section 203 of the Trade Act of 1974 [19 U.S.C. 2253];

''(2) on the day a determination of the President under section 203 of such Act [19 U.S.C. 2253] not to take action becomes final;

''(3) in the event of a report of the Commission containing a negative finding, on the day the Commission's report is submitted to the President; or

''(4) whenever the President determines that because of changed circumstances such relief is no longer warranted.

''(e) For purposes of this section, the term 'perishable product' means any—

''(1) live plants and fresh cut flowers provided for in chapter 6 of the Harmonized Tariff Schedule of the United States (19 U.S.C. 1202, hereinafter referred to as the 'HTS');

''(2) vegetables, edible nuts or fruit provided for in chapters 7 and 8, heading 1105, subheadings 1106.10.00 and 1106.30, heading 1202, subheadings 1214.90.00 and 1704.90.60, headings 2001 through 2008 (excluding subheadings 2001.90.20 and 2004.90.10) and subheading 2103.20.40 of the HTS;

''(3) concentrated citrus fruit juice provided for in subheadings 2009.11.00, 2009.19.40, 2009.20.40, 2009.30.20, and 2009.30.60 of the HTS.

''(f) No trade agreement entered into with Israel under section 102(b)(1) of the Trade Act of 1974 [19 U.S.C. 2112(b)(1)] shall affect fees imposed under section 22 of the Agricultural Adjustment Act (7 U.S.C. 624).

''SEC. 405. CONSTRUCTION OF TITLE.

''Neither the taking effect of any trade agreement provision entered into with Israel under section 102(b)(1) [19 U.S.C. 2112(b)(1)], nor any proclamation issued to implement any such provision, may affect in any manner, or to any extent, the application to any Israeli articles of section 232 of the Trade Expansion Act of 1962 [19 U.S.C. 1862], section 337 of title VII [probably should be ''title III'' of the Tariff Act of 1930 [19 U.S.C. 1337], chapter 1 of title II and chapter 1 of title III of the Trade Act of 1974 [19 U.S.C. 2251 et seq., 2411 et seq.], or any other provision of law under which relief from injury caused by import competition or by unfair import trade practices may be sought.''

[Amendment of section 404 of Pub. L. 98–573 by section 1214(s)(4) of Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.]

[Amendment of sections 403 and 404 of Pub. L. 98–573 by section 1401 of Pub. L. 100–418 effective Aug. 23, 1988, and applicable with respect to investigations initiated under part 1 (§ 2251 et seq.) of subchapter II of this chapter on or after that date, see section 1401(c) of Pub. L. 100–418, set out as an Effective Date of 1988 Amendment note under section 2251 of this title.]

[The Harmonized Tariff Schedule of the United States is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.]

PRESIDENTIAL DETERMINATION REGARDING MULTILATERAL TRADE NEGOTIATIONS

For provisions relating to Presidential determination regarding multilateral trade negotiations and Presidential determination regarding acceptance and application of certain international trade agreements, see notes set out under section 2503 of this title.

EX. ORD. NO. 12662. IMPLEMENTING UNITED STATES-CANADA FREE-TRADE IMPLEMENTATION ACT

Ex. Ord. No. 12662, Dec. 31, 1988, 54 F.R. 785, as amended by Ex. Ord. No. 12889, § 4(c), Dec. 27, 1993, 58 F.R. 69681, provided:

By virtue of the authority vested in me as President by the Constitution and laws of the United States of America, including the United States-Canada Free-Trade Agreement Implementation Act of 1988 (Public Law 100–449, 102 Stat. 1851) (''FTA Implementation Act'') [set out as a note above], it is hereby ordered as follows:

SECTION 1. [Superseded by Ex. Ord. No. 12889, § 4(c), Dec. 27, 1993, 58 F.R. 69681, see 19 U.S.C. 3311 note.]

SEC. 2. *Establishment of United States Secretariat.* Pursuant to subsection 405(e) of the FTA Implementation Act, a ''United States Secretariat'' shall be established within the International Trade Administration of the Department of Commerce. The Secretariat shall facilitate:

(1) the operation of Chapters 18 and 19 of the Free-Trade Agreement, and

(2) the work of the binational panels and extraordinary challenge committees convened under those Chapters.

SEC. 3. *Acceptance by the President of Panel and Committee Decisions.* In accordance with subsection 401(c) of the FTA Implementation Act, in the event that the provisions of subparagraph 516A(g)(7)(B) of the Tariff Act of 1930, as amended, 19 U.S.C. section 1516a(g)(7)(B), take effect, I accept, as a whole, all decisions of binational panels and extraordinary challenge committees.

SEC. 4. *Judicial Review.* This Order does not create any right or benefit, substantive or procedural, enforceable at law by a party against the United States, its agencies, its officers, or any person.

SEC. 5. *Effective Date.* This Order shall take effect upon the entry into force of the Free-Trade Agreement.

DELEGATION OF AUTHORITY UNDER SECTION 103(a) OF UNITED STATES-CANADA FREE-TRADE AGREEMENT IMPLEMENTATION ACT OF 1988

Memorandum of President of the United States, Feb. 11, 1991, 56 F.R. 6789, provided:

Memorandum for the United States Trade Representative

By virtue of the authority vested in me as President by the Constitution and laws of the United States, in-

cluding section 301 of title 3 of the United States Code, you are hereby delegated the authority to perform the functions necessary to fulfill the consultation and lay-over requirements set forth in section 103(a)(1) through (4) of the United States-Canada Free-Trade Agreement Implementation Act of 1988 (''the Act'') [Pub. L. 100–449, set out as a note above], including:

(1) obtaining advice from the appropriate advisory committees and the U.S. International Trade Commission on the proposed implementation of an action by Presidential proclamation;

(2) submitting a report on such action to the House Ways and Means and Senate Finance Committees; and

(3) consulting with such committees during the 60-day period following the date on which the requirements under (1) and (2) have been met.

The President retains the sole authority under the Act to implement an action by proclamation after the consultation and lay-over requirements set forth in section 103(a)(1) through (4) have been met.

You are authorized and directed to publish this memorandum in the Federal Register.

GEORGE BUSH.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2113, 2114, 2114a, 2115, 2116, 2117, 2118, 2136, 2191, 2194, 2462, 2503, 2504, 2904 of this title; title 22 section 5342.

§ 2113. Overall negotiating objective

The overall United States negotiating objective under sections 2111 and 2112 of this title shall be to obtain more open and equitable market access and the harmonization, reduction, or elimination of devices which distort trade or commerce. To the maximum extent feasible, the harmonization, reduction, or elimination of agricultural trade barriers and distortions shall be undertaken in conjunction with the harmonization, reduction, or elimination of industrial trade barriers and distortions.

(Pub. L. 93–618, title I, § 103, Jan. 3, 1975, 88 Stat. 1984.)

§ 2114. Sector negotiating objectives

(a) Obtaining equivalent competitive opportunities

A principal United States negotiating objective under sections 2111 and 2112 of this title shall be to obtain, to the maximum extent feasible, with respect to appropriate product sectors of manufacturing, and with respect to the agricultural sector, competitive opportunities for United States exports to the developed countries of the world equivalent to the competitive opportunities afforded in United States markets to the importation of like or similar products, taking into account all barriers (including tariffs) to and other distortions of international trade affecting that sector.

(b) Conduct of negotiations on basis of appropriate product sectors of manufacturing

As a means of achieving the negotiating objective set forth in subsection (a) of this section, to the extent consistent with the objective of maximizing overall economic benefit to the United States (through maintaining and enlarging foreign markets for products of United States agriculture, industry, mining, and commerce, through the development of fair and equitable market opportunities, and through open and nondiscriminatory world trade), negotiations shall, to the extent feasible be conducted on the basis of appropriate product sectors of manufacturing.

(c) Identification of appropriate product sectors of manufacturing

For the purposes of this section and section 2155 of this title, the United States Trade Representative together with the Secretary of Commerce, Agriculture, or Labor, as appropriate, shall, after consultation with the Advisory Committee for Trade Negotiations established under section 2155 of this title and after consultation with interested private or non-Federal governmental organizations, identify appropriate product sectors of manufacturing.

(d) Presidential analysis of how negotiating objectives are achieved in each product sector by trade agreements

If the President determines that competitive opportunities in one or more product sectors will be significantly affected by a trade agreement concluded under section 2111 or 2112 of this title he shall submit to the Congress with each such agreement an analysis of the extent to which the negotiating objective set forth in subsection (a) of this section is achieved by such agreement in each product sector or product sectors.

(Pub. L. 93–618, title I, § 104, Jan. 3, 1975, 88 Stat. 1984; 1979 Reorg. Plan No. 3, § 1(b)(1), eff. Jan. 2, 1980, 44 F.R. 69273, 93 Stat. 1381; Pub. L. 98–573, title III, § 306(c)(2)(C)(i), Oct. 30, 1984, 98 Stat. 3012.)

CHANGE OF NAME

''United States Trade Representative'' substituted for ''Special Representative for Trade Negotiations'' in subsec. (c), pursuant to Reorg. Plan No. 3 of 1979, § 1(b)(1), 44 F.R. 69273, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title. See, also, section 2171 of this title as amended by Pub. L. 97–456.

AMENDMENTS

1984—Subsec. (c). Pub. L. 98–573 inserted ''or non-Federal governmental'' after ''private''.

§ 2114a. Negotiating objectives with respect to trade in services, foreign direct investment, and high technology products

(a) Trade in services

(1) In general

Principal United States negotiating objectives under section 2112 of this title shall be—

(A) to reduce or to eliminate barriers to, or other distortions of, international trade in services (particularly United States service sector trade in foreign markets), including barriers that deny national treatment and restrictions on the establishment and operation in such markets; and

(B) to develop internationally agreed rules, including dispute settlement procedures, which—

(i) are consistent with the commercial policies of the United States, and

(ii) will reduce or eliminate such barriers or distortions and help ensure open international trade in services.

(2) Domestic objectives

In pursuing the objectives described in paragraph (1), United States negotiators shall take into account legitimate United States domestic objectives including, but not limited to, the protection of legitimate health or safety, essential security, environmental, consumer or employment opportunity interests and the laws and regulations related thereto.

(b) Foreign direct investment

(1) In general

Principal United States negotiating objectives under section 2112 of this title shall be—

(A) to reduce or to eliminate artificial or trade-distorting barriers to foreign direct investment, to expand the principle of national treatment, and to reduce unreasonable barriers to establishment; and

(B) to develop internationally agreed rules, including dispute settlement procedures, which—

(i) will help ensure a free flow of foreign direct investment, and

(ii) will reduce or eliminate the trade distortive effects of certain investment related measures.

(2) Domestic objectives

In pursuing the objectives described in paragraph (1), United States negotiators shall take into account legitimate United States domestic objectives including, but not limited to, the protection of legitimate health or safety, essential security, environmental, consumer or employment opportunity interests and the laws and regulations related thereto.

(c) High technology products

Principal United States negotiating objectives shall be—

(1) to obtain and preserve the maximum openness with respect to international trade and investment in high technology products and related services;

(2) to obtain the elimination or reduction of, or compensation for, the significantly distorting effects of foreign government acts, policies, or practices identified in section 2241 of this title, with particular consideration given to the nature and extent of foreign government intervention affecting United States exports of high technology products or investments in high technology industries, including—

(A) foreign industrial policies which distort international trade or investment;

(B) measures which deny national treatment or otherwise discriminate in favor of domestic high technology industries;

(C) measures which fail to provide adequate and effective means for foreign nationals to secure, exercise, and enforce exclusive rights in intellectual property (including trademarks, patents, and copyrights);

(D) measures which impair access to domestic markets for key commodity products; and

(E) measures which facilitate or encourage anticompetitive market practices or structures;

(3) to obtain commitments that official policy of foreign countries or instrumentalities will not discourage government or private procurement of foreign high technology products and related services;

(4) to obtain the reduction or elimination of all tariffs on, and other barriers to, United States exports of high technology products and related services;

(5) to obtain commitments to foster national treatment;

(6) to obtain commitments to—

(A) foster the pursuit of joint scientific cooperation between companies, institutions or governmental entities of the United States and those of the trading partners of the United States in areas of mutual interest through such measures as financial participation and technical and personnel exchanges, and

(B) ensure that access by all participants to the results of any such cooperative efforts should not be impaired; and

(7) to provide effective minimum safeguards for the acquisition and enforcement of intellectual property rights and the property value of proprietary data.

(d) Definition of barriers and other distortions

For purposes of subsection (a) of this section, the term ''barriers to, or other distortions of, international trade in services'' includes, but is not limited to—

(1) barriers to establishment in foreign markets, and

(2) restrictions on the operation of enterprises in foreign markets, including—

(A) direct or indirect restrictions on the transfer of information into, or out of, the country or instrumentality concerned, and

(B) restrictions on the use of data processing facilities within or outside of such country or instrumentality.

(Pub. L. 93–618, title I, § 104A, as added Pub. L. 98–573, title III, § 305(a)(1), Oct. 30, 1984, 98 Stat. 3006.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2114e of this title.

§ 2114b. Provisions relating to international trade in services

(1) The Secretary of Commerce shall establish a service industries development program designed to—

(A) develop, in consultation with other Federal agencies as appropriate, policies regarding services that are designed to increase the competitiveness of United States service industries in foreign commerce;

(B) develop a data base for assessing the adequacy of Government policies and actions pertaining to services, including, but not limited to, data on trade, both aggregate and pertaining to individual service industries;

(C) collect and analyze, in consultation with appropriate agencies, information pertaining to the international operations and competitiveness of United States service industries, including information with respect to—

(i) policies of foreign governments toward foreign and United States service industries;

(ii) Federal, State, and local regulation of both foreign and United States suppliers of services, and the effect of such regulation on trade;

(iii) the adequacy of current United States policies to strengthen the competitiveness of United States service industries in foreign commerce, including export promotion activities in the service sector;

(iv) tax treatment of services, with particular emphasis on the effect of United States taxation on the international competitiveness of United States firms and exports;

(v) treatment of services under international agreements of the United States;

(vi) antitrust policies as such policies affect the competitiveness of United States firms; and

(vii) treatment of services in international agreements of the United States;

(D) conduct a program of research and analysis of service-related issues and problems, including forecasts and industrial strategies; and

(E) conduct sectoral studies of domestic service industries.

(2) For purposes of the collection and analysis required by paragraph (1), and for the purpose of any reporting the Department of Commerce makes under paragraph (3), such collection and reporting shall distinguish between income from investment and income from noninvestment services.

(3) On not less than a biennial basis beginning in 1986, the Secretary shall prepare a report which analyzes the information collected under paragraph (1). Such report shall be submitted to the Congress and to the President by not later than the date that is 120 days after the close of the period covered by the report.

(4) The Secretary of Commerce shall carry out the provisions of this subsection from funds otherwise made available to him which may be used for such purposes.

(5) For purposes of this section, the term ''services'' means economic activities whose outputs are other than tangible goods. Such term includes, but is not limited to, banking, insurance, transportation, communications and data processing, retail and wholesale trade, advertising, accounting, construction, design and engineering, management consulting, real estate, professional services, entertainment, education, health care, and tourism.

(Pub. L. 98–573, title III, § 306(a), Oct. 30, 1984, 98 Stat. 3008.)

CODIFICATION

Section was enacted as part of the International Trade and Investment Act, and also as part of the Trade and Tariff Act of 1984, and not as part of the Trade Act of 1974 which comprises this chapter.

Section is comprised of subsec. (a) of section 306 of Pub. L. 98–573. Subsec. (b) of such section amended sections 3101, 3103, and 3104 of Title 22, Foreign Relations and Intercourse, and enacted a provision set out as a note under section 3101 of Title 22, subsec. (c)(1), (2)(A) of such section is classified to section 2114c of this title, and subsec. (c)(2)(B), (C) of such section amended sections 2114, 2155, 2413, and 2414 of this title.

§ 2114c. Trade in services: development, coordination, and implementation of Federal policies; staff support and other assistance; specific service sector authorities unaffected; executive functions

(1)(A) The United States Trade Representative, through the interagency trade organization established pursuant to section 1872(a) of this title or any subcommittee thereof, shall, in conformance with this Act and other provisions of law, develop (and coordinate the implementation of) United States policies concerning trade in services.

(B) In order to encourage effective development, coordination, and implementation of United States policies on trade in services—

(i) each department or agency of the United States responsible for the regulation of any service sector industry shall, as appropriate, advise and work with the United States Trade Representative concerning matters that have come to the department's or agency's attention with respect to—

(I) the treatment afforded United States service sector interest in foreign markets; or

(II) allegations of unfair practices by foreign governments or companies in a service sector; and

(ii) the Department of Commerce, together with other appropriate agencies as requested by the United States Trade Representative, shall provide staff support and other assistance for negotiations on service-related issues by the United States Trade Representatives[1] and the domestic implementation of service-related agreements.

(C) Nothing in this paragraph shall be construed to alter any existing authority or responsibility with respect to any specific service sector.

(2)(A)[2] The President shall, as he deems appropriate—

(i) consult with State governments on issues of trade policy, including negotiating objectives and implementation of trade agreements, affecting the regulatory authority of non-Federal governments, or their procurement of goods and services;

(ii) establish one or more intergovernmental policy advisory committees on trade which shall serve as a principal forum in which State and local governments may consult with the Federal Government with respect to the matters described in clause (i); and

(iii) provide to State and local governments and to United States service industries, upon their request, advice, assistance, and (except as may be otherwise prohibited by law) data, analyses, and information concerning United States policies on international trade in services.

(Pub. L. 98–573, title III, § 306(c)(1), (2)(A), Oct. 30, 1984, 98 Stat. 3010, 3011.)

[1] So in original. Probably should be ''Representative''.

[2] See Codification note below.

REFERENCES IN TEXT

This Act, referred to in par. (1)(A), is Pub. L. 98–573, Oct. 30, 1984, 98 Stat. 2984, known as the Trade and Tariff Act of 1984. For classification of this Act to the Code, see Short Title of 1984 Amendment note set out under section 1654 of this title and Tables.

CODIFICATION

Section was enacted as part of the International Trade and Investment Act, and also as part of the Trade and Tariff Act of 1984, and not as part of the Trade Act of 1974 which comprises this chapter.

Section is comprised of subsec. (c)(1), (2)(A) of section 306 of Pub. L. 98–573. Subsec. (a) of such section is classified to section 2114(b) of this title, subsec. (b) of such section amended sections 3101, 3103, and 3104 of Title 22, Foreign Relations and Intercourse, and enacted a provision set out as a note under section 3101 of Title 22, and subsec. (c)(2)(B), (C) of such section amended sections 2114, 2155, 2413, and 2414 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 3312, 3512 of this title.

§ 2114d. Foreign export requirements; consultations and negotiations for reduction and elimination; restrictions on and exclusion from entry of products or services; savings provision; compensation authority applicable

(1) If the United States Trade Representative, with the advice of the committee established by section 1872 of this title, determines that action by the United States is appropriate to respond to any export performance requirements of any foreign country or instrumentality that adversely affect the economic interests of the United States, then the United States Trade Representative shall seek to obtain the reduction and elimination of such export performance requirements through consultations and negotiations with the foreign country or instrumentality concerned.

(2) In addition to the action referred to in subsection (1), the United States Trade Representative may impose duties or other import restrictions on the products or services of such foreign country or instrumentality for such time as he determines appropriate, including the exclusion from entry into the United States of products subject to such requirements.

(3) Nothing in paragraph (2) shall apply to any products or services with respect to which—

(A) any foreign direct investment (including a purchase of land or facilities) has been made directly or indirectly by any United States person before October 30, 1984, or

(B) any written commitment relating to a foreign direct investment that is binding on October 30, 1984, has been made directly or indirectly by any United States person.

(4) Whenever the international obligations of the United States and actions taken under paragraph (2) make compensation necessary or appropriate, compensation may be provided by the United States Trade Representative subject to the limitations and conditions contained in section 2133 of this title for providing compensation for actions taken under section 2253 of this title.

(Pub. L. 98–573, title III, § 307(b), Oct. 30, 1984, 98 Stat. 3012; Pub. L. 99–514, title XVIII, § 1889(5), Oct. 22, 1986, 100 Stat. 2926.)

CODIFICATION

Section was enacted as part of the International Trade and Investment Act, and also as part of the Trade and Tariff Act of 1984, and not as part of the Trade Act of 1974 which comprises this chapter.

Section is comprised of subsec. (b) of section 307 of Pub. L. 98–573. Subsec. (a) of such section amended section 2112(g)(3) of this title.

AMENDMENTS

1986—Par. (3). Pub. L. 99–514 struck out ''or paragraph (3)'' after ''paragraph (2)''.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

§ 2114e. Negotiation of agreements concerning high technology industries

The President may enter into such bilateral or multilateral agreements as may be necessary or appropriate to achieve the objectives of this section and the negotiating objectives under section 2114a(c) of this title.

(Pub. L. 98–573, title III, § 308(a), Oct. 30, 1984, 98 Stat. 3013.)

REFERENCES IN TEXT

This section, referred to in text, means section 308 of Pub. L. 98–573. See Codification note below.

CODIFICATION

Section was enacted as part of the International Trade and Investment Act, and also as part of the Trade and Tariff Act of 1984, and not as part of the Trade Act of 1974 which comprises this chapter.

Section is comprised of subsec. (a) of section 308 of Pub. L. 98–573. Subsec. (b) of such section 308 enacted section 2138 of this title.

§ 2115. Bilateral trade agreements

If the President determines that bilateral trade agreements will more effectively promote the economic growth of, and full employment in, the United States, then, in such cases, a negotiating objective under sections 2111 and 2112 of this title shall be to enter into bilateral trade agreements. Each such trade agreement shall provide for mutually advantageous economic benefits.

(Pub. L. 93–618, title I, § 105, Jan. 3, 1975, 88 Stat. 1984.)

§ 2116. Agreements with developing countries

A United States negotiating objective under sections 2111 and 2112 of this title shall be to enter into trade agreements which promote the economic growth of both developing countries and the United States and the mutual expansion of market opportunities.

(Pub. L. 93–618, title I, § 106, Jan. 3, 1975, 88 Stat. 1985.)

§ 2117. International safeguard procedures

(a) Harmonization, reduction, or elimination of barriers and distortions affecting international trade; use of temporary measures

A principal United States negotiating objective under section 2112 of this title shall be to obtain internationally agreed upon rules and procedures, in the context of the harmonization, reduction, or elimination of barriers to, and other distortions of, international trade, which permit the use of temporary measures to ease adjustment to changes occurring in competitive conditions in the domestic markets of the parties to an agreement resulting from such negotiations due to the expansion of international trade.

(b) Permissible provisions

Any agreement entered into under section 2112 of this title may include provisions establishing procedures for—

(1) notification of affected exporting countries,

(2) international consultations,

(3) international review of changes in trade flows,

(4) making adjustments in trade flows as the result of such changes, and

(5) international mediation.

Such agreements may also include provisions which—

(A) exclude, under specified conditions, the parties thereto from compensation obligations and retaliation, and

(B) permit domestic public procedures through which interested parties have the right to participate.

(Pub. L. 93–618, title I, § 107, Jan. 3, 1975, 88 Stat. 1985.)

§ 2118. Access to supplies

(a) Fair and equitable access

A principal United States negotiating objective under section 2112 of this title shall be to enter into trade agreements with foreign countries and instrumentalities to assure the United States of fair and equitable access at reasonable prices to supplies of articles of commerce which are important to the economic requirements of the United States and for which the United States does not have, or cannot easily develop, the necessary domestic productive capacity to supply its own requirements.

(b) Continued availability; reciprocal concessions; comparable trade obligations

Any agreement entered into under section 2112 of this title may include provisions which—

(1) assure to the United States the continued availability of important articles at reasonable prices, and

(2) provide reciprocal concessions or comparable trade obligations, or both, by the United States.

(Pub. L. 93–618, title I, § 108, Jan. 3, 1975, 88 Stat. 1985.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2462 of this title.

§ 2119. Staging requirements and rounding authority

(a) Maximum aggregate reductions in rates of duty

Except as otherwise provided in this section, the aggregate reduction in the rate of duty on any article which is in effect on any day pursuant to a trade agreement under section 2111 of this title shall not exceed the aggregate reduction which would have been in effect on such day if—

(1) a reduction of 3 percent ad valorem or a reduction of one-tenth of the total reduction, whichever is greater, had taken effect on the effective date of the first reduction proclaimed pursuant to section 2111(a)(2) of this title to carry out such agreement with respect to such article, and

(2) a reduction equal to the amount applicable under paragraph (1) had taken effect at 1-year intervals after the effective date of such first reduction.

This subsection shall not apply in any case where the total reduction in the rate of duty does not exceed 10 percent of the rate before the reduction.

(b) Simplification of computation

If the President determines that such action will simplify the computation of the amount of duty imposed with respect to an article, he may exceed the limitation provided by section 2111(b) of this title or subsection (a) of this section by not more than whichever of the following is lesser:

(1) the difference between the limitation and the next lower whole number, or

(2) one-half of 1 percent ad valorem.

(c) Ten-year period for commencement of reductions in rates of duty

(1) No reduction in the rate of duty on any article pursuant to a trade agreement under section 2111 of this title shall take effect more than 10 years after the effective date of the first reduction proclaimed to carry out such trade agreement with respect to such article.

(2) If any part of a reduction takes effect, then any time thereafter during which any part of the reduction is not in effect by reason of legislation of the United States or action thereunder, the effect of which is to maintain or increase the rate of duty on an article, shall be excluded in determining—

(A) the 1-year intervals referred to in subsection (a)(2) of this section, and

(B) the expiration of the 10-year period referred to in paragraph (1) of this subsection.

(Pub. L. 93–618, title I, § 109, Jan. 3, 1975, 88 Stat. 1985; Pub. L. 96–39, title XI, § 1106(c)(3), July 26, 1979, 93 Stat. 312.)

AMENDMENTS

1979—Subsec. (c)(2). Pub. L. 96–39 substituted ''any part of the reduction'' for ''such part of the reduction''.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

STAGING OF CERTAIN TARIFF REDUCTIONS

Section 503 of Pub. L. 96–39 provided that:

''(a) IN GENERAL.—The aggregate reduction in the rate of duty applicable to items described in this subsection in effect on any day pursuant to a trade agreement entered into under section 101 of the Trade Act of 1974 [19 U.S.C. 2111] before January 3, 1980, may exceed the limitation in section 109(a) of such Act (19 U.S.C. 2119):

''(1) Items amended under section 223(d) of this Act [items 402.00 to 413.51 of the Tariff Schedules] to the extent that they apply to articles which the President determines were not imported into the United States before January 1, 1978, and were not produced in the United States before May 1, 1978.

''(2)(A) Items to the extent that they apply to articles which the President determines are not import sensitive and are the product of a least developed developing country as defined in the United Nations General Assembly list of ''Least Developed Countries'' and which are beneficiary developing countries under section 502 of the Trade Act of 1974 [19 U.S.C. 2462].

''(B) The President may at any time suspend the treatment accorded under subparagraph (A) in which case the aggregate reduction in effect for such products shall be the reduction in effect for countries other than least developed developing countries.

''(3) Item 628.57. Notwithstanding the first sentence of this subsection, the limitation in section 109(a) of the Trade Act of 1974 may be exceeded only to the extent necessary to permit an aggregate reduction of 4.8 percent ad valorem in the rate of duty in effect under such item during the first 1-year period after the effective date of the first reduction in the rate of duty proclaimed for such item.

''(4) Items 132.50, 170.10, 170.15, 170.20, 177.62, 186.15, and 429.47.

''(5) Items 306.31, 306.32, 306.33, and 306.34. Notwithstanding subsection (a), the limitation in section 109(a) of the Trade Act of 1974 may be exceeded only to the extent necessary to permit the total reduction proclaimed under section 101 of the Trade Act of 1974 relating to such item to take effect within 2 years after the effective date of the first reduction in the rate of duty proclaimed for such item.

''(6) Items for which the President determines the effective date of the first reduction will be after June 30, 1980, and before January 1, 1981, to the extent necessary to permit the second reduction to take effect on January 1, 1981.

''(b) OPPORTUNITY FOR COMMENT.—Before making any determination under subsection (a)(1) and (2), the President shall provide interested parties an opportunity to comment and shall publish his final determinations in the Federal Register before July 1, 1980.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2134 of this title.

PART 2—OTHER AUTHORITY

§ 2131. Authorization of appropriation for GATT revision

There are authorized to be appropriated annually such sums as may be necessary for the payment by the United States of its share of the expenses of the Contracting Parties to the General Agreement on Tariffs and Trade. This authorization does not imply approval or disapproval by the Congress of all articles of the General Agreement on Tariffs and Trade.

(Pub. L. 93–618, title I, § 121, Jan. 3, 1975, 88 Stat. 1986; Pub. L. 96–39, title XI, § 1106(c)(2), July 26, 1979, 93 Stat. 311; Pub. L. 100–418, title I, § 1107(b)(2), Aug. 23, 1988, 102 Stat. 1135; Pub. L. 100–647, title IX, § 9001(a)(1), Nov. 10, 1988, 102 Stat. 3806.)

AMENDMENTS

1988—Pub. L. 100–647 substituted ''There are'' for ''(d) There are''.

Subsecs. (a) to (c). Pub. L. 100–418 struck out subsec. (a) which provided for bringing existing trade agreements into conformity with principles promoting open, nondiscriminatory, and fair world economic system, subsec. (b) which provided for agreements with foreign countries or instrumentalities, and subsec. (c) which provided for changes in Federal law through legislation implementing trade agreements.

1979—Subsec. (c). Pub. L. 96–39 substituted ''Such trade agreement may be entered into under section 2112 of this title'' for ''Such trade agreement may be submitted to the Congress for approval in accordance with the procedures of section 2191 of this title''.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–647 applicable as if such amendment took effect on Aug. 23, 1988, see section 9001(b) of Pub. L. 100–647, set out as an Effective and Termination Dates of 1988 Amendments note under section 58c of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

§ 2132. Balance-of-payments authority

(a) Presidential proclamations of temporary import surcharges and temporary limitations on imports through quotas in situations of fundamental international payments problems

Whenever fundamental international payments problems require special import measures to restrict imports—

(1) to deal with large and serious United States balance-of-payments deficits.

(2) to prevent an imminent and significant depreciation of the dollar in foreign exchange markets, or

(3) to cooperate with other countries in correcting an international balance-of-payments disequilibrium,

the President shall proclaim, for a period not exceeding 150 days (unless such period is extended by Act of Congress)—

(A) a temporary import surcharge, not to exceed 15 percent ad valorem, in the form of duties (in addition to those already imposed, if any) on articles imported into the United States;

(B) temporary limitations through the use of quotas on the importation of articles into the United States; or

(C) both a temporary import surcharge described in subparagraph (A) and temporary limitations described in subparagraph (B).

The authority delegated under subparagraph (B) (and so much of subparagraph (C) as relates to subparagraph (B)) may be exercised (i) only if international trade or monetary agreements to which the United States is a party permit the imposition of quotas as a balance-of-payments measure, and (ii) only to the extent that the fundamental imbalance cannot be dealt with effectively by a surcharge proclaimed pursuant to

subparagraph (A) or (C). Any temporary import surcharge proclaimed pursuant to subparagraph (A) or (C) shall be treated as a regular customs duty.

(b) Import restrictions not imposed when contrary to national interest of United States

If the President determines that the imposition of import restrictions under subsection (a) of this section will be contrary to the national interest of the United States, then he may refrain from proclaiming such restrictions and he shall—

(1) immediately inform Congress of his determination, and

(2) immediately convene the group of congressional official advisers designated under section 2211(a) of this title and consult with them as to the reasons for such determination.

(c) Presidential proclamations liberalizing imports

Whenever the President determines that fundamental international payments problems require special import measures to increase imports—

(1) to deal with large and persistent United States balance-of-trade surpluses, as determined on the basis of the cost-insurance-freight value of imports, as reported by the Bureau of the Census, or

(2) to prevent significant appreciation of the dollar in foreign exchange markets,

the President is authorized to proclaim, for a period of 150 days (unless such period is extended by Act of Congress)—

(A) a temporary reduction (of not more than 5 percent ad valorem) in the rate of duty on any article; and

(B) a temporary increase in the value or quantity of articles which may be imported under any import restriction, or a temporary suspension of any import restriction.

Import liberalizing actions proclaimed pursuant to this subsection shall be of broad and uniform application with respect to product coverage except that the President shall not proclaim measures under this subsection with respect to those articles where in his judgment such action will cause or contribute to material injury to firms or workers in any domestic industry, including agriculture, mining, fishing, or commerce, or to impairment of the national security, or will otherwise be contrary to the national interest.

(d) Nondiscriminatory treatment of import restricting actions

(1) Import restricting actions proclaimed pursuant to subsection (a) of this section shall be applied consistently with the principle of nondiscriminatory treatment. In addition, any quota proclaimed pursuant to subparagraph (B) of subsection (a) of this section shall be applied on a basis which aims at a distribution of trade with the United States approaching as closely as possible that which various foreign countries might have expected to obtain in the absence of such restrictions.

(2) Notwithstanding paragraph (1), if the President determines that the purposes of this section will best be served by action against one or more countries having large or persistent balance-of-payments surpluses, he may exempt all other countries from such action.

(3) After such time when there enters into force for the United States new rules regarding the application of surcharges as part of a reform of internationally agreed balance-of-payments adjustment procedures, the exemption authority contained in paragraph (2) shall be applied consistently with such new international rules.

(4) It is the sense of Congress that the President seek modifications in international agreements aimed at allowing the use of surcharges in place of quantitative restrictions (and providing rules to govern the use of such surcharges) as a balance-of-payments adjustment measure within the context of arrangements for an equitable sharing of balance-of-payments adjustment responsibility among deficit and surplus countries.

(e) Broad and uniform application of import restricting actions

Import restricting actions proclaimed pursuant to subsection (a) of this section shall be of broad and uniform application with respect to product coverage except where the President determines, consistently with the purposes of this section, that certain articles should not be subject to import restricting actions because of the needs of the United States economy. Such exceptions shall be limited to the unavailability of domestic supply at reasonable prices, the necessary importation of raw materials, avoiding serious dislocations in the supply of imported goods, and other similar factors. In addition, uniform exceptions may be made where import restricting actions will be unnecessary or ineffective in carrying out the purposes of this section, such as with respect to articles already subject to import restrictions, goods in transit, or goods under binding contract. Neither the authorization of import restricting actions nor the determination of exceptions with respect to product coverage shall be made for the purpose of protecting individual domestic industries from import competition.

(f) Quantitative limitations

Any quantitative limitation proclaimed pursuant to subparagraph (B) or (C) of subsection (a) of this section on the quantity or value, or both, of an article—

(1) shall permit the importation of a quantity or value which is not less than the quantity or value of such article imported into the United States from the foreign countries to which such limitation applies during the most recent period which the President determines is representative of imports of such article, and

(2) shall take into account any increase since the end of such representative period in domestic consumption of such article and like or similar articles of domestic manufacture or production.

(g) Suspension, modification, or termination of proclamations

The President may at any time, consistent with the provisions of this section, suspend, modify, or terminate, in whole or in part, any

proclamation under this section either during the initial 150-day period of effectiveness or as extended by subsequent Act of Congress.

(h) Termination of tariff concessions

No provision of law authorizing the termination of tariff concessions shall be used to impose a surcharge on imports into the United States.

(Pub. L. 93–618, title I, § 122, Jan. 3, 1975, 88 Stat. 1987.)

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2137 of this title.

§ 2133. Compensation authority

(a) New concessions

Whenever—

(1) any action taken under part 1 of subchapter II of this chapter or subchapter III of this chapter; or

(2) any judicial or administrative tariff reclassification that becomes final after August 23, 1988;

increases or imposes any duty or other import restriction, the President—

(A) may enter into trade agreements with foreign countries or instrumentalities for the purpose of granting new concessions as compensation in order to maintain the general level of reciprocal and mutually advantageous concessions; and

(B) may proclaim such modification or continuance of any existing duty, or such continuance of existing duty-free or excise treatment, as he determines to be required or appropriate to carry out any such agreement.

(b) Reductions in rates of duty

(1) No proclamation shall be made pursuant to subsection (a) of this section decreasing any rate of duty to a rate which is less than 70 percent of the existing rate of duty.

(2) Where the rate of duty in effect at any time is an intermediate stage under section 2902(a) of this title, the proclamation made pursuant to subsection (a) of this section may provide for the reduction of each rate of duty at each such stage proclaimed under such section 2902(a) of this title by not more than 30 percent of such rate of duty, and may provide for a final rate of duty which is not less than 70 percent of the rate of duty proclaimed as the final stage under such section 2902(a) of this title.

(3) If the President determines that such action will simplify the computation of the amount of duty imposed with respect to an article, he may exceed the limitations provided by paragraphs (1) and (2) of this subsection by not more than the lesser of—

(A) the difference between such limitation and the next lower whole number, or

(B) one-half of 1 percent ad valorem.

(4) Any concessions granted under subsection (a)(1) of this section shall be reduced and terminated according to substantially the same time schedule for reduction applicable to the relevant action under sections 2253(e) and 2254 of this title.

(c) Consideration of past violations of trade concessions

Before entering into any trade agreement under this section with any foreign country or instrumentality, the President shall consider whether such country or instrumentality has violated trade concessions of benefit to the United States and such violation has not been adequately offset by the action of the United States or by such country or instrumentality.

(d) Basic authority for trade agreements as authority for granting new concessions as compensation

Notwithstanding the provisions of subsection (a) of this section, the authority delegated under section 2902 of this title shall be used for the purpose of granting new concessions as compensation within the meaning of this section until such authority terminates.

(e) International obligations determination prerequisite to application of authority

The provisions of this section shall apply by reason of action taken under subchapter III of this chapter only if the President determines that action authorized under this section is necessary or appropriate to meet the international obligations of the United States.

(Pub. L. 93–618, title I, § 123, Jan. 3, 1975, 88 Stat. 1989; Pub. L. 100–418, title I, §§ 1104, 1401(b)(1)(A), Aug. 23, 1988, 102 Stat. 1132, 1239.)

AMENDMENTS

1988—Subsec. (a). Pub. L. 100–418, § 1104(1), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: ''Whenever any action has been taken under section 2253 of this title to increase or impose any duty or other import restriction, the President—

''(1) may enter into trade agreements with foreign countries or instrumentalities for the purpose of granting new concessions as compensation in order to maintain the general level of reciprocal and mutually advantageous concessions; and

''(2) may proclaim such modification or continuance of any existing duty, or such continuance of existing duty-free or excise treatment, as he determines to be required or appropriate to carry out any such agreement.''

Subsec. (b)(2). Pub. L. 100–418, § 1104(2), substituted ''section 2902(a)'' for ''section 2119'' and ''such section 2902(a)'' for ''section 2111'' in two places.

Subsec. (b)(4). Pub. L. 100–418, § 1401(b)(1)(A), substituted ''action under sections 2253(e) and 2254 of this title'' for ''import relief under section 2253(h) of this title''.

Subsec. (d). Pub. L. 100–418, § 1104(3), substituted ''section 2902'' for ''section 2111''.

Subsec. (e). Pub. L. 100–418, § 1104(4), added subsec. (e).

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 1401(b)(1)(A) of Pub. L. 100–418 effective Aug. 23, 1988, and applicable with respect to investigations initiated under part 1 (§ 2251 et seq.) of subchapter III of this chapter on or after that date, see section 1401(c) of Pub. L. 100–418, set out as a note under section 2251 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2114d, 2151, 2152, 2153, 2154, 2212, 3356 of this title.

§ 2134. Two-year residual authority to negotiate duties

(a) Trade agreements

Whenever the President determines that any existing duties or other import restrictions of

any foreign country or the United States are unduly burdening and restricting the foreign trade of the United States and that the purposes of this chapter will be promoted thereby, the President—

(1) may enter into trade agreements with foreign countries or instrumentalities thereof, and

(2) may proclaim such modification or continuance of any existing duty, such continuance of existing duty-free or excise treatment, or such additional duties, as he determines to be required or appropriate to carry out any such trade agreement.

(b) Maximum volume of imported articles subject to reduction of duties or continuance of duty-free or excise treatment

Agreements entered into under this section in any 1-year period shall not provide for the reduction of duties, or the continuance of duty-free or excise treatment, for articles which account for more than 2 percent of the value of United States imports for the most recent 12-month period for which import statistics are available.

(c) Maximum reduction in duties

(1) No proclamation shall be made pursuant to subsection (a) of this section decreasing any rate of duty to a rate which is less than 80 percent of the existing rate of duty.

(2) No proclamation shall be made pursuant to subsection (a) of this section decreasing or increasing any rate of duty to a rate which is lower or higher than the corresponding rate which would have resulted if the maximum authority granted by section 2111 of this title with respect to such article had been exercised.

(3) Where the rate of duty in effect at any time is an intermediate stage under section 2119 of this title, the proclamation made pursuant to subsection (a) of this section may provide for the reduction of each rate of duty at each such stage proclaimed under section 2111 of this title by not more than 20 percent of such rate of duty, and, subject to the limitation in paragraph (2), may provide for a final rate of duty which is not less than 80 percent of the rate of duty proclaimed as the final stage under section 2111 of this title.

(4) If the President determines that such action will simplify the computation of the amount of duty imposed with respect to an article, he may exceed the limitations provided by paragraphs (1) and (2) of this subsection by not more than the lesser of—

(A) the difference between such limitation and the next lower whole number, or

(B) one-half of 1 percent ad valorem.

(d) Two-year period of authority

Agreements may be entered into under this section only during the 2-year period which immediately follows the close of the period during which agreements may be entered into under section 2111 of this title.

(Pub. L. 93–618, title I, § 124, Jan. 3, 1975, 88 Stat. 1990.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original ''this Act'', meaning Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2212 of this title.

§ 2135. Termination and withdrawal authority

(a) Grant of authority for termination or withdrawal at end of period specified in agreement

Every trade agreement entered into under this chapter shall be subject to termination, in whole or in part, or withdrawal, upon due notice, at the end of a period specified in the agreement. Such period shall be not more than 3 years from the date on which the agreement becomes effective. If the agreement is not terminated or withdrawn from at the end of the period so specified, it shall be subject to termination or withdrawal thereafter upon not more than 6 months' notice.

(b) Authority to terminate proclamations at any time

The President may at any time terminate, in whole or in part, any proclamation made under this chapter.

(c) Increased duties or other import restrictions following withdrawal, suspension, or modification of obligations with respect to trade of foreign countries or instrumentalities

Whenever the United States, acting in pursuance of any of its rights or obligations under any trade agreement entered into pursuant to this chapter, section 1821 of this title, or section 1351 of this title, withdraws, suspends, or modifies any obligation with respect to the trade of any foreign country or instrumentality thereof, the President is authorized to proclaim increased duties or other import restrictions, to the extent, at such times, and for such periods as he deems necessary or appropriate, in order to exercise the rights or fulfill the obligations of the United States. No proclamation shall be made under this subsection increasing any existing duty to a rate more than 50 percent above the rate set forth in rate column numbered 2 of the Tariff Schedules of the United States, as in effect on January 1, 1975, or 20 percent ad valorem above the rate existing on January 1, 1975, whichever is higher.

(d) Retaliatory authority

Whenever any foreign country or instrumentality withdraws, suspends, or modifies the application of trade agreement obligations of benefit to the United States without granting adequate compensation therefor, the President, in pursuance of rights granted to the United States under any trade agreement and to the extent necessary to protect United States economic interests (including United States balance of payments), may—

(1) withdraw, suspend, or modify the application of substantially equivalent trade agreement obligations of benefit to such foreign country or instrumentality, and

(2) proclaim under subsection (c) of this section such increased duties or other import re-

strictions as are appropriate to effect adequate compensation from such foreign country or instrumentality.

(e) Continuation of duties or other import restrictions after termination of or withdrawal from agreements

Duties or other import restrictions required or appropriate to carry out any trade agreement entered into pursuant to this chapter, section 1821 of this title, or section 1351 of this title shall not be affected by any termination, in whole or in part, of such agreement or by the withdrawal of the United States from such agreement and shall remain in effect after the date of such termination or withdrawal for 1 year, unless the President by proclamation provides that such rates shall be restored to the level at which they would be but for the agreement. Within 60 days after the date of any such termination or withdrawal, the President shall transmit to the Congress his recommendations as to the appropriate rates of duty for all articles which were affected by the termination or withdrawal or would have been so affected but for the preceding sentence.

(f) Public hearings

Before taking any action pursuant to subsection (b), (c), or (d) of this section, the President shall provide for a public hearing during the course of which interested persons shall be given a reasonable opportunity to be present, to produce evidence, and to be heard, unless he determines that such prior hearings will be contrary to the national interest because of the need for expeditious action, in which case he shall provide for a public hearing promptly after such action.

(Pub. L. 93–618, title I, § 125, Jan. 3, 1975, 88 Stat. 1991.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (b), (c), (e), was in the original ''this Act'', meaning Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

The Tariff Schedules of the United States, referred to in subsec. (c), to be treated as a reference to the Harmonized Tariff Schedule pursuant to section 3012 of this title. The Harmonized Tariff Schedule is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

AUTHORITY TO INCREASE DUTIES ON IMPORTS OF CERTAIN TOBACCO AND TOBACCO PRODUCTS

Pub. L. 103–465, title IV, § 421, Dec. 8, 1994, 108 Stat. 4964, provided that:

''(a) IN GENERAL.—In the application of section 125(c) of the Trade Act of 1974 (19 U.S.C. 2135) with respect to any item provided for in subheadings 2401.10.60, 2401.20.30, 2401.20.80, 2401.30.30, 2401.30.60, 2401.30.90, 2403.10.00, 2403.91.40, or 2403.99.00 of the HTS, '350' shall be substituted for '20' where it appears in such section.

''(b) EFFECTIVE DATE.—This section shall take effect on the date of the enactment of this Act [Dec. 8, 1994].''

TARIFF REDUCTIONS UNDER TRADE AGREEMENTS ACT OF 1979

Pub. L. 96–39, title V, § 502(b), July 26, 1979, 93 Stat. 251, provided that: ''For purposes of section 125 (19 U.S.C. 2135) of the Trade Act of 1974 the amendments made under sections 508, 511, 512, and 513 [amending items 135.41, 135.42, 750.26, 750.27, 750.28, 870.45, 905.10, and 905.11 of the Tariff Schedules of the United States. See Publication of Tariff Schedules note under section 1202 of this title] not including the rates of duty appearing in rate column numbered 2, if any, shall be considered to be trade agreement obligations entered into under the Trade Act of 1974 [this chapter], of benefit to foreign countries or instrumentalities.''

Pub. L. 96–39, title VI, § 601(b), July 26, 1979, 93 Stat. 268, provided that: ''For purposes of section 125 of the Trade Act of 1974 [this section], the amendments made under subsection (a), if any [amending the Tariff Schedules of the United States with regard to civil aircraft (see Publication of Tariff Schedules note under section 1202), and, amending section 1466 of this title], shall be considered to be trade agreement obligations entered into under the Trade Act of 1974 [this chapter] of benefit to foreign countries or instrumentalities.''

Rates of duty proclaimed under section 855(a) of Pub. L. 96–39 (covering spirits, spiritous beverages, and beverage preparations) to be deemed, for purposes of this section, a trade agreement obligation which is of benefit to a foreign country or instrumentality, and, in the case of any item affected by such a proclamation, the last sentence of subsec. (c) of this section to be applied as if it authorized (in addition to any increase authorized therein) an increase up to the rate of duty for such item set forth in rate column numbered 1 of subpart D of part 12 of schedule 1 of the Tariff Schedules of the United States (see Publication of Tariff Schedules note under section 1202 of this title) as amended by section 852 of Pub. L. 96–39, see section 855(b) of Pub. L. 96–39.

REVIEW OF INTERNATIONAL TRADE IN ALCOHOLIC BEVERAGES

Pub. L. 96–39, title VIII, § 854, July 26, 1979, 93 Stat. 294, provided that:

''(a) REVIEW.—The President shall review foreign tariff and nontariff barriers affecting United States exports of alcoholic beverages. Not later than January 1, 1982, the President shall report to the Congress the results of his review.

''(b) WITHDRAWAL OF CONCESSIONS.—If, as the result of his review under subsection (a), the President determines that a foreign country or instrumentality has not implemented concessions to the United States affecting alcoholic beverages which were negotiated in trade agreements entered into before January 3, 1980, under the authority of title I of the Trade Act of 1974 [this subchapter], the President shall withdraw, suspend, or modify the application of substantially equivalent trade agreement obligations of benefit to such foreign country or instrumentality under section 125 of the Trade Act of 1974 (19 U.S.C. 2135).

''(c) FURTHER NEGOTIATIONS TO REMOVE BARRIERS.—If, as the result of his review under subsection (a), the President determines that foreign tariff or nontariff barriers are unduly burdening or restricting the United States exports of alcoholic beverages, he shall enter into negotiations under the Trade Act of 1974 [this chapter] to eliminate or reduce such barriers.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2581, 2904, 3003, 3105 of this title.

§ 2136. Reciprocal nondiscriminatory treatment

(a) Direct and indirect imports

Except as otherwise provided in this chapter or in any other provision of law, any duty or other import restriction or duty-free treatment proclaimed in carrying out any trade agreement under this subchapter shall apply to products of all foreign countries, whether imported directly or indirectly.

(b) Presidential determination of whether major industrial countries have made substantially equivalent concessions to the United States

The President shall determine, after the conclusion of all negotiations entered into under this chapter or at the end of the 5-year period beginning on January 3, 1975, whichever is earlier, whether any major industrial country has failed to make concessions under trade agreements entered into under this chapter which provide competitive opportunities for the commerce of the United States in such country substantially equivalent to the competitive opportunities, provided by concessions made by the United States under trade agreements entered into under this chapter, for the commerce of such country in the United States.

(c) Recommendations to Congress for legislation following a Presidential determination that a major industrial country has failed to grant equivalent concessions

If the President determines under subsection (b) of this section that a major industrial country has not made concessions under trade agreements entered into under this chapter which provide substantially equivalent competitive opportunities for the commerce of the United States, he shall, either generally with respect to such country or by article produced by such country, in order to restore equivalence of competitive opportunities, recommend to the Congress—

(1) legislation providing for the termination or denial of the benefits of concessions of trade agreements entered into under this chapter made with respect to rates of duty or other import restrictions by the United States; and

(2) that any legislation necessary to carry out any trade agreement under section 2112 of this title shall not apply to such country.

(d) Major industrial countries

For purposes of this section, ''major industrial country'' means Canada, the European Economic Community, the individual member countries of such Community, Japan, and any other foreign country designated by the President for purposes of this subsection.

(Pub. L. 93–618, title I, § 126, Jan. 3, 1975, 88 Stat. 1992.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) to (c), was in the original ''this Act'', meaning Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

TRANSACTIONS INVOLVING LIBYA

This section to have no effect with respect to Libya in view of prohibition of import into United States of any goods or services of Libyan origin other than publications and materials imported for news publications or broadcast dissemination, see Ex. Ord. No. 12543, Jan. 7, 1986, 51 F.R. 875, set out under section 1701 of Title 50, War and National Defense.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2254, 2503, 2518, 2904 of this title.

§ 2137. Reservation of articles for national security or other reasons

(a) National security considerations

No proclamation shall be made pursuant to the provisions of this chapter reducing or eliminating the duty or other import restriction on any article if the President determines that such reduction or elimination would threaten to impair the national security.

(b) Action taken under other laws

While there is in effect with respect to any article any action taken under section 2253 of this title, or section 1862 or 1981 of this title, the President shall reserve such article from negotiations under this subchapter (and from any action under section 2132(c) of this title) contemplating reduction or elimination of—

(A) any duty on such article,

(B) any import restriction imposed under such section, or

(C) any other import restriction, the removal of which will be likely to undermine the effect of the import restrictions referred to in subparagraph (B).

In addition, the President shall also so reserve any other article which he determines to be appropriate, taking into consideration information and advice available pursuant to and with respect to the matters covered by sections 2151, 2152, and 2153 of this title, where applicable.

(Pub. L. 93–618, title I, § 127(a), (b), Jan. 3, 1975, 88 Stat. 1993.)

REFERENCES IN TEXT

This chapter, referred to in subsec. (a), was in the original ''this Act'', meaning Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

CODIFICATION

Section is comprised of subsecs. (a) and (b) of section 127 of act Jan. 3, 1975. Subsec. (c) of such section was classified to section 1863 of this title, prior to its repeal by Pub. L. 100–418, title I, § 1501(b)(2), Aug. 23, 1988, 102 Stat. 1259, and subsec. (d) amended section 1862 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2904 of this title.

§ 2138. Omitted

CODIFICATION

Section, Pub. L. 93–618, title I, § 128, as added Pub. L. 98–573, title III, § 308(b)(1), Oct. 30, 1984, 98 Stat. 3013; amended Pub. L. 99–514, title XVIII, § 1887(b)(1), Oct. 22, 1986, 100 Stat. 2924; Pub. L. 100–418, title I, §§ 1214(j)(1), 1215, Aug. 23, 1988, 102 Stat. 1158, 1163; Pub. L. 100–647, title IX, § 9001(a)(3), Nov. 10, 1988, 102 Stat. 3806, related to modification and continuance of treatment with respect to duties on high technology products, was omitted pursuant to subsec. (c) which provided that the President could exercise authority under this section only during the 5-year period beginning on Oct. 30, 1984.

PART 3—HEARINGS AND ADVICE CONCERNING NEGOTIATIONS

§ 2151. Advice from International Trade Commission

(a) Lists of articles which may be considered for action

(1) In connection with any proposed trade agreement under section 2133 of this title or section 2902(a) or (c) of this title, the President shall from time to time publish and furnish the International Trade Commission (hereafter in this section referred to as the ''Commission'') with lists of articles which may be considered for modification or continuance of United States duties, continuance of United States duty-free or excise treatment, or additional duties. In the case of any article with respect to which consideration may be given to reducing or increasing the rate of duty, the list shall specify the provision of this subchapter under which such consideration may be given.

(2) In connection with any proposed trade agreement under section 2902(b) or (c) of this title, the President may from time to time publish and furnish the Commission with lists of nontariff matters which may be considered for modification.

(b) Advice to President by Commission

Within 6 months after receipt of a list under subsection (a) of this section or, in the case of a list submitted in connection with a trade agreement, within 90 days after receipt of such list, the Commission shall advise the President, with respect to each article or nontariff matter, of its judgment as to the probable economic effect of modification of the tariff or nontariff measure on industries producing like or directly competitive articles and on consumers, so as to assist the President in making an informed judgment as to the impact which might be caused by such modifications on United States interests, such as sectors involved in manufacturing, agriculture, mining, fishing, services, intellectual property, investment, labor, and consumers. Such advice may include in the case of any article the advice of the Commission as to whether any reduction in the rate of duty should take place over a longer period of time than the minimum period provided for in section 2902(a)(3)(A) of this title.

(c) Additional investigations and reports requested by President or Trade Representative

In addition, in order to assist the President in his determination whether to enter into any agreement under section 2133 of this title or section 2902 of this title, or how to develop trade policy, priorities or other matters (such as priorities for actions to improve opportunities in foreign markets), the Commission shall make such investigations and reports as may be requested by the President or the United States Trade Representative on matters such as effects of modification of any barrier to (or other distortion of) international trade on domestic workers, industries or sectors, purchasers, prices and quantities of articles in the United States.

(d) Commission steps in preparing its advice to President

In preparing its advice to the President under this section, the Commission shall to the extent practicable—

(1) investigate conditions, causes, and effects relating to competition between the foreign industries producing the articles or services in question and the domestic industries producing the like or directly competitive articles or services;

(2) analyze the production, trade, and consumption of each like or directly competitive article or service, taking into consideration employment, profit levels, and use of productive facilities with respect to the domestic industries concerned, and such other economic factors in such industries as it considers relevant, including prices, wages, sales, inventories, patterns of demand, capital investment, obsolescence of equipment, and diversification of production;

(3) describe the probable nature and extent of any significant change in employment, profit levels, and use of productive facilities; the overall impact of such or other possible changes on the competitiveness of relevant domestic industries or sectors; and such other conditions as it deems relevant in the domestic industries or sectors concerned which it believes such modifications would cause; and

(4) make special studies (including studies of real wages paid in foreign supplying countries), whenever deemed to be warranted, of particular proposed modifications affecting United States manufacturing, agriculture, mining, fishing, labor, consumers, services, intellectual property and investment, using to the fullest extent practicable United States Government facilities abroad and appropriate personnel of the United States.

(e) Public hearings

In preparing its advice to the President under this section, the Commission shall, after reasonable notice, hold public hearings.

(Pub. L. 93–618, title I, § 131, Jan. 3, 1975, 88 Stat. 1994; Pub. L. 100–418, title I, § 1111(a), Aug. 23, 1988, 102 Stat. 1135.)

AMENDMENTS

1988—Pub. L. 100–418 amended section generally, substituting present provisions for provisions which related to: in subsec. (a), lists of articles which could be considered for modification or continuance of duties, duty-free or excise treatment, or additional duties; in subsec. (b), advice to President following receipt of list by Commission; in subsec. (c), additional investigations and reports requested by President; in subsec. (d), Commission steps in preparing its advice to President; and in subsec. (e), public hearings.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2137, 2153, 2154, 2212, 2463 of this title.

§ 2152. Advice from executive departments and other sources

Before any trade agreement is entered into under section 2133 of this title or section 2902 of this title, the President shall seek information and advice with respect to such agreement from

the Departments of Agriculture, Commerce, Defense, Interior, Labor, State and the Treasury, from the United States Trade Representative, and from such other sources as he may deem appropriate. Such advice shall be prepared and presented consistent with the provisions of Reorganization Plan Number 3 of 1979, Executive Order Number 12188 and section 2171(c) of this title.

(Pub. L. 93–618, title I, § 132, Jan. 3, 1975, 88 Stat. 1995; Pub. L. 100–418, title I, § 1111(a), Aug. 23, 1988, 102 Stat. 1137.)

REFERENCES IN TEXT

Reorganization Plan Number 3 of 1979, referred to in text, is set out as a note under section 2171 of this title.

Executive Order Number 12188, referred to in text, is set out as a note under section 2171 of this title.

AMENDMENTS

1988—Pub. L. 100–418 amended section generally. Prior to amendment, section read as follows: ''Before any trade agreement is entered into under part 1 of this subchapter or section 2133 or 2134 of this title, the President shall seek information and advice with respect to such agreement from the Departments of Agriculture, Commerce, Defense, Interior, Labor, State and the Treasury, from the United States Trade Representative, and from such other sources as he may deem appropriate.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2137, 2463 of this title.

§ 2153. Public hearings

(a) Opportunity for presentation of views

In connection with any proposed trade agreement under section 2133 of this title or section 2902 of this title, the President shall afford an opportunity for any interested person to present his views concerning any article on a list published under section 2151 of this title, any matter or article which should be so listed, any concession which should be sought by the United States, or any other matter relevant to such proposed trade agreement. For this purpose, the President shall designate an agency or an interagency committee which shall, after reasonable notice, hold public hearings and prescribe regulations governing the conduct of such hearings. When appropriate, such procedures shall apply to the development of trade policy and priorities.

(b) Summary of hearings

The organization holding such hearing shall furnish the President with a summary thereof.

(Pub. L. 93–618, title I, § 133, Jan. 3, 1975, 88 Stat. 1995; Pub. L. 100–418, title I, § 1111(a), Aug. 23, 1988, 102 Stat. 1137.)

AMENDMENTS

1988—Pub. L. 100–418 amended section generally. Prior to amendment, section read as follows:

''(a) In connection with any proposed trade agreement under part 1 of this subchapter or section 2133 or 2134 of this title, the President shall afford an opportunity for any interested person to present his views concerning any article on a list published pursuant to section 2151 of this title, any article which should be so listed, any concession which should be sought by the United States, or any other matter relevant to such proposed trade agreement. For this purpose, the President shall designate an agency or an interagency committee which shall, after reasonable notice, hold public hearings and prescribe regulations governing the conduct of such hearings.

''(b) The organization holding such hearings shall furnish the President with a summary thereof.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2137, 2154, 2463 of this title.

§ 2154. Prerequisites for offers

(a) In any negotiation seeking an agreement under section 2133 of this title or section 2902 of this title, the President may make a formal offer for the modification or continuance of any United States duty, import restrictions, or barriers to (or other distortions of) international trade, the continuance of United States duty-free or excise treatment, or the imposition of additional duties, import restrictions, or other barrier to (or other distortion of) international trade including trade in services, foreign direct investment and intellectual property as covered by this subchapter, with respect to any article or matter only after he has received a summary of the hearings at which an opportunity to be heard with respect to such article has been afforded under section 2153 of this title. In addition, the President may make an offer for the modification or continuance of any United States duty, the continuance of United States duty-free or excise treatment, or the imposition of additional duties, with respect to any article included in a list published and furnished under section 2151(a) of this title, only after he has received advice concerning such article from the Commission under section 2151(b) of this title, or after the expiration of the 6-month or 90-day period provided for in that section, as appropriate, whichever first occurs.

(b) In determining whether to make offers described in subsection (a) of this section in the course of negotiating any trade agreement under section 2902 of this title, and in determining the nature and scope of such offers, the President shall take into account any advice or information provided, or reports submitted, by—

(1) the Commission;

(2) any advisory committee established under section 2155 of this title; or

(3) any organization that holds public hearings under section 2153 of this title;

with respect to any article, or domestic industry, that is sensitive, or potentially sensitive, to imports.

(Pub. L. 93–618, title I, § 134, Jan. 3, 1975, 88 Stat. 1995; Pub. L. 100–418, title I, § 1111(a), Aug. 23, 1988, 102 Stat. 1137.)

AMENDMENTS

1988—Pub. L. 100–418 amended section generally. Prior to amendment, section read as follows: ''In any negotiations seeking an agreement under part 1 of this subchapter or section 2133 or 2134 of this title, the President may make an offer for the modification or continuance of any United States duty, import restrictions, or barriers to (or other distortions of) international trade, the continuance of United States duty-free or excise treatment, or the imposition of additional duties, import restriction, or other barrier to (or other distortion of) international trade, with respect to

any article only after he has received a summary of the hearings at which an opportunity to be heard with respect to such article has been afforded under section 2153 of this title. In addition, the President may make an offer for the modification or continuance of any United States duty, the continuance of United States duty-free or excise treatment, or the imposition of additional duties, with respect to any article included in a list published and furnished under section 2151(a) of this title, only after he has received advice concerning such article from the International Trade Commission under section 2151(b) of this title, or after the expiration of the 6-month or 90-day period provided for in that section, as appropriate, whichever first occurs.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2463 of this title.

§ 2155. Information and advice from private and public sectors

(a) In general

(1) The President shall seek information and advice from representative elements of the private sector and the non-Federal governmental sector with respect to—

(A) negotiating objectives and bargaining positions before entering into a trade agreement under this subchapter or section 2902 of this title;

(B) the operation of any trade agreement once entered into, including preparation for dispute settlement panel proceedings to which the United States is a party; and

(C) other matters arising in connection with the development, implementation, and administration of the trade policy of the United States, including those matters referred to in Reorganization Plan Number 3 of 1979 and Executive Order Numbered 12188, and the priorities for actions thereunder.

To the maximum extent feasible, such information and advice on negotiating objectives shall be sought and considered before the commencement of negotiations.

(2) The President shall consult with representative elements of the private sector and the non-Federal governmental sector on the overall current trade policy of the United States. The consultations shall include, but are not limited to, the following elements of such policy:

(A) The principal multilateral and bilateral trade negotiating objectives and the progress being made toward their achievement.

(B) The implementation, operation, and effectiveness of recently concluded multilateral and bilateral trade agreements and resolution of trade disputes.

(C) The actions taken under the trade laws of the United States and the effectiveness of such actions in achieving trade policy objectives.

(D) Important developments in other areas of trade for which there must be developed a proper policy response.

(3) The President shall take the advice received through consultation under paragraph (2) into account in determining the importance which should be placed on each major objective and negotiating position that should be adopted in order to achieve the overall trade policy of the United States.

(b) Advisory Committee for Trade Policy and Negotiations

(1) The President shall establish an Advisory Committee for Trade Policy and Negotiations to provide overall policy advice on matters referred to in subsection (a) of this section. The committee shall be composed of not more than 45 individuals and shall include representatives of non-Federal governments, labor, industry, agriculture, small business, service industries, retailers, nongovernmental environmental and conservation organizations, and consumer interests. The committee shall be broadly representative of the key sectors and groups of the economy, particularly with respect to those sectors and groups which are affected by trade. Members of the committee shall be recommended by the United States Trade Representative and appointed by the President for a term of 2 years. An individual may be reappointed to committee for any number of terms. Appointments to the Committee[1] shall be made without regard to political affiliation.

(2) The committee shall meet as needed at the call of the United States Trade Representative or at the call of two-thirds of the members of the committee. The chairman of the committee shall be elected by the committee from among its members.

(3) The United States Trade Representative shall make available to the committee such staff, information, personnel, and administrative services and assistance as it may reasonably require to carry out its activities.

(c) General policy, sectoral, or functional advisory committees

(1) The President may establish individual general policy advisory committees for industry, labor, agriculture, services, investment, defense, and other interests, as appropriate, to provide general policy advice on matters referred to in subsection (a) of this section. Such committees shall, insofar as is practicable, be representative of all industry, labor, agricultural, service, investment, defense, and other interests, respectively, including small business interests, and shall be organized by the United States Trade Representative and the Secretaries of Commerce, Defense, Labor, Agriculture, the Treasury, or other executive departments, as appropriate. The members of such committees shall be appointed by the United States Trade Representative in consultation with such Secretaries.

(2) The President shall establish such sectoral or functional advisory committees as may be appropriate. Such committees shall, insofar as is practicable, be representative of all industry, labor, agricultural, or service interests (including small business interests) in the sector or functional areas concerned. In organizing such committees, the United States Trade Representative and the Secretaries of Commerce, Labor, Agriculture, the Treasury, or other executive departments, as appropriate, shall—

(A) consult with interested private organizations; and

(B) take into account such factors as—

[1] So in original. Probably should not be capitalized.

(i) patterns of actual and potential competition between United States industry and agriculture and foreign enterprise in international trade,

(ii) the character of the nontariff barriers and other distortions affecting such competition,

(iii) the necessity for reasonable limits on the number of such advisory committees,

(iv) the necessity that each committee be reasonably limited in size, and

(v) in the case of each sectoral committee, that the product lines covered by each committee be reasonably related.

(3) The President—

(A) may, if necessary, establish policy advisory committees representing non-Federal governmental interests to provide policy advice—

(i) on matters referred to in subsection (a) of this section, and

(ii) with respect to implementation of trade agreements, and

(B) shall include as members of committees established under subparagraph (A) representatives of non-Federal governmental interests if he finds such inclusion appropriate after consultation by the United States Trade Representative with such representatives.

(4) Appointments to each committee established under paragraph (1), (2), or (3) shall be made without regard to political affiliation.

(d) Policy, technical, and other advice and information

Committees established under subsection (c) of this section shall meet at the call of the United States Trade Representative and the Secretaries of Agriculture, Commerce, Labor, Defense, or other executive departments, as appropriate, to provide policy advice, technical advice and information, and advice on other factors relevant to the matters referred to in subsection (a) of this section.

(e) Meeting of advisory committees at conclusion of negotiations

(1) The Advisory Committee for Trade Policy and Negotiations, each appropriate policy advisory committee, and each sectoral or functional advisory committee, if the sector or area which such committee represents is affected, shall meet at the conclusion of negotiations for each trade agreement entered into under section 2902 of this title, to provide to the President, to Congress, and to the United States Trade Representative a report on such agreement. Each report that applies to a trade agreement entered into under section 2902 of this title shall be provided under the preceding sentence not later than the date on which the President notifies the Congress under section 2903(a)(1)(A) of this title of his intention to enter into that agreement.

(2) The report of the Advisory Committee for Trade Policy and Negotiations and each appropriate policy advisory committee shall include an advisory opinion as to whether and to what extent the agreement promotes the economic interests of the United States and achieves the applicable overall and principal negotiating objectives set forth in section 2901 of this title, as appropriate.

(3) The report of the appropriate sectoral or functional committee under paragraph (1) shall include an advisory opinion as to whether the agreement provides for equity and reciprocity within the sector or within the functional area.

(f) Application of Federal Advisory Committee Act

The provisions of the Federal Advisory Committee Act apply—

(1) to the Advisory Committee for Trade Policy and Negotiations established under subsection (b) of this section; and

(2) to all other advisory committees which may be established under subsection (c) of this section; except that the meetings of advisory committees established under subsections (b) and (c) of this section shall be exempt from the requirements of subsections (a) and (b) of sections 10 and 11 of the Federal Advisory Committee Act (relating to open meetings, public notice, public participation, and public availability of documents), whenever and to the extent it is determined by the President or his designee that such meetings will be concerned with matters the disclosure of which would seriously compromise the development by the United States Government of trade policy, priorities, negotiating objectives or bargaining positions with respect to matters referred to in subsection (a) of this section, and that meetings may be called of such special task forces, plenary meetings of chairmen, or other such groups made up of members of the committees established under subsections (b) and (c) of this section.

(g) Trade secrets and confidential information

(1) Trade secrets and commercial or financial information which is privileged or confidential, and which is submitted in confidence by the private sector or non-Federal government to officers or employees of the United States in connection with trade negotiations, may be disclosed upon request to—

(A) officers and employees of the United States designated by the United States Trade Representative;

(B) members of the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate who are designated as official advisers under section 2211(a)(1) of this title or are designated by the chairmen of either such committee under section 2211(b)(3)(A) of this title and staff members of either such committee designated by the chairmen under section 2211(b)(3)(A) of this title; and

(C) members of any committee of the House or Senate or any joint committee of Congress who are designated as advisers under section 2211(a)(2) of this title or designated by the chairman of such committee under section 2211(b)(3)(B) of this title and staff members of such committee designated under section 2211(b)(3)(B) of this title, but disclosure may be made under this subparagraph only with respect to trade secrets or commercial or financial information that is relevant to trade policy matters or negotiations that are within the legislative jurisdiction of such committee;

for use in connection with matters referred to in subsection (a) of this section.

(2) Information other than that described in paragraph (1), and advice submitted in confidence by the private sector or non-Federal government to officers or employees of the United States, to the Advisory Committee for Trade Policy and Negotiations, or to any advisory committee established under subsection (c) of this section, in connection with matters referred to in subsection (a) of this section, may be disclosed upon request to—

(A) the individuals described in paragraph (1); and

(B) the appropriate advisory committee established under this section.

(3) Information submitted in confidence by officers or employees of the United States to the Advisory Committee for Trade Policy and Negotiations, or to any advisory committee established under subsection (c) of this section, may be disclosed in accordance with rules issued by the United States Trade Representative and the Secretaries of Commerce, Labor, Defense, Agriculture, or other executive departments, as appropriate, after consultation with the relevant advisory committees established under subsection (c) of this section. Such rules shall define the categories of information which require restricted or confidential handling by such committee considering the extent to which public disclosure of such information can reasonably be expected to prejudice the development of trade policy, priorities, or United States negotiating objectives. Such rules shall, to the maximum extent feasible, permit meaningful consultations by advisory committee members with persons affected by matters referred to in subsection (a) of this section.

(h) Advisory committee support

The United States Trade Representative, and the Secretaries of Commerce, Labor, Defense, Agriculture, the Treasury, or other executive departments, as appropriate, shall provide such staff, information, personnel, and administrative services and assistance to advisory committees established under subsection (c) of this section as such committees may reasonably require to carry out their activities.

(i) Consultation with advisory committees; procedures; nonacceptance of committee advice or recommendations

It shall be the responsibility of the United States Trade Representative, in conjunction with the Secretaries of Commerce, Labor, Agriculture, the Treasury, or other executive departments, as appropriate, to adopt procedures for consultation with and obtaining information and advice from the advisory committees established under subsection (c) of this section on a continuing and timely basis. Such consultation shall include the provision of information to each advisory committee as to—

(1) significant issues and developments; and

(2) overall negotiating objectives and positions of the United States and other parties;

with respect to matters referred to in subsection (a) of this section. The United States Trade Representative shall not be bound by the advice or recommendations of such advisory committees, but shall inform the advisory committees of significant departures from such advice or recommendations made. In addition, in the course of consultations with the Congress under this subchapter, information on the advice and information provided by advisory committees shall be made available to congressional advisers.

(j) Private organizations or groups

In addition to any advisory committee established under this section, the President shall provide adequate, timely and continuing opportunity for the submission on an informal basis (and, if such information is submitted under the provisions of subsection (g) of this section, on a confidential basis) by private organizations or groups, representing government, labor, industry, agriculture, small business, service industries, consumer interests, and others, of statistics, data and other trade information, as well as policy recommendations, pertinent to any matter referred to in subsection (a) of this section.

(k) Scope of participation by members of advisory committees

Nothing contained in this section shall be construed to authorize or permit any individual to participate directly in any negotiation of any matters referred to in subsection (a) of this section. To the maximum extent practicable, the members of the committees established under subsections (b) and (c) of this section, and other appropriate parties, shall be informed and consulted before and during any such negotiations. They may be designated as advisors to a negotiating delegation, and may be permitted to participate in international meetings to the extent the head of the United States delegation deems appropriate. However, they may not speak or negotiate for the United States.

(*l*) Advisory committees established by Department of Agriculture

The provisions of title XVIII of the Food and Agriculture Act of 1977 (7 U.S.C. 2281 et seq.) shall not apply to any advisory committee established under subsection (c) of this section.

(m) "Non-Federal government" defined

As used in this section, the term ''non-Federal government'' means—

(1) any State, territory, or possession of the United States, or the District of Columbia, or any political subdivision thereof; or

(2) any agency or instrumentality of any entity described in paragraph (1).

(Pub. L. 93–618, title I, § 135, Jan. 3, 1975, 88 Stat. 1996; Pub. L. 96–39, title XI, § 1103, July 26, 1979, 93 Stat. 308; Pub. L. 98–573, title III, § 306(c)(2)(B), Oct. 30, 1984, 98 Stat. 3011; Pub. L. 99–514, title XVIII, § 1887(a)(2), Oct. 22, 1986, 100 Stat. 2923; Pub. L. 100–418, title I, § 1631, Aug. 23, 1988, 102 Stat. 1264; Pub. L. 103–465, title I, §§ 127(f), 128, Dec. 8, 1994, 108 Stat. 4836.)

REFERENCES IN TEXT

Reorganization Plan Number 3 of 1979, referred to in subsec. (a)(1)(C), is set out as a note under section 2171 of this title.

Executive Order Numbered 12188, referred to in subsec. (a)(1)(C), is set out as a note under section 2171 of this title.

The Federal Advisory Committee Act, referred to in subsec (f), is Pub. L. 92–463, Oct. 6, 1972, 86 Stat. 770, as amended, which is set out in the Appendix to Title 5, Government Organization and Employees.

The Food and Agriculture Act of 1977, referred to in subsec. (*l*), is Pub. L. 95–113, Sept. 29, 1977, 91 Stat. 913, as amended. Title XVIII of the Act is classified generally to chapter 55A (§ 2281 et seq.) of Title 7, Agriculture. For complete classification of this Act to the Code, see Short Title of 1977 Amendment note set out under section 1281 of Title 7 and Tables.

AMENDMENTS

1994—Subsec. (a)(1)(B). Pub. L. 103–465, § 127(f), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: ''the operation of any trade agreement once entered into; and''.

Subsec. (b)(1). Pub. L. 103–465, § 128, inserted ''nongovernmental environmental and conservation organizations,'' after ''retailers,''.

1988—Pub. L. 100–418 amended section generally, substituting present provisions for provisions which, in the following subsections, had related to: subsec. (a), information and advice on trade agreements and other matters; subsec. (b), Advisory Committee for Trade Negotiations; subsec. (c), general policy, sectoral, functional, or policy advisory committees; subsec. (d), policy advice, technical advice and information, and other advice; subsec. (e), meeting of advisory committees at conclusion of negotiations for trade agreements; subsec. (f), Federal Advisory Committee Act; subsec. (g), trade secrets and confidential commercial, financial, or other information; subsec. (h), staff, information, personnel, and administrative services and assistance to advisory committees; subsec. (i), consultation with advisory committees; adoption of procedures; nonacceptance of committee advice or recommendations; subsec. (j), private or non-Federal government organizations or groups; subsec. (k), direct participation in negotiations by private individuals not authorized; information, consultation, participation of committee members and appropriate parties in international meetings; restrictions; subsec. (*l*), advisory committees established by Department of Agriculture; and subsec. (m), definition of ''non-Federal government''.

1986—Subsecs. (m), (n). Pub. L. 99–514 redesignated subsec. (n) as (m).

1984—Subsec. (a). Pub. L. 98–573, § 306(c)(2)(B)(i), inserted ''and the non-Federal governmental sector'' after ''private sector''.

Subsec. (c)(3). Pub. L. 98–573, § 306(c)(2)(B)(ii), added par. (3).

Subsec. (g)(1)(A), (B). Pub. L. 98–573, § 306(c)(2)(B)(iii), inserted ''or non-Federal government'' after ''private''.

Subsec. (j). Pub. L. 98–573, § 306(c)(2)(B)(iii), (iv), inserted ''or non-Federal government'' after ''private'' and ''government,'' before ''labor, industry''.

Subsec. (n). Pub. L. 98–573, § 306(c)(2)(B)(v), added subsec. (n).

1979—Subsec. (a). Pub. L. 96–39, § 1103(1), (2), struck out '', in accordance with the provisions of this section,'' after ''President'' and required the seeking of information and advice respecting operation of a trade agreement once entered into and respecting other matters arising in connection with the administration of trade policy of the United States.

Subsec. (b)(1). Pub. L. 96–39, § 1103(3), substituted ''matters referred to in subsection (a) of this section'' for ''any trade agreement referred to in section 2111 or 2112 of this title''.

Subsec. (b)(2). Pub. L. 96–39, § 1103(4), substituted requirement that the members elect the Chairman of the Committee from among its membership for provision designating the Special Representative as Chairman and struck out provision for termination of the Committee upon submission of its report to Congress as soon as practical after the end of the period which ends 5 years after Jan. 3, 1975.

Subsec. (c)(1). Pub. L. 96–39, § 1103(5), inserted a comma after ''initiative'', included references to ''services'', and substituted ''general policy advice on matters referred to in subsection (a) of this section'' for ''general policy advice on any trade agreement referred to in section 2111 or 2112 of this title'', ''Special Representative for Trade Negotiations'' for ''President acting through the Special Representative for Trade Negotiations'' and ''or Agriculture'' for ''and Agriculture''.

Subsec. (c)(2). Pub. L. 96–39, § 1103(6)–(9), substituted ''The President shall establish such sectoral or functional advisory committees as may be appropriate'' for ''The President shall, on his own initiative or at the request of organizations in a particular sector, establish such industry, labor, or agricultural sector advisory committees as he determines to be necessary for any trade negotiations referred to in section 2111 or 2112 of this title'' and ''Such committees shall, insofar as is practicable, be representative of all industry, labor, agricultural, or service interests (including small business interests) in the sector or functional areas concerned'' for ''Such committees shall, so far as practicable, be representative of all industry, labor, or agricultural interests including small business interests in the sector concerned'' and ''the Special Representative for Trade Negotiations'' for ''the President, acting through the Special Representative for Trade Negotiations'', struck out ''product sector'' before ''advisory committees'', and inserted '', in the case of each sectoral committee,'' before ''the product lines''.

Subsec. (d). Pub. L. 96–39, § 1103(10), required committee meetings to be also summoned at joint instance of Secretary of Agriculture, Commerce, or Labor, as appropriate, previously required to be called before and during trade negotiations, struck out item (1) through (3) designation for ''policy advice'', ''technical advice'' and ''advice on other factors'', struck out ''on negotiations'' and ''on negotiations on particular products both domestic and foreign'' after ''policy advice'' and ''technical advice and information'' and substituted ''factors relevant to the matters referred to in subsection (a) of this section'' for ''factors relevant to positions of the United States in trade negotiations.''

Subsec. (e). Pub. L. 96–39, § 1103(11)–(14), redesignated par. (1) as entire provision, and in provision as so redesignated, substituted ''each sector or functional advisory committee, if the sector or area'' for ''each sector advisory committee, if the sector'', ''appropriate sector or functional area'' for ''appropriate sector'', and ''within the sector or within the functional area'' for ''within the sector'', and struck out par. (2) which required a report to Congress by the Advisory Committee for Trade Negotiations by each policy advisory committee, and, each sector advisory committee as soon as practicable at end of the period ending 5 years after Jan. 3, 1975, including advisory opinions of the respective committees as to how the trade agreements serve the economic interests of United States and how provision is made for equity and reciprocity within the sector.

Subsec. (f)(2). Pub. L. 96–39, § 1103(15)(A), (B), substituted ''committees'' for ''groups'' and ''with respect to matters referred to in subsection (a) of this section'' for ''on the negotiation of any trade agreement''.

Subsec. (g). Pub. L. 96–39, § 1103(16), (17)(A), (B), substituted in par. (1)(A) ''matters referred to in subsection (a) of this section'' for ''a trade agreement referred to in section 2111 or 2112 of this title'', in par. (1)(B) ''matters referred to in subsection (a) of this section'' for ''trade negotiations'', and in par. (2) ''matters referred to in subsection (a) of this title'' for ''proposed trade agreements''.

Subsec. (i). Pub. L. 96–39, § 1103(18)(A)–(C), struck out in provision before cl. (1) '', both during preparation for negotiations and actual negotiations'' after ''basis'' and in cl. (1) ''arising in preparation for or in the course of such negotiations'' after ''developments'' and substituted in cl. (2) ''with respect to matters referred to in subsection (a) of this section'' for ''to the negotiations''.

Subsec. (j). Pub. L. 96–39, § 1103(19), substituted ''matters referred to in subsection (a) of this section'' for

''trade agreement referred to in section 2111 or 2112 of this title''.

Subsec. (k). Pub. L. 96–39, § 1103(19), (20), substituted ''matters referred to in subsection (a) of this section'' for ''trade agreement referred to in section 2111 or 2112 of this title'' and provided for information to and consultations with committee members and appropriate parties and participation in international meetings without becoming spokesmen or negotiators for the United States.

Subsec. (*l*). Pub. L. 96–39, § 1103(21), added subsec. (*l*).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 130 of Pub. L. 103–465, set out as an Effective Date note under section 3531 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

EX. ORD. NO. 12905. TRADE AND ENVIRONMENT POLICY ADVISORY COMMITTEE

Ex. Ord. No. 12905, Mar. 25, 1994, 59 F.R. 14733, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including the Federal Advisory Committee Act, as amended (5 U.S.C. App.), and section 135(c)(1) of the Trade Act of 1974, as amended (19 U.S.C. 2155(c)(1)) (''Act''), it is hereby ordered as follows:

SECTION 1. *Establishment*. There is established in the Office of the United States Trade Representative (''Trade Representative''[)] the ''Trade and Environment Policy Advisory Committee'' (''Committee'').

SEC. 2. *Membership*. (a) The Committee shall consist of not more than 35 members, including, but not limited to, representatives from environmental interest groups, industry (including the environmental technology and environmental services industries), agriculture, services, non-Federal government, and consumer interests. The Committee should be broadly representative of the key sectors and groups of the economy with an interest in trade and environmental policy issues.

(b) The Chairman of the Committee shall be elected by the Committee from among its members. Members of the Committee shall be appointed by the Trade Representative, in consultation with the Cabinet secretaries described in section 2155(c)(1) of title 19, United States Code, for a term of 2 years and may be reappointed for any number of terms. Appointments to the Committee shall be made without regard to political affiliation. Any member may be removed at the discretion of the Trade Representative.

SEC. 3. *Functions*. (a) The Committee shall provide the Trade Representative with policy advice on issues involving trade and the environment.

(b) The Committee shall submit a report to the President, to the Congress, and to the Trade Representative at the conclusion of negotiations for each trade agreement referred to in section 102 of the Act [19 U.S.C. 2112]. The report shall include an advisory opinion on whether and to what extent the agreement promotes the interests of the United States.

(c) The Committee may establish such subcommittees of its members as it deems necessary, subject to the provisions of the Federal Advisory Committee Act and the approval of the Trade Representative, or his designee.

(d) The Committee shall report its activities to the Trade Representative, or his designee.

SEC. 4. *Administration*. (a) The Trade Representative, or his designee, with the advice of the Chairman, shall be responsible for prior approval of the agendas for all Committee meetings.

(b) The Trade Representative, or his designee, shall be responsible for determinations, filings, and other administrative requirements of the Federal Advisory Committee Act.

(c)(1) The Trade Representative shall provide funding and administrative and staff support for the Committee.

(2) The Committee shall have an Executive Director who shall be a Federal officer or employee designated by the Trade Representative.

(d) Members of the Committee shall serve without either compensation or reimbursement of expenses.

(e) The Committee shall meet as needed at the call of the Trade Representative or his designee, depending on various factors such as the level of activity of trade negotiations and the needs of the Trade Representative, or at the call of two-thirds of the members of the Committee.

SEC. 5. *General*. The Committee shall function for such period as may be necessary. In accordance with the Federal Advisory Committee Act [5 App. U.S.C.], the Committee shall terminate after 2 years from the date of this order unless otherwise extended.

WILLIAM J. CLINTON.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2114, 2154, 2213, 2241, 2242, 2412, 2413, 2414, 2512, 2514, 2547, 2902, 2903, 3108, 3313, 3437, 3524, 3533, 3537 of this title; title 7 sections 1748, 5603; title 8 section 1184; title 50 App. section 2405.

PART 4—OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

AMENDMENTS

1983—Pub. L. 97–456, § 3(d)(3), Jan. 12, 1983, 96 Stat. 2505, substituted ''United States Trade Representative'' for ''Special Representative for Trade Negotiations'' in part 4 heading.

§ 2171. Structure, functions, powers, and personnel

(a) Establishment within Executive Office of the President

There is established within the Executive Office of the President the Office of the United States Trade Representative (hereinafter in this section referred to as the ''Office'').

(b) United States Trade Representative; Deputy United States Trade Representatives

(1) The Office shall be headed by the United States Trade Representative who shall be appointed by the President, by and with the advice and consent of the Senate. As an exercise of the rulemaking power of the Senate, any nomination of the United States Trade Representative submitted to the Senate for confirmation, and referred to a committee, shall be referred to the Committee on Finance. The United States Trade Representative shall hold office at the pleasure of the President, shall be entitled to receive the same allowances as a chief of mission, and shall have the rank of Ambassador Extraordinary and Plenipotentiary.

(2) There shall be in the Office three Deputy United States Trade Representatives who shall be appointed by the President, by and with the advice and consent of the Senate. As an exercise of the rulemaking power of the Senate, any nomination of a Deputy United States Trade Representative submitted to the Senate for confirmation, and referred to a committee, shall be referred to the Committee on Finance. Each Deputy United States Trade Representative shall hold office at the pleasure of the President and shall have the rank of Ambassador.

(3) [This paragraph amended sections 5312 and 5314 of title 5.]

(c) Duties of United States Trade Representative and Deputy United States Trade Representatives

(1) The United States Trade Representative shall—

(A) have primary responsibility for developing, and for coordinating the implementation of, United States international trade policy, including commodity matters, and, to the extent they are related to international trade policy, direct investment matters;

(B) serve as the principal advisor to the President on international trade policy and shall advise the President on the impact of other policies of the United States Government on international trade;

(C) have lead responsibility for the conduct of, and shall be the chief representative of the United States for, international trade negotiations, including all negotiations on any matter considered under the auspices of the World Trade Organization, commodity and direct investment negotiations, in which the United States participates;

(D) issue and coordinate policy guidance to departments and agencies on basic issues of policy and interpretation arising in the exercise of international trade functions, including any matter considered under the auspices of the World Trade Organization,,[1] to the extent necessary to assure the coordination of international trade policy and consistent with any other law;

(E) act as the principal spokesman of the President on international trade;

(F) report directly to the President and the Congress regarding, and be responsible to the President and the Congress for the administration of, trade agreements programs;

(G) advise the President and Congress with respect to nontariff barriers to international trade, international commodity agreements, and other matters which are related to the trade agreements programs;

(H) be responsible for making reports to Congress with respect to matters referred to in subparagraphs (C) and (F);

(I) be chairman of the interagency trade organization established under section 1872(a) of this title, and shall consult with and be advised by such organization in the performance of his functions; and

(J) in addition to those functions that are delegated to the United States Trade Representative as of August 23, 1988, be responsible for such other functions as the President may direct.

(2) It is the sense of Congress that the United States Trade Representative should—

(A) be the senior representative on any body that the President may establish for the purpose of providing to the President advice on overall economic policies in which international trade matters predominate; and

(B) be included as a participant in all economic summit and other international meetings at which international trade is a major topic.

(3) The United States Trade Representative may—

(A) delegate any of his functions, powers, and duties to such officers and employees of the Office as he may designate; and

(B) authorize such successive redelegations of such functions, powers, and duties to such officers and employees of the Office as he may deem appropriate.

(4) Each Deputy United States Trade Representative shall have as his principal function the conduct of trade negotiations under this chapter and shall have such other functions as the United States Trade Representative may direct.

(d) Unfair trade practices; additional duties of Representative; advisory committee; definition

(1) In carrying out subsection (c) of this section with respect to unfair trade practices, the United States Trade Representative shall—

(A) coordinate the application of interagency resources to specific unfair trade practice cases;

(B) identify, and refer to the appropriate Federal department or agency for consideration with respect to action, each act, policy, or practice referred to in the report required under section 2241(b) of this title, or otherwise known to the United States Trade Representative on the basis of other available information, that may be an unfair trade practice that either—

(i) is considered to be inconsistent with the provisions of any trade agreement and has a significant adverse impact on United States commerce, or

(ii) has a significant adverse impact on domestic firms or industries that are either too small or financially weak to initiate proceedings under the trade laws;

(C) identify practices having a significant adverse impact on United States commerce that the attainment of United States negotiating objectives would eliminate; and

(D) identify, on a biennial basis, those United States Government policies and practices that, if engaged in by a foreign government, might constitute unfair trade practices under United States law.

(2) For purposes of carrying out paragraph (1), the United States Trade Representative shall be assisted by an interagency unfair trade practices advisory committee composed of the Trade

[1] So in original.

Representative, who shall chair the committee, and senior representatives of the following agencies, appointed by the respective heads of those agencies:

(A) The Bureau of Economics and Business Affairs of the Department of State.

(B) The United States and Foreign Commercial Services of the Department of Commerce.

(C) The International Trade Administration (other than the United States and Foreign Commercial Service) of the Department of Commerce.

(D) The Foreign Agricultural Service of the Department of Agriculture.

The United States Trade Representative may also request the advice of the United States International Trade Commission regarding the carrying out of paragraph (1).

(3) For purposes of this subsection, the term ''unfair trade practice'' means any act, policy, or practice that—

(A) may be a subsidy with respect to which countervailing duties may be imposed under subtitle A of title VII [19 U.S.C. 1671 et seq.];

(B) may result in the sale or likely sale of foreign merchandise with respect to which antidumping duties may be imposed under subtitle B of title VII [19 U.S.C. 1673 et seq.];

(C) may be either an unfair method of competition, or an unfair act in the importation of articles into the United States, that is unlawful under section 337 [19 U.S.C. 1337]; or

(D) may be an act, policy, or practice of a kind with respect to which action may be taken under subchapter III of this chapter.

(e) Powers of United States Trade Representative

The United States Trade Representative may, for the purpose of carrying out his functions under this section—

(1) subject to the civil service and classification laws, select, appoint, employ, and fix the compensation of such officers and employees as are necessary and prescribe their authority and duties, except that not more than 20 individuals may be employed without regard to any provision of law regulating the employment or compensation at rates not to exceed the rate of pay for level IV of the Executive Schedule in section 5314[2] of title 5;

(2) employ experts and consultants in accordance with section 3109 of title 5 and compensate individuals so employed for each day (including traveltime) at rates not in excess of the maximum rate of pay for grade GS–18 as provided in section 5332 of title 5 and while such experts and consultants are so serving away from their homes or regular place of business, to pay such employees travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of title 5 for persons in Government service employed intermittently;

(3) promulgate such rules and regulations as may be necessary to carry out the functions, powers and duties vested in him;

(4) utilize, with their consent, the services, personnel, and facilities of other Federal agencies;

(5) enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of the work of the Office and on such terms as the United States Trade Representative may deem appropriate, with any agency or instrumentality of the United States, or with any public or private person, firm, association, corporation, or institution;

(6) accept voluntary and uncompensated services, notwithstanding the provisions of section 1342 of title 31;

(7) adopt an official seal, which shall be judicially noticed;

(8) pay for expenses approved by him for official travel without regard to the Federal Travel Regulations or to the provisions of subchapter I of chapter 57 of title 5 (relating to rates of per diem allowances in lieu of subsistence expenses);

(9) accept, hold, administer, and utilize gifts, devises, and bequests of property, both real and personal, for the purpose of aiding or facilitating the work of the Office;

(10) acquire, by purchase or exchange, not more than two passenger motor vehicles for use abroad, except that no vehicle may be acquired at a cost exceeding $9,500; and

(11) provide, where authorized by law, copies of documents to persons at cost, except that any funds so received shall be credited to, and be available for use from, the account from which expenditures relating thereto were made.

(f) Use of other Federal agencies

The United States Trade Representative shall, to the extent he deems it necessary for the proper administration and execution of the trade agreements programs of the United States, draw upon the resources of, and consult with, Federal agencies in connection with the performance of his functions.

(g) Authorization of appropriations

(1)(A) There are authorized to be appropriated to the Office for the purposes of carrying out its functions not to exceed the following:

(i) $23,250,000 for fiscal year 1991.

(ii) $21,077,000 for fiscal year 1992.

(B) Of the amounts authorized to be appropriated under subparagraph (A) for any fiscal year—

(i) not to exceed $98,000 may be used for entertainment and representation expenses of the Office;

(ii) not to exceed $2,050,000 may be used to pay the United States share of the expenses of binational panels and extraordinary challenge committees convened pursuant to chapter 19 of the United States-Canada Free-Trade Agreement; and

(iii) not to exceed $1,000,000 shall remain available until expended.

(2) For the fiscal year beginning October 1, 1982, and for each fiscal year thereafter, there are authorized to be appropriated to the Office for the salaries of its officers and employees such additional sums as may be provided by law to reflect pay rate changes made in accordance with the Federal Pay Comparability Act of 1970.

[2] So in original. Probably should be section ''5315''.

(Pub. L. 93–618, title I, § 141, Jan. 3, 1975, 88 Stat. 1999; Pub. L. 97–456, § 3(a)–(d)(2), Jan. 12, 1983, 96 Stat. 2504, 2505; Pub. L. 98–573, title III, § 304(d)(2)(A), title VII, § 703, Oct. 30, 1984, 98 Stat. 3004, 3043; Pub. L. 99–272, title XIII, § 13023, Apr. 7, 1986, 100 Stat. 307; Pub. L. 99–514, title XVIII, § 1887(a)(3), (4), Oct. 22, 1986, 100 Stat. 2923; Pub. L. 100–203, title IX, § 9504, Dec. 22, 1987, 101 Stat. 1330–382; Pub. L. 100–418, title I, § 1601, Aug. 23, 1988, 102 Stat. 1260; Pub. L. 101–207, § 1(a), Dec. 7, 1989, 103 Stat. 1833; Pub. L. 101–382, title I, § 103(a), Aug. 20, 1990, 104 Stat. 634; Pub. L. 103–465, title VI, § 621(a)(8), Dec. 8, 1994, 108 Stat. 4993.)

REFERENCES IN TEXT

Subtitles A and B of title VII and section 337, referred to in subsec. (d)(3)(A) to (C), probably mean subtitles A and B of title VII and section 337 of the Tariff Act of 1930 which is act June 17, 1930, ch. 497, 46 Stat. 590, as amended. Subtitles A and B of title VII of the Tariff Act of 1930 are classified generally to parts I and II (§ 1671 et seq. and 1673 et seq., respectively) of subtitle IV of chapter 4 of this title. Section 337 of the Tariff Act of 1930 is classified to section 1337 of this title. For complete classification of this Act to the Code, see section 1654 of this title and Tables.

Subchapter III of this chapter, referred to in subsec. (d)(3)(D), was in the original ''title III of the Trade Act of 1974'', which is Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended. Chapter 1 of title III of the Trade Act of 1974 is classified generally to subchapter III (§ 2411 et seq.) of this chapter. For complete classification of title III to the Code, see Tables.

The civil service laws, referred to in subsec. (e)(1), are set forth in Title 5, Government Organization and Employees. See, particularly, section 3301 et seq. of Title 5.

The classification laws, referred to in subsec. (e)(1), are set forth in chapter 51 (§ 5101 et seq.) and subchapter III (§ 5331 et seq.) of chapter 53 of Title 5.

The Federal Pay Comparability Act of 1970, referred to in subsec. (g)(2), is Pub. L. 91–656, Jan. 8, 1971, 84 Stat. 1946, as amended, which enacted sections 5305 to 5308 and 5947 of Title 5, amended sections 5108, 5301, and 5942 of Title 5 and section 410 of Title 39, Postal Service, repealed section 5302 of Title 5, and enacted provisions set out as notes under sections 5303 and 5942 of Title 5, section 60a of Title 2, The Congress, and section 410 of Title 39. For complete classification of the Act to the Code see Short Title note set out under section 5301 of Title 5 and Tables.

AMENDMENTS

1994—Subsec. (c)(1)(C). Pub. L. 103–465, § 621(a)(8)(A), inserted ''all negotiations on any matter considered under the auspices of the World Trade Organization,'' after ''including''.

Subsec. (c)(1)(D). Pub. L. 103–465, § 621(a)(8)(B), inserted '', including any matter considered under the auspices of the World Trade Organization,'' after ''functions''.

1990—Subsec. (g)(1). Pub. L. 101–382 amended par. (1) generally. Prior to amendment, par. (1) read as follows:

''(A) There are authorized to be appropriated for fiscal year 1990 to the Office for the purposes of carrying out its functions not to exceed $19,651,000.

''(B) Of the amounts authorized to be appropriated under subparagraph (A) for fiscal year 1990—

''(i) not to exceed $89,000 may be used for entertainment and representation expenses of the Office; and

''(ii) not to exceed $1,000,000 shall remain available until expended.''

1989—Subsec. (g)(1). Pub. L. 101–207, in subpar. (A), substituted ''1990'' for ''1988'' and ''$19,651,000'' for ''$15,172,000'', and in subpar. (B), substituted ''1990'' for ''1988'' in introductory provisions, and ''$89,000'' for ''$69,000'' in cl. (i).

1988—Subsec. (c)(1). Pub. L. 100–418, § 1601(a)(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''The United States Trade Representative shall—

''(A) be the chief representative of the United States for each trade negotiation under this subchapter or section 2411 of this title;

''(B) report directly to the President and the Congress, and be responsible to the President and the Congress for the administration of trade agreements programs under this chapter, the Trade Expansion Act of 1962 [19 U.S.C. 1801 et seq.], and section 1351 of this title;

''(C) advise the President and Congress with respect to nontariff barriers to international trade, international commodity agreements, and other matters which are related to the trade agreements programs;

''(D) be responsible for making reports to Congress with respect to the matter set forth in subparagraphs (A) and (B);

''(E) be chairman of the interagency trade organization established pursuant to section 242(a) of the Trade Expansion Act of 1962 [19 U.S.C. 1872(a)]; and

''(F) be responsible for such other functions as the President may direct.''

Subsec. (c)(2) to (4). Pub. L. 100–418, § 1601(a)(2), (3), added par. (2) and redesignated former pars. (2) and (3) as (3) and (4), respectively.

Subsecs. (d) to (g). Pub. L. 100–418, § 1601(b)(1), (2), added subsec. (d) and redesignated former subsecs. (d) to (f) as (e) to (g), respectively.

1987—Subsec. (f)(1). Pub. L. 100–203 amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''There are authorized to be appropriated to the Office for the purpose of carrying out its functions $13,582,000 for fiscal year 1986; of which not to exceed $80,000 may be used for entertainment and representation expenses.''

1986—Subsec. (d)(1). Pub. L. 99–272, § 13023(1), inserted provision that not more than 20 individuals may be employed without regard to any provision of law regulating the employment or compensation at rates not to exceed the rate of pay for level IV of the Executive Schedule.

Subsec. (d)(6). Pub. L. 99–514, § 1887(a)(3), substituted ''1342 of title 31'' for ''3679(b) of the Revised Statutes (31 U.S.C. 665(b))''.

Subsec. (d)(8), (11). Pub. L. 99–514, § 1887(a)(4), redesignated the par. (8) relating to the provision of copies of documents to persons at cost as par. (11).

Subsec. (f)(1). Pub. L. 99–272, § 13023(2), substituted ''$13,582,000 for fiscal year 1986'' for ''$14,179,000 for fiscal year 1985''.

1984—Subsec. (d)(6) to (8). Pub. L. 98–573, § 304(d)(2)(A), which directed that a new par. (8), relating to the provision of copies of documents to persons at cost, be added to subsec. (d) by striking out ''and'' at the end of par. (6), substituting ''; and'' for the period at the end of par. (7), and adding the new par. (8) at the end thereof, was executed by adding the new par. (8) following par. (10). Amendments to pars. (6) and (7) could not be executed.

Subsec. (f)(1). Pub. L. 98–573, § 703, substituted provisions authorizing appropriations of $14,179,000 for fiscal year 1985, of which not more than $80,000 may be used for entertainment and representation for provisions authorizing appropriations of $11,100,000 for fiscal year 1983, of which not more than $65,000 could be used for entertainment and representation expenses.

1983—Subsec. (a). Pub. L. 97–456, § 3(d)(1)(D), substituted ''United States Trade Representative'' for ''Special Representative for Trade Negotiations''.

Subsec. (b)(1). Pub. L. 97–456, § 3(d)(1)(D), substituted ''United States Trade Representative'' for ''Special Representative for Trade Negotiations'' wherever appearing.

Subsec. (b)(2). Pub. L. 97–456, § 3(c), (d)(2)(A), (B), substituted ''three Deputy United States Trade Representatives'' for ''two Deputy Special Representatives for Trade Negotiations'' after ''in the Office'', ''a Deputy

United States Trade Representative'' for ''a Deputy Special Representative'' after ''any nomination of a'', and ''Deputy United States Trade Representative'' for ''Deputy Special Representative for Trade Negotiations'' after ''Each''.

Subsec. (c)(1). Pub. L. 97–456, § 3(d)(1)(D), substituted ''United States Trade Representative'' for ''Special Representative for Trade Negotiations'' in provisions preceding subpar. (A).

Subsec. (c)(2). Pub. L. 97–456, § 3(b)(1), added par. (2). Former par. (2) redesignated (3).

Subsec. (c)(3). Pub. L. 97–456, § 3(b)(1), (d)(2)(C), (D), redesignated former par. (2) as (3) and substituted ''Deputy United States Trade Representative'' for ''Deputy Special Representative for Trade Negotiations'' after ''Each'' and ''United States Trade Representative'' for ''Special Representative for Trade Negotiations'' after ''such other functions as the''.

Subsec. (d). Pub. L. 97–456, § 3(d)(1)(D), substituted ''United States Trade Representative'' for ''Special Representative for Trade Negotiations'' in provisions preceding par. (1).

Subsec. (d)(3). Pub. L. 97–456, § 3(b)(2), inserted '', powers and duties'' after ''functions''.

Subsec. (d)(5). Pub. L. 97–456, § 3(d)(1)(D), substituted ''United States Trade Representative'' for ''Special Representative for Trade Negotiations''.

Subsec. (d)(8) to (10). Pub. L. 97–456, § 3(b)(3)–(5), added pars. (8) to (10).

Subsec. (e). Pub. L. 97–456, § 3(d)(1)(D), substituted ''United States Trade Representative'' for ''Special Representative for Trade Negotiations''.

Subsec. (f). Pub. L. 97–456, § 3(a), substituted provisions authorizing for appropriation $11,100,000 for fiscal 1983, of which no more than $65,000 could be used for entertainment and representation expenses, and authorizing for appropriation such additional sums as might be provided in accordance with the Federal Pay Comparability Act of 1970, for provisions authorizing for appropriation necessary sums for fiscal 1976 and each fiscal year thereafter any part of which was within the five-year period beginning on Jan. 3, 1975.

Subsec. (g). Pub. L. 97–456, § 3(d)(1), struck out subsec. (g) which abolished the Office of Special Representative for Trade Negotiations and transferred its assets and obligations to the Office of United States Trade Representative.

Subsec. (h). Pub. L. 97–456, § 3(d)(1), struck out subsec. (h) which permitted any individual holding the position of Special Representative for Trade Negotiations or Deputy Special Representative for Trade Negotiations on Jan. 3, 1975, appointed with the advice and consent of the Senate, to continue to hold such position, and provided for the transfer of personnel employed by the Office of Special Representative for Trade Negotiations on Jan. 2, 1975, to the Office of United States Trade Representative.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 621(b) of Pub. L. 103–465, set out as a note under section 1677k of this title.

REFERENCES IN OTHER LAWS TO GS–16, 17, OR 18 PAY RATES

References in laws to the rates of pay for GS–16, 17, or 18, or to maximum rates of pay under the General Schedule, to be considered references to rates payable under specified sections of Title 5, Government Organization and Employees, see section 529 [title I, § 101(c)(1)] of Pub. L. 101–509, set out in a note under section 5376 of Title 5.

SENIOR COMMERCIAL OFFICERS TO HOLD TITLE OF MINISTER-COUNSELOR; MAXIMUM NUMBER DESIGNATED

Provisions requiring the Secretary of State, upon the request of the Secretary of Commerce, to accord the diplomatic title of Minister-Counselor to the senior Commercial Officer assigned to any United States mission abroad with a limit on the number of Commercial Service officers accorded such diplomatic title at any time were contained in the following appropriation acts:

Pub. L. 102–395, title II, Oct. 6, 1992, 106 Stat. 1852.
Pub. L. 102–140, title II, Oct. 28, 1991, 105 Stat. 802.
Pub. L. 101–515, title I, Nov. 5, 1990, 104 Stat. 2103.
Pub. L. 101–162, title I, Nov. 21, 1989, 103 Stat. 991.
Pub. L. 100–459, title I, Oct. 1, 1988, 102 Stat. 2189.
Pub. L. 100–202, § 101(a) [title I], Dec. 22, 1987, 101 Stat. 1329, 1329–3.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

REORGANIZATION PLAN NO. 3 OF 1979

44 F.R. 69273, 93 Stat. 1381, as amended Pub. L. 97–195, § 1(c)(6), June 16, 1982, 96 Stat. 115; Pub. L. 97–377, title I, § 122, Dec. 21, 1982, 96 Stat. 1913

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, September 25, 1979, pursuant to the provisions of chapter 9 of title 5 of the United States Code.

REORGANIZATION OF FUNCTIONS RELATING TO INTERNATIONAL TRADE

SECTION 1. OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

(a) The Office of the Special Representative for Trade Negotiations is redesignated the Office of the United States Trade Representative.

(b)(1) The Special Representative for Trade Negotiations is redesignated the United States Trade Representative (hereinafter referred to as the ''Trade Representative''). The Trade Representative shall have primary responsibility, with the advice of the interagency organization established under section 242 of the Trade Expansion Act of 1962 (19 U.S.C. 1872) (hereinafter referred to as the ''Committee''), for developing, and for coordinating the implementation of, United States international trade policy, including commodity matters and, to the extent they are related to international trade policy, direct investment matters. The Trade Representative shall serve as the principal advisor to the President on international trade policy and shall advise the President on the impact of other policies of the United States Government on international trade.

(2) The Trade Representative shall have lead responsibility for the conduct of international trade negotiations, including commodity and direct investment negotiations in which the United States participates.

(3) To the extent necessary to assure the coordination of international trade policy, and consistent with any other law, the Trade Representative, with the advice of the Committee, shall issue policy guidance to departments and agencies on basic issues of policy and interpretation arising in the exercise of the following international trade functions. Such guidance shall determine the policy of the United States with respect to international trade issues arising in the exercise of such functions:

(A) matters concerning the General Agreement on Tariffs and Trade, including implementation of the trade agreements set forth in section 2(c) of the Trade Agreements Act of 1979 [19 U.S.C. 2503(c)]; United States Government positions on trade and commodity matters dealt with by the Organization

for Economic Cooperation and Development, the United Nations Conference on Trade and Development, and other multilateral organizations; and the assertion and protection of the rights of the United States under bilateral and multilateral international trade and commodity agreements;

(B) expansion of exports from the United States;

(C) policy research on international trade, commodity, and direct investment matters;

(D) to the extent permitted by law, overall United States policy with regard to unfair trade practices, including enforcement of countervailing duties and antidumping functions under section 303 and title VII of the Tariff Act of 1930 [19 U.S.C. 1303, 1671 et seq.];

(E) bilateral trade and commodity issues, including East-West trade matters; and

(F) international trade issues involving energy.

(4) All functions of the Trade Representative shall be conducted under the direction of the President.

(c) The Deputy Special Representatives for Trade Negotiations are redesignated Deputy United States Trade Representatives.

SEC. 2. DEPARTMENT OF COMMERCE

(a) The Secretary of Commerce (hereinafter referred to as the ''Secretary'') shall have, in addition to any other functions assigned by law, general operational responsibility for major nonagricultural international trade functions of the United States Government, including export development, commercial representation abroad, the administration of the antidumping and countervailing duty laws, export controls, trade adjustment assistance to firms and communities, research and analysis, and monitoring compliance with international trade agreements to which the United States is a party.

(b)(1) There shall be in the Department of Commerce (hereinafter referred to as the ''Department'') a Deputy Secretary appointed by the President, by and with the advice and consent of the Senate. The Deputy Secretary shall receive compensation at the rate payable for Level II of the Executive Schedule [5 U.S.C. 5315], and shall perform such duties and exercise such powers as the Secretary may from time to time prescribe.

(2) The position of Under Secretary of Commerce established under section 1 of the Act of June 5, 1939 (ch. 180, 53 Stat. 808; 15 U.S.C. 1502) is abolished.

(c) There shall be in the Department an Under Secretary for International Trade appointed by the President, by and with the advice and consent of the Senate. The Under Secretary for International Trade shall receive compensation at the rate payable for Level III of the Executive Schedule [5 U.S.C. 5314], and shall perform such duties and exercise such powers as the Secretary may from time to time prescribe.

(d) There shall be in the Department two additional Assistant Secretaries appointed by the President, by and with the advice and consent of the Senate. Each such Assistant Secretary shall perform such duties and exercise such powers as the Secretary may from time to time prescribe.

(e) There shall be in the Department of Commerce a Director General of the United States and Foreign Commercial Services who shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive compensation at the rate prescribed by law for level IV of the Executive Schedule [5 U.S.C. 5315]. [As amended Pub. L. 97–195, §1(c)(6), June 16, 1982, 96 Stat. 115; Pub. L. 97–377, title I, §122, Dec. 21, 1982, 96 Stat. 1913.]

SEC. 3. EXPORT-IMPORT BANK OF THE UNITED STATES

The Trade Representative and the Secretary shall serve, ex officio and without vote, as additional members of the Board of Directors of the Export-Import Bank of the United States.

SEC. 4. OVERSEAS PRIVATE INVESTMENT CORPORATION

(a) The Trade Representative shall serve, ex officio, as an additional voting member of the Board of Directors of the Overseas Private Investment Corporation. The Trade Representative shall be the Vice Chair of such Board.

(b) There shall be an additional member of the Board of Directors of the Overseas Private Investment Corporation who shall be appointed by the President of the United States, by and with the advice and consent of the Senate, and who shall not be an official or employee of the Government of the United States. Such Director shall be appointed for a term of no more than three years.

SEC. 5. TRANSFER OF FUNCTIONS

(a)(1) There are transferred to the Secretary all functions of the Secretary of the Treasury, the General Counsel of the Department of the Treasury, or the Department of the Treasury pursuant to the following:

(A) section 305(b) of the Trade Agreements Act of 1979 (19 U.S.C. 2515(b)), to be exercised in consultation with the Secretary of the Treasury;

(B) section 232 of the Trade Expansion Act of 1962 (19 U.S.C. 1862);

(C) section 303 and title VII (including section 771(1) [19 U.S.C. 1677(1)] of the Tariff Act of 1930 (19 U.S.C. 1303, 1671 *et seq.*), except that the Customs Service of the Department of the Treasury shall accept such deposits, bonds, or other security as deemed appropriate by the Secretary, shall assess and collect such duties as may be directed by the Secretary, and shall furnish such of its important records or copies thereof as may be requested by the Secretary incident to the functions transferred by this subparagraph;

(D) sections 514, 515, and 516 of the Tariff Act of 1930 (19 U.S.C. 1514, 1515, and 1516) insofar as they relate to any protest, petition, or notice of desire to contest described in section 1002(b)(1) of the Trade Agreements Act of 1979 [19 U.S.C. 1516a note];

(E) with respect to the functions transferred by subparagraph (C) of this paragraph, section 318 of the Tariff Act of 1930 (19 U.S.C. 1318), to be exercised in consultation with the Secretary of the Treasury;

(F) with respect to the functions transferred by subparagraph (C) of this paragraph, section 502(b) of the Tariff Act of 1930 (19 U.S.C. 1502(b)), and, insofar as it provides authority to issue regulations and disseminate information, to be exercised in consultation with the Secretary of the Treasury to the extent that the Secretary of the Treasury has responsibility under subparagraph (C), section 502(a) of such Act (19 U.S.C. 1502(a));

(G) with respect to the functions transferred by subparagraph (C) of this paragraph, section 617 of the Tariff Act of 1930 (19 U.S.C. 1617); and

(H) section 2632(e) of title 28 of the United States Code, insofar as it relates to actions taken by the Secretary reviewable under section 516A of the Tariff Act of 1930 (19 U.S.C. 1516(a)) [19 U.S.C. 1516a].

(2) The Secretary shall consult with the Trade Representative regularly in exercising the functions transferred by subparagraph (C) of paragraph (1) of this subsection, and shall consult with the Trade Representative regarding any substantive regulation proposed to be issued to enforce such functions.

(b)(1) There are transferred to the Secretary all trade promotion and commercial functions of the Secretary of State or the Department of State that are—

(A) performed in full-time overseas trade promotion and commercial positions; or

(B) performed in such countries as the President may from time to time prescribe.

(2) To carry out the functions transferred by paragraph (1) of this subsection, the President, to the extent he deems it necessary, may authorize the Secretary to utilize Foreign Service personnel authorities and to exercise the functions vested in the Secretary of State by the Foreign Service Act of 1946 (22 U.S.C. 801 *et seq.*) [see 22 U.S.C. 3901 et seq.] and by any other laws with respect to personnel performing such functions.

(c) There are transferred to the President all functions of the East-West Foreign Trade Board under section 411(c) of the Trade Act of 1974 (19 U.S.C. 2441(c)).

(d) Appropriations available to the Department of State for Fiscal Year 1980 for representation of the United States concerning matters arising under the General Agreement on Tariffs and Trade and trade and commodity matters dealt with under the auspices of the United Nations Conference on Trade and Development are transferred to the Trade Representative.

(e) There are transferred to the interagency organization established under section 242 of the Trade Expansion Act of 1962 (19 U.S.C. 1872) all functions of the East-West Foreign Trade Board under section 411(a) and (b) of the Trade Act of 1974 (19 U.S.C. 2441(a) and (b)).

SEC. 6. ABOLITION

The East-West Foreign Trade Board established under section 411 of the Trade Act of 1974 (19 U.S.C. 2441) is abolished.

SEC. 7. RESPONSIBILITY OF THE SECRETARY OF STATE

Nothing in this reorganization plan is intended to derogate from the responsibility of the Secretary of State for advising the President on foreign policy matters, including the foreign policy aspects of international trade and trade-related matters:

SEC. 8. INCIDENTAL TRANSFERS; INTERIM OFFICERS

(a) So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with the functions transferred under this reorganization plan as the Director of the Office of Management and Budget shall determine shall be transferred to the appropriate agency, organization, or component at such time or times as such Director shall provide, except that no such unexpended balances transferred shall be used for purposes other than those for which the appropriation originally was made. The Director of the Office of Management and Budget shall provide for terminating the affairs of any agency abolished herein and for such further measures and dispositions as such Director deems necessary to effectuate the purposes of the reorganization plan.

(b) Pending the assumption of office by the initial officers provided for in section 2 of this reorganization plan, the functions of each such office may be performed, for up to a total of 60 days, by such individuals as the President may designate. Any individual so designated shall be compensated at the rate provided herein for such position.

SEC. 9. EFFECTIVE DATE

The provisions of this reorganization plan shall take effect October 1, 1980, or at such earlier time or times as the President shall specify, but not sooner than the earliest time allowable under section 906 of title 5 of the United States Code.

[Pursuant to Ex. Ord. 12175, Dec. 7, 1979, 44 F.R. 70705, section 2(b)(1) of this Reorg. Plan is effective Dec. 7, 1979].

[Pursuant to Ex. Ord. 12188, Jan. 2, 1980, 45 F.R. 989, sections 1, 2(a), (b)(2), (c), (d), 3, 4, 5(a), (b)(2), (c)–(e), 6–8 of this Reorg. Plan are effective Jan. 2, 1980, and section 5(b)(1) of this Reorg. Plan is effective Apr. 1, 1980].

MESSAGE OF THE PRESIDENT

To the Congress of the United States:

I transmit herewith Reorganization Plan No. 3 of 1979, to consolidate trade functions of the United States Government. I am acting under the authority vested in me by the Reorganization Act of 1977, chapter 9 of title 5 of the United States Code, and pursuant to section 1109 of the Trade Agreements Act of 1979 [19 U.S.C. 2111 note] which directs that I transmit to the Congress a proposal to restructure the international trade functions of the Executive branch.

The goal of this reorganization is to improve the capacity of the Government to strengthen the export performance of United States industry and to assure fair international trade practices, taking into account the interests of all elements of our economy.

Recent developments, which have raised concern about the vitality of our international trade performance, have focused much attention on the way our trade machinery is organized. These developments include our negative trade balance, increasing dependence upon foreign oil, and international pressures on the dollar. New challenges, such as implementation of the Multilateral Trade Negotiation (MTN) agreements and trade with non-market economies, will further test our Government trade organization.

We must be prepared to apply domestically the MTN codes on procurement, subsidies, standards, and customs valuation. We also must monitor major implementation measures abroad, reporting back to American business on important developments and, where necessary, raising questions internationally about foreign implementation. MTN will work—will open new markets for U.S. labor, farmers, and business—only if we have adequate procedures for aggressively monitoring and enforcing it. We intend to meet our obligations, and we expect others to do the same.

The trade machinery we now have cannot do this job effectively. Although the Special Trade Representative (STR) takes the lead role in administering the trade agreements program, many issues are handled elsewhere and no agency has across-the-board leadership in trade. Aside from the Trade Representative and the Export-Import Bank, trade is not the primary concern of any Executive branch agency where trade functions are located. The current arrangements lack a central authority capable of planning a coherent trade strategy and assuring its vigorous implementation.

This reorganization is designed to correct such deficiencies and to prepare us for strong enforcement of the MTN codes. It aims to improve our export promotion activities so that United States exporters can take full advantage of trade opportunities in foreign markets. It provides for the timely and efficient administration of our unfair trade laws. It also establishes an efficient mechanism for shaping an effective, comprehensive United States trade policy.

To achieve these objectives, I propose to place policy coordination and negotiation—those international trade functions that most require comprehensiveness, influence, and Government-wide perspective—in the Executive Office of the President. I propose to place operational and implementation responsibilities, which are staff-intensive, in line departments that have the requisite resources and knowledge of the major sectors of our economy to handle them. I have concluded that building our trade structure on STR and Commerce, respectively, best satisfies these considerations.

I propose to enhance STR, to be renamed the Office of the United States Trade Representative, by centralizing in it international trade policy development, coordination and negotiation functions. The Commerce Department will become the focus of non-agricultural operational trade responsibilities by adding to its existing duties those for commercial representation abroad, antidumping and countervailing duty cases, the non-agricultural aspects of MTN implementation, national security investigations, and embargoes.

THE UNITED STATES TRADE REPRESENTATIVE

The Trade Representative, with the advice of the Trade Policy Committee, will be responsible for developing and coordinating our international trade and direct investment policy, including the following areas:

Import remedies.—The Trade Representative will exercise policy oversight of the application of import remedies, analyze long-term trends in import remedy cases and recommend any necessary legislative changes. For antidumping and countervailing duty matters, such coordination, to the extent legally permissible, will be directed toward the establishment of new precedents, negotiation of assurances, and coordination with other trade matters, rather than case-by-case fact finding and determinations.

East-West trade policy.—The Trade Representative will have lead responsibility for East-West trade negotiations and will coordinate East-West trade policy. The Trade Policy Committee will assume the responsibilities of the East-West Foreign Trade Board.

International investment policy.—The Trade Representative will have the policy lead regarding issues of direct foreign investment in the United States, direct investment by Americans abroad, operations of multinational enterprises, and multilateral agreements on international investment, insofar as such issues relate to international trade.

International commodity policy.—The Trade Representative will assume responsibility for commodity negotiations and also will coordinate commodity policy.

Energy trade.—While the Departments of Energy and State will continue to share responsibility for international energy issues, the Trade Representative will coordinate energy trade matters. The Department of Energy will become a member of the TPC.

Export-expansion policy.—To ensure a vigorous and coordinated Government-wide export expansion effort, policy oversight of our export expansion activities will be the responsibility of the Trade Representative.

The Trade Representative will have the lead role in bilateral and multilateral trade, commodity, and direct investment negotiations. The Trade Representative will represent the United States in General Agreement on Tariffs and Trade (GATT) matters. Since the GATT will be the principal international forum for implementing and interpreting the MTN agreements and since GATT meetings, including committee and working group meetings, occur almost continuously, the Trade Representative will have a limited number of permanent staff in Geneva. In some cases, it may be necessary to assign a small number of USTR staff abroad to assist in oversight of MTN enforcement. In this event, appropriate positions will be authorized. In recognition of the responsibility of the Secretary of State regarding our foreign policy, the activities of overseas personnel of the Trade Representative and the Commerce Department will be fully coordinated with other elements of our diplomatic missions.

In addition to his role with regard to GATT matters, the Trade Representative will have the lead responsibility for trade and commodity matters considered in the Organization for Economic Cooperation and Development (OECD) and the United Nations Conference on Trade and Development (UNCTAD) when such matters are the primary issues under negotiation. Because of the Secretary of State's foreign policy responsibilities, and the responsibilities of the Director of the International Development Cooperation Agency as the President's principal advisor on development, the Trade Representative will exercise his OECD and UNCTAD responsibilities in close cooperation with these officials.

To ensure that all trade negotiations are handled consistently and that our negotiating leverage is employed to the maximum, the Trade Representative will manage the negotiation of particular issues. Where appropriate, the Trade Representative may delegate responsibility for negotiations to other agencies with expertise on the issues under consideration. He will coordinate the operational aspects of negotiations through a Trade Negotiating Committee, chaired by the Trade Representative and including the Departments of Commerce, State, Treasury, Agriculture and Labor.

The Trade Representative will be concerned not only with ongoing negotiations and coordination of specific, immediate issues, but also—very importantly—with the development of long-term United States trade strategies and policies. He will oversee implementation of the MTN agreements, and will advise the President on the effects of other Government policies (e.g., antitrust, taxation) on U.S. trade. In order to participate more fully in oversight of international investment and export financing activities, the Trade Representative will become a member of the National Advisory Council on International Monetary and Financial Policies and the Boards of the Export-Import Bank and the Overseas Private Investment Corporation.

In performing these functions, the Trade Representative will act as the principal trade spokesman of the President. To assure that our trade policies take into account the broadest range of perspectives, the Trade Representative will consult with the Trade Policy Committee, whose mandate and membership will be expanded. The Trade Representative will, as appropriate, invite agencies such as the Export-Import Bank and the Overseas Private Investment Corporation to participate in TPC meetings in addition to the permanent TPC members. When different departmental views on trade matters exist within the TPC as will be the case from time to time in this complex policy area, I will expect the Trade Representative to resolve policy disagreements in his best judgment, subject to appeal to the President.

THE DEPARTMENT OF COMMERCE

The Department of Commerce, under this proposal, will become the focal point of operational responsibilities in the non-agricultural trade area. My reorganization plan will transfer to the Commerce Department important responsibilities for administration of countervailing and antidumping matters, foreign commercial representation, and MTN implementation support. Consolidating these trade functions in the Department of Commerce builds upon an agency with extensive trade experience. The Department will retain its operational responsibilities in such areas as export controls, East-West trade, trade adjustment assistance to firms and communities, trade policy analysis, and monitoring foreign compliance with trade agreements. The Department will be substantially reorganized to consolidate and reshape its trade functions under an Under Secretary for International Trade.

With this reorganization, trade functions will be strengthened within the Department of Commerce, and such related efforts in the Department as improvement of industrial innovation and the productivity, encouraging local and regional economic development, and sectoral analysis, will be closely linked to an aggressive trade program. Fostering the international competitiveness of American industry will become the principal mission of the Department of Commerce.

Import remedies

I propose to transfer to the Department of Commerce responsibility for administration of the countervailing duty and antidumping statutes. This function will be performed efficiently and effectively in an organizational setting where trade is the primary mission. This activity will be directed by a new Assistant Secretary for Trade Administration, subject to Senate confirmation. Although the plan permits its provisions to take effect as late as October 1, 1980, I intend to make this transfer effective by January 1, 1980, so that it will occur as the new MTN codes take effect. Commerce will continue its supportive role in the staffing of other unfair trade practice issues, such as cases arising under section 301 of the Trade Act of 1974 [19 U.S.C. 2411].

Commercial representation

This reorganization plan will transfer to the Department of Commerce responsibility for commercial representation abroad. This transfer would place both domestic and overseas export promotion activities under a single organization, directed by an Assistant Secretary for Export Development, charged with aggressively expanding U.S. export opportunities. Placing this Foreign Commercial Service in the Commerce Department will allow commercial officers to concentrate on the promotion of U.S. exports as their principal activity.

Initially, the transfer of commercial representation from State to Commerce will involve all full-time overseas trade promotion and commercial positions (approximately 162), responsibility for this function in the countries (approximately 60) to which these individuals

are assigned, and the associated foreign national employees in those countries. Over time, the Department of Commerce undoubtedly will review the deployment of commercial officers in light of changing trade circumstances and propose extensions or alterations of coverage of the Foreign Commercial Service.

MTN implementation

I am dedicated to the aggressive implementation of the Multilateral Trade Agreements. The United States must seize the opportunities and enforce the obligations created by these agreements. Under this proposal, the Department of Commerce will assign high priority to this task. The Department of Commerce will be responsible for the day-to-day implementation of non-agricultural aspects of the MTN agreements. Management of this function will be a principal assignment of an Assistant Secretary for Trade Policy and Programs. Implementation activities will include:

monitoring agreements and targeting problems for consultation and negotiation;

operating a Trade Complaint Center where the private sector can receive advice as to the recourse and remedies available;

aiding in the settlement of disputes, including staffing of formal complaint cases;

identifying problem areas for consideration by the Trade Representative and the Trade Policy Committee;

educational and promotion programs regarding the provisions of the agreements and the processes for dealing with problems that arise;

providing American business with basic information on foreign laws, regulations and procedures;

consultations with private sector advisory committees; and

general analytical support.

These responsibilities will be handled by a unit built around the staff from Commerce that provided essential analytical support to STR throughout the MTN negotiation process. Building implementation of MTN around this core group will assure that the government's institutional memory and expertise on MTN is most effectively devoted to the challenge ahead. When American business needs information or encounters problems in the MTN area, it can turn to the Department of Commerce for knowledgeable assistance.

Matching the increased importance of trade in the Department's mission will be a much strengthened trade organization within the Department. By creating a number of new senior level positions in the Department, we will ensure that trade policy implementation receives the kind of day-to-day top management attention that it both demands and requires.

With its new responsibilities and resources, the Department of Commerce will become a key participant in the formulation of our trade policies. Much of the analysis in support of trade policy formulation will be conducted by the Department of Commerce, which will be close to the operational aspects of the problems that raise policy issues.

To succeed in global competition, we must have a better understanding of the problems and prospects of U.S. industry, particularly in relation to the growing strength of industries abroad. This is the key reason why we will upgrade sectoral analysis capabilities throughout the Department of Commerce, including the creation of a new Bureau of Industrial Analysis. Commerce, with its ability to link trade to policies affecting industry, is uniquely suited to serve as the principal technical expert within the Government on special industry sector problems requiring international consultation, as well as to provide industry-specific information on how tax, regulatory and other Government policies affect the international competitiveness of the U.S. industries.

Commerce will also expand its traditional trade policy focus on industrial issues to deal with the international trade and investment problems of our growing services sector. Under the proposal, there will be comprehensive service industry representation in our industry advisory process, as well as a continuing effort to bring services under international discipline. I expect the Commerce Department to play a major role in developing new service sector initiatives for consideration within the Government.

After an investigation lasting over a year, I have found that this reorganization is necessary to carry out the policy set forth in section 901(a) of title 5 of the United States Code. As described above, this reorganization will increase significantly our ability to implement the MTN agreements efficiently and effectively and will improve greatly the services of the government with regard to export development. These improvements will be achieved with no increase in personnel or expenditures, except for an annual expense of about $300,000 for the salaries and clerical support of the three additional senior Commerce Department officials and a non-recurring expense of approximately $600,000 in connection with the transfers of functions provided in the plan. I find that the reorganization made by this plan makes necessary the provisions for the appointment and pay of a Deputy Secretary, an Under Secretary for International Trade, and two additional Assistant Secretaries of the Department of Commerce, and additional members of the Boards of Directors of the Export-Import Bank and the Overseas Private Investment Corporation.

It is indeed appropriate that this proposal follows so soon after the overwhelming approval by the Congress of the Trade Agreements Act of 1979 [19 U.S.C. 2501 et seq.], for it will sharpen and unify trade policy direction, improve the efficiency of trade law enforcement, and enable us to negotiate abroad from a position of strength. The extensive discussions between Administration officials and the Congress on this plan have been a model of the kind of cooperation that can exist between the two branches. I look forward to our further cooperation in successfully implementing both this reorganization proposal and the MTN agreements.

JIMMY CARTER.

THE WHITE HOUSE, September 25, 1979.

EXECUTIVE ORDER NO. 11143

Ex. Ord. No. 11143, Mar. 2, 1963, 29 F.R. 3127, as amended by Ex. Ord. No. 11159, June 23, 1964, 29 F.R. 8137, formerly set out under section 1871 of this title, which established the Public Advisory Committee for Trade Expansion, was revoked by Ex. Ord. No. 11425, Aug. 30, 1968, 33 F.R. 12363, set out below.

EXECUTIVE ORDER NO. 11425

Ex. Ord. No. 11425, Aug. 30, 1968, 33 F.R. 12363, formerly set out under section 1871 of this title, which directed the Special Representative for Trade Negotiations (established by Ex. Ord. No. 11075, Jan. 15, 1963, 28 F.R. 473) to conduct a long range study of United States foreign trade policy and to consider the views of Congress, the Public Advisory Committee on Trade Policy, and other federal agencies; established the Public Advisory Committee on Trade Policy for purposes of this study; and abolished the Public Advisory Committee for Trade Negotiations; was omitted in view of the revocation of Ex. Ord. No. 11075 by Ex. Ord. No. 11846, Mar. 27, 1975, 40 F.R. 14291, set out under section 2111 of this title, and in view of the abolition of the Office of Special Representative for Trade Negotiations (as established under Ex. Ord. No. 11075) by section 2171(g) of this title.

EX. ORD. NO. 12175. EFFECTIVE DATE OF SECTION 2(b)(1) OF REORGANIZATION PLAN NO. 3 OF 1979 RESPECTING REORGANIZATION OF FUNCTIONS RELATING TO INTERNATIONAL TRADE

Ex. Ord. No. 12175, Dec. 7, 1979, 44 F.R. 70703, provided:

By the authority vested in me as President of the United States of America by Section 9 of Reorganization Plan No. 3 of 1979 (transmitted to the Congress on September 25, 1979) [set out as a note above], the time

period prescribed by Section 906 of Title 5 of the United States Code having elapsed without the adoption of a resolution of disapproval by either House of Congress, it is hereby ordered that Section 2(b)(1) of that Plan, establishing the Office of Deputy Secretary of Commerce, is effective immediately.

JIMMY CARTER.

EX. ORD. NO. 12188. FUNCTIONS RELATING TO INTERNATIONAL TRADE

Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 989, as amended by Ex. Ord. No. 12292, Feb. 23, 1981, 46 F.R. 13968, provided:

By the authority vested in me by the Trade Agreements Act of 1979 [see 19 U.S.C. 2501], the Trade Act of 1974 [this chapter], the Trade Expansion Act of 1962 [see Short Title note set out under section 1801 of this title], section 350 of the Tariff Act of 1930 [19 U.S.C. 1351], Reorganization Plan No. 3 of 1979 [set out as a note above], and section 301 of title 3 of the United States Code, and as President of the United States, it is hereby ordered as follows:

SECTION 1–101. *The United States Trade Representative.*

(a) Except as may be otherwise expressly provided by law, the United States Trade Representative (hereinafter referred to as the ''Trade Representative'') shall be chief representative of the United States for:

(1) all activities of, or under the auspices of, the General Agreement on Tariffs and Trade;

(2) discussions, meetings, and negotiations in the Organization for Economic Cooperation and Development when trade or commodity issues are the primary issues under consideration;

(3) negotiations in the United Nations Conference on Trade and Development and other multilateral institutions when trade or commodity issues are the primary issues under consideration;

(4) other bilateral or multilateral negotiations when trade, including East-West trade, or commodities is the primary issue under consideration;

(5) negotiations under sections 704 and 734 of the Tariff Act of 1930 (19 U.S.C. 1671c and 1673c); and

(6) negotiations concerning direct investment incentives and disincentives and bilateral investment issues concerning barriers to investment.

For purposes of this subsection, the term ''negotiations'' includes discussions and meetings with foreign governments and instrumentalities primarily concerning preparations for formal negotiations and policies regarding implementation of agreements resulting from such negotiations.

(b) The Trade Representative, in consultation with the Trade Negotiating Committee, shall invite such members of the Trade Negotiating Committee and representatives of other departments or agencies as may be appropriate to participate in the negotiations and other activities listed in subsection (a).

(c) The Trade Representative, in consultation with the Trade Negotiating Committee, may delegate to any member of the Trade Negotiating Committee, or to any other appropriate department or agency, primary responsibility for representing the United States in any of the negotiations and other activities set forth in subsection (a).

(d) The Trade Representative, or any department or agency to which responsibility for representing the United States in a negotiation or other activity has been delegated pursuant to subsection (c), shall consult with the Trade Policy Committee and with any affected regulatory agencies on the policy issues arising in connection with the negotiations and other activities listed in subsection (a).

SEC. 1–102. *The Trade Policy Committee.*

(a) As provided by section 242 of the Trade Expansion Act of 1962 (19 U.S.C. 1872), the Trade Policy Committee (hereinafter referred to as the ''Committee'') is continued. The Committee shall have the functions specified by law or by the President, including those specified in section 1(b)(3) of Reorganization Plan No. 3 of 1979 [set out as a note above].

(b) The Committee shall be composed of the following:

(1) The Trade Representative, who shall be Chair

(2) The Secretary of Commerce, who shall be Vice Chair

(3) The Secretary of State

(4) The Secretary of the Treasury

(5) The Secretary of Defense

(6) The Attorney General

(7) The Secretary of the Interior

(8) The Secretary of Agriculture

(9) The Secretary of Labor

(10) The Secretary of Transportation

(11) The Secretary of Energy

(12) The Director of the Office of Management and Budget

(13) The Chairman of the Council of Economic Advisers

(14) The Assistant to the President for National Security Affairs

(15) The Director of the United States International Development Cooperation Agency.

The Chair and any member of the Committee may designate a subordinate officer whose status is not below that of an Assistant Secretary to serve in his stead when he is unable to attend any meetings of the Committee. The Chair may invite representatives from other agencies to attend the meetings of the Committee.

(c)(1) There is established, as a subcommittee of the Committee, a Trade Negotiating Committee which shall advise the Trade Representative on the management of negotiations referred to in section 1–101(a) of this order. The members of such subcommittee shall be the Trade Representative (Chair), the Secretary of State, the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Commerce, and the Secretary of Labor.

(2) The Trade Representative, with the advice of the Committee, may create additional subcommittees thereof.

(d) In advising the President on international trade and related matters, the Trade Representative shall take into account and reflect the views of the members of the Committee and of other interested agencies.

SEC. 1–103. *Delegation of Functions.*

(a) The function vested in the President by section 412(b) of the Trade Agreements Act of 1979 (19 U.S.C. 2542(b)) is delegated to the Secretary of Commerce with regard to the technical office established under section 412(a)(1) of such Act [19 U.S.C. 2542(a)(1)] and to the Secretary of Agriculture with regard to the technical office established under section 412(a)(2) of such Act [19 U.S.C. 2542(a)(2)]. In prescribing the functions of each technical office, the Secretary concerned shall consult with the Trade Representative and with all affected regulatory agencies. The functions delegated by this section shall be exercised in coordination with the Trade Representative.

(b) The functions of the President under sections 2(b) and 303 of the Trade Agreements Act of 1979 (19 U.S.C. 2503(b) and 2513) and section 701(b) of the Tariff Act of 1930 (19 U.S.C. 1671(b)) are delegated to the Trade Representative, who shall exercise such authority with the advice of the Trade Policy Committee.

SEC. 1–104. *Authority Under the Foreign Service Act and Related Laws.*

(a) The Secretary of Commerce (hereinafter referred to as the ''Secretary'') is authorized to establish a Foreign Commercial Service in the Department of Commerce, and a category of career officers of the Foreign Commercial Service to be known as Foreign Commercial Officers. For purposes of the utilization by the Secretary of the authorities granted to the Secretary under this section, the terms ''Foreign Service'' and ''Foreign Service Officer'' shall be construed to mean ''Foreign Commercial Service'' and ''Foreign Commercial Officer,'' respectively.

(b) [Revoked by Ex. Ord. No. 12292, Feb. 23, 1981, 46 F.R. 13968.]

(c) The Board of the Foreign Service and the Board of Examiners for the Foreign Service established by Executive Order 11264 of December 31, 1965, as amended [22 U.S.C. 826 note], shall exercise with respect to Foreign Service personnel of the Department of Commerce the functions delegated to them by that order with respect to Foreign Service personnel of the Department of State. The Boards shall perform such additional functions with respect to Foreign Service personnel of the Department of Commerce as the Secretary may from time to time delegate or otherwise assign, consistent with the functions of such boards.

SEC. 1–105. *Prior Executive Orders and Determination.*

(a) Section 1(b) of Executive Order 11269 of February 14, 1966, as amended [22 U.S.C. 286b note], is amended by adding ''the United States Trade Representative,'' after ''the Secretary of State,''.

(b)(1) Section 1 of Executive Order 11539 of June 30, 1970 [7 U.S.C. 1854 note], is amended to read as follows:

''Section 1. The United States Trade Representative, with the concurrence of the Secretary of Agriculture and the Secretary of State, is authorized to negotiate bilateral agreements with representatives of governments of foreign countries limiting the export from the respective countries and the importation into the United States of—

''(1) fresh, chilled, or frozen cattle meat,

''(2) fresh, chilled, or frozen meat of goats and sheep (except lambs), and

''(3) prepared and preserved beef and veal (except sausage) if articles are prepared, whether fresh, chilled, or frozen, but not otherwise preserved, that are the products of such countries.''.

(2) Section 4 of such order is amended by striking out ''the Secretary of State'' and inserting in lieu thereof ''the United States Trade Representative''.

(c) The last sentence of section 1(a) of Executive Order 11651 of March 3, 1972, as amended [7 U.S.C. 1854 note] is amended to read as follows: ''The United States Trade Representative, or his designee, also shall be a member of the Committee.''.

(d) The first sentence of section 3 of Executive Order 11703 of February 7, 1973 [19 U.S.C. 1862 note], is amended to read as follows: ''The Oil Policy Committee shall henceforth consist of the United States Trade Representative, chair, and the Secretaries of State, Treasury, Defense, the Interior, Commerce and Energy, the Attorney General, and the Chairman of the Council of Economic Advisers, as members.''.

(e) Sections 2(b) and 3(a), the first sentence of section 3(c), and sections 3(e), 3(f), and 6 of Executive Order 11846 of March 27, 1975, as amended [19 U.S.C. 2111 note], are revoked.

(f)(1) Section 1(a)(5) of Executive Order 11858 of May 7, 1975 [22 U.S.C. 2841 note], is amended to read: ''(5) The United States Trade Representative''.

(2) Section 1(a)(6) of such order is amended to read: ''(6) The Chairman of the Council of Economic Advisers''.

(g) Executive Order 12096 of November 2, 1978, is revoked.

(h) The last paragraph of the Presidential Determination Regarding the Acceptance and Application of Certain International Trade Agreements (dated December 14, 1979) (44 FR 74781, at 74784; December 18, 1979) [19 U.S.C. 2503 note], delegating functions under section 2(b) of the Trade Agreements Act of 1979 [19 U.S.C. 2503(b)] and section 701(b) of the Tariff Act of 1930 [19 U.S.C. 1671b], is revoked.

(i) Any reference to the Office of the Special Representative for Trade Negotiations or to the Special Representative for Trade Negotiations in any Executive order, Proclamation, or other document shall be deemed to refer to the Office of the United States Trade Representative or to the United States Trade Representative, respectively.

SEC. 1–106. *Incidental Transfers and Reassignments.*

So much of the personnel, property, records, and unexpended balances of appropriations, allocations, and other funds employed, used, held, available, or to be made available in connection with functions transferred or reassigned by the provisions of this order as the Director of the Office of Management and Budget shall determine shall be transferred or reassigned for use in connection with such functions.

SEC. 1–107. *Effective Dates.*

(a) Sections 1, 2(a), 2(b)(2), 2(c), 2(d), 3, 4, 5(a), 5(b)(2), 5(c) through (e), and 6 through 8 of Reorganization Plan No. 3 of 1979 [set out as a note above] and the provisions of this order, shall take effect as of January 2, 1980.

(b) Section 5(b)(1) of such plan [set out as a note above] shall take effect as of April 1, 1980.

JIMMY CARTER.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1872, 2152, 2213, 2241, 2541 of this title.

PART 5—CONGRESSIONAL PROCEDURES WITH RESPECT TO PRESIDENTIAL ACTIONS

§ 2191. Bills implementing trade agreements on nontariff barriers and resolutions approving commercial agreements with Communist countries

(a) Rules of House of Representatives and Senate

This section and sections 2192 and 2193 of this title are enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such they are deemed a part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in that House in the case of implementing bills described in subsection (b)(1) of this section, implementing revenue bills described in subsection (b) (2) of this section, approval resolutions described in subsection (b)(3) of this section, and resolutions described in sections 2192(a) and 2193(a) of this title; and they supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to the procedure of that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

(b) Definitions

For purposes of this section—

(1) The term ''implementing bill'' means only a bill of either House of Congress which is introduced as provided in subsection (c) of this section with respect to one or more trade agreements, or with respect to an extension described in section 3572(c)(3) of this title, submitted to the House of Representatives and the Senate under section 2112 of this title, section 2903(a)(1) of this title, or section 3572 of this title and which contains—

(A) a provision approving such trade agreement or agreements or such extension,

(B) a provision approving the statement of administrative action (if any) proposed to implement such trade agreement or agreements, and

(C) if changes in existing laws or new statutory authority is required to implement such trade agreement or agreements or such extension, provisions, necessary or appro-

priate to implement such trade agreement or agreements or such extension, either repealing or amending existing laws or providing new statutory authority.

(2) The term ''implementing revenue bill or resolution'' means an implementing bill, or approval resolution, which contains one or more revenue measures by reason of which it must originate in the House of Representatives.

(3) The term ''approval resolution'' means only a joint resolution of the two Houses of the Congress, the matter after the resolving clause of which is as follows: ''That the Congress approves the extension of nondiscriminatory treatment with respect to the products of _____ transmitted by the President to the Congress on _____.'', the first blank space being filled with the name of the country involved and the second blank space being filled with the appropriate date.

(c) Introduction and referral

(1) On the day on which a trade agreement or extension is submitted to the House of Representatives and the Senate under section 2112 of this title or section 3572 of this title, the implementing bill submitted by the President with respect to such trade agreement or extension shall be introduced (by request) in the House by the majority leader of the House, for himself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such a trade agreement or extension is submitted, the implementing bill shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session. Such bills shall be referred by the Presiding Officers of the respective Houses to the appropriate committee, or, in the case of a bill containing provisions within the jurisdiction of two or more committees, jointly to such committees for consideration of those provisions within their respective jurisdictions.

(2) On the day on which a bilateral commercial agreement, entered into under subchapter IV of this chapter after January 3, 1975, is transmitted to the House of Representatives and the Senate, an approval resolution with respect to such agreement shall be introduced (by request) in the House by the majority leader of the House, for himself and the minority leader of the House, or by Members of the House designated by the majority leader and minority leader of the House; and shall be introduced (by request) in the Senate by the majority leader of the Senate, for himself and the minority leader of the Senate, or by Members of the Senate designated by the majority leader and minority leader of the Senate. If either House is not in session on the day on which such an agreement is transmitted, the approval resolution with respect to such agreement shall be introduced in that House, as provided in the preceding sentence, on the first day thereafter on which that House is in session. The approval resolution introduced in the House shall be referred to the Committee on Ways and Means and the approval resolution introduced in the Senate shall be referred to the Committee on Finance.

(d) Amendments prohibited

No amendment to an implementing bill or approval resolution shall be in order in either the House of Representatives or the Senate; and no motion to suspend the application of this subsection shall be in order in either House, nor shall it be in order in either House for the Presiding Officer to entertain a request to suspend the application of this subsection by unanimous consent.

(e) Period for committee and floor consideration

(1) Except as provided in paragraph (2), if the committee or committees of either House to which an implementing bill or approval resolution has been referred have not reported it at the close of the 45th day after its introduction, such committee or committees shall be automatically discharged from further consideration of the bill or resolution and it shall be placed on the appropriate calendar. A vote on final passage of the bill or resolution shall be taken in each House on or before the close of the 15th day after the bill or resolution is reported by the committee or committees of that House to which it was referred, or after such committee or committees have been discharged from further consideration of the bill or resolution. If prior to the passage by one House of an implementing bill or approval resolution of that House, that House receives the same implementing bill or approval resolution from the other House, then—

(A) the procedure in that House shall be the same as if no implementing bill or approval resolution had been received from the other House, but

(B) the vote on final passage shall be on the implementing bill or approval resolution of the other House.

(2) The provisions of paragraph (1) shall not apply in the Senate to an implementing revenue bill or resolution. An implementing revenue bill or resolution received from the House shall be referred to the appropriate committee or committees of the Senate. If such committee or committees have not reported such bill or resolution at the close of the 15th day after its receipt by the Senate (or, if later, before the close of the 45th day after the corresponding implementing revenue bill or resolution was introduced in the Senate), such committee or committees shall be automatically discharged from further consideration of such bill or resolution and it shall be placed on the calendar. A vote on final passage of such bill or resolution shall be taken in the Senate on or before the close of the 15th day after such bill or resolution is reported by the committee or committees of the Senate to which it was referred, or after such committee or committees have been discharged from further consideration of such bill or resolution.

(3) For purposes of paragraphs (1) and (2), in computing a number of days in either House,

there shall be excluded any day on which that House is not in session.

(f) Floor consideration in the House

(1) A motion in the House of Representatives to proceed to the consideration of an implementing bill or approval resolution shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate in the House of Representatives on an implementing bill or approval resolution shall be limited to not more than 20 hours, which shall be divided equally between those favoring and those opposing the bill or resolution. A motion further to limit debate shall not be debatable. It shall not be in order to move to recommit an implementing bill or approval resolution or to move to reconsider the vote by which an implementing bill or approval resolution is agreed to or disagreed to.

(3) Motions to postpone, made in the House of Representatives with respect to the consideration of an implementing bill or approval resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to an implementing bill or approval resolution shall be decided without debate.

(5) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of an implementing bill or approval resolution shall be governed by the Rules of the House of Representatives applicable to other bills and resolutions in similar circumstances.

(g) Floor consideration in the Senate

(1) A motion in the Senate to proceed to the consideration of an implementing bill or approval resolution shall be privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate in the Senate on an implementing bill or approval resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours. The time shall be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(3) Debate in the Senate on any debatable motion or appeal in connection with an implementing bill or approval resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the bill or resolution, except that in the event the manager of the bill or resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of an implementing bill or approval resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(4) A motion in the Senate to further limit debate is not debatable. A motion to recommit an implementing bill or approval resolution is not in order.

(Pub. L. 93–618, title I, § 151, Jan. 3, 1975, 88 Stat. 2001; Pub. L. 100–418, title I, § 1107(b)(1), Aug. 23, 1988, 102 Stat. 1135; Pub. L. 101–382, title I, § 132(b)(2), Aug. 20, 1990, 104 Stat. 645; Pub. L. 103–465, title II, § 282(c)(4), Dec. 8, 1994, 108 Stat. 4929.)

AMENDMENTS

1994—Subsec. (b)(1). Pub. L. 103–465, § 282(c)(4)(A), in introductory provisions, inserted ‘‘, or with respect to an extension described in section 3572(c)(3) of this title,’’ after ‘‘trade agreements’’ and substituted ‘‘, section 2903(a)(1) of this title, or section 3572 of this title’’ for ‘‘or section 2903(a)(1) of this title’’, and in subpars. (A) and (C), inserted ‘‘or such extension’’ after ‘‘agreements’’ wherever appearing.

Subsec. (c)(1). Pub. L. 103–465, § 282(c)(4)(B), inserted ‘‘or section 3572 of this title’’ after ‘‘section 2112 of this title’’ and ‘‘or extension’’ after ‘‘agreement’’ wherever appearing.

1990—Subsec. (b)(2). Pub. L. 101–382, § 132(b)(2)(A), (B), inserted ‘‘or resolution’’ after ‘‘revenue bill’’ and ‘‘, or approval resolution,’’ after ‘‘implementing bill’’.

Subsec. (b)(3). Pub. L. 101–382, § 132(b)(2)(C), substituted ‘‘joint’’ for ‘‘concurrent’’.

Subsec. (e)(2). Pub. L. 101–382, § 132(b)(2)(D), (E), substituted ‘‘revenue bill or resolution’’ for ‘‘revenue bill’’ in three places and ‘‘such bill or resolution’’ for ‘‘such bill’’ in five places.

1988—Subsec. (b)(1). Pub. L. 100–418 inserted reference to section 2903(a)(1) of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective, except as otherwise provided, on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], and applicable with respect to investigations, reviews, and inquiries initiated and petitions filed under specified provisions of subtitle IV (§ 1671 et seq.) of chapter 4 of this title after such date, see section 291 of Pub. L. 103–465, set out as a note under section 1671 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2112, 2435, 2437, 2503, 2504, 2903, 2905, 2906, 3311, 3511 of this title.

§ 2192. Resolutions disapproving certain actions

(a) Contents of resolutions

(1) For purposes of this section, the term ‘‘resolution’’ means only—

(A) a joint resolution of the two Houses of the Congress, the matter after the resolving clause of which is as follows: ‘‘That the Congress does not approve the action taken by, or the determination of, the President under section 203 of the Trade Act of 1974 transmitted to the Congress on _____.’’, the blank space being filled with the appropriate date; and

(B) a joint resolution of the two Houses of Congress, the matter after the resolving clause of which is as follows: ‘‘That the Congress does not approve _____ transmitted to the Congress on _____.’’, with the first blank space being filled in accordance with paragraph (2), and the second blank space being filled with the appropriate date.

(2) The first blank space referred to in paragraph (1)(B) shall be filled as follows: in the case

of a resolution referred to in section 2437(c)(2) of this title, with the phrase ''the report of the President submitted under section _____ of the Trade Act of 1974 with respect to _____'' (with the first blank space being filled with ''402(b)'' or ''409(b)'', as appropriate, and the second blank space being filled with the name of the country involved).

(b) Reference to committees

All resolutions introduced in the House of Representatives shall be referred to the Committee on Ways and Means and all resolutions introduced in the Senate shall be referred to the Committee on Finance.

(c) Discharge of committees

(1) If the committee of either House to which a resolution has been referred has not reported it at the end of 30 days after its introduction, not counting any day which is excluded under section 2194(b) of this title, it is in order to move either to discharge the committee from further consideration of the resolution or to discharge the committee from further consideration of any other resolution introduced with respect to the same matter, except that a motion to discharge—

(A) may only be made on the second legislative day after the calendar day on which the Member making the motion announces to the House his intention to do so; and

(B) is not in order after the Committee[1] has reported a resolution with respect to the same matter.

(2) A motion to discharge under paragraph (1) may be made only by an individual favoring the resolution, and is highly privileged in the House and privileged in the Senate; and debate thereon shall be limited to not more than 1 hour, the time to be divided in the House equally between those favoring and those opposing the resolution, and to be divided in the Senate equally between, and controlled by, the majority leader and the minority leader or their designees. An amendment to the motion is not in order, and it is not in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(d) Floor consideration in the House

(1) A motion in the House of Representatives to proceed to the consideration of a resolution shall be highly privileged and not debatable. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate in the House of Representatives on a resolution shall be limited to not more than 20 hours, which shall be divided equally between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order. It shall not be in order to move to reconsider the vote by which a resolution is agreed to or disagreed to.

(3) Motions to postpone, made in the House of Representatives with respect to the consideration of a resolution, and motions to proceed to the consideration of other business, shall be decided without debate.

(4) All appeals from the decisions of the Chair relating to the application of the Rules of the House of Representatives to the procedure relating to a resolution shall be decided without debate.

(5) Except to the extent specifically provided in the preceding provisions of this subsection, consideration of a resolution in the House of Representatives shall be governed by the Rules of the House of Representatives applicable to other resolutions in similar circumstances.

(e) Floor consideration in the Senate

(1) A motion in the Senate to proceed to the consideration of a resolution shall be privileged. An amendment to the motion shall not be in order, nor shall it be in order to move to reconsider the vote by which the motion is agreed to or disagreed to.

(2) Debate in the Senate on a resolution, and all debatable motions and appeals in connection therewith, shall be limited to not more than 20 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(3) Debate in the Senate on any debatable motion or appeal in connection with a resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such motion or appeal, the time in opposition thereto, shall be controlled by the minority leader or his designee. Such leaders, or either of them, may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any debatable motion or appeal.

(4) A motion in the Senate to further limit debate on a resolution, debatable motion, or appeal is not debatable. No amendment to, or motion to recommit, a resolution is in order in the Senate.

(f) Procedures in the Senate

(1) Except as otherwise provided in this section, the following procedures shall apply in the Senate to a resolution to which this section applies:

(A)(i) Except as provided in clause (ii), a resolution that has passed the House of Representatives shall, when received in the Senate, be referred to the Committee on Finance for consideration in accordance with this section.

(ii) If a resolution to which this section applies was introduced in the Senate before receipt of a resolution that has passed the House of Representatives, the resolution from the House of Representatives shall, when received in the Senate, be placed on the calendar. If this clause applies, the procedures in the Senate with respect to a resolution introduced in the Senate that contains the identical matter as the resolution that passed the House of Representatives shall be the same as if no resolution had been received from the House of Representatives, except that the vote on pas-

[1] So in original. Probably should not be capitalized.

sage in the Senate shall be on the resolution that passed the House of Representatives.

(B) If the Senate passes a resolution before receiving from the House of Representatives a joint resolution that contains the identical matter, the joint resolution shall be held at the desk pending receipt of the joint resolution from the House of Representatives. Upon receipt of the joint resolution from the House of Representatives, such joint resolution shall be deemed to be read twice, considered, read the third time, and passed.

(2) If the texts of joint resolutions described in this section or section 2193(a) of this title, whichever is applicable, concerning any matter are not identical—

(A) the Senate shall vote passage on the resolution introduced in the Senate, and

(B) the text of the joint resolution passed by the Senate shall, immediately upon its passage (or, if later, upon receipt of the joint resolution passed by the House), be substituted for the text of the joint resolution passed by the House of Representatives, and such resolution, as amended, shall be returned with a request for a conference between the two Houses.

(3) Consideration in the Senate of any veto message with respect to a joint resolution described in subsection (a)(2)(B) of this section or section 2193(a) of this title, including consideration of all debatable motions and appeals in connection therewith, shall be limited to 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees.

(Pub. L. 93–618, title I, § 152, Jan. 3, 1975, 88 Stat. 2004; Pub. L. 96–39, title IX, § 902(a)(1), title XI, § 1106(c)(5), July 26, 1979, 93 Stat. 299, 312; Pub. L. 98–573, title II, § 248(b), Oct. 30, 1984, 98 Stat. 2998; Pub. L. 101–382, title I, § 132(c)(2)–(5), Aug. 20, 1990, 104 Stat. 646, 647; Pub. L. 103–465, title II, § 261(d)(1)(A)(ii), Dec. 8, 1994, 108 Stat. 4909.)

REFERENCES IN TEXT

Section 203 of the Trade Act of 1974, referred to in subsec. (a)(1)(A), is section 203 of Pub. L. 93–618, title II, Jan. 3, 1975, 88 Stat. 2015, which is classified to section 2253 of this title.

Sections 402(b) and 409(b) of the Trade Act of 1974, referred to in subsec. (a)(2)(C), are sections 402(b) and 409(b) of Pub. L. 93–618, title IV, Jan. 3, 1975, 88 Stat. 2060, 2064, respectively, which are classified to sections 2432 and 2439 of this title, respectively.

AMENDMENTS

1994—Subsec. (a)(2). Pub. L. 103–465 struck out ''(B)'' before ''in the case'' and struck out subpar. (A) which read as follows: ''in the case of a resolution referred to in section 1303(e) of this title, with the phrase 'the determination of the Secretary of the Treasury under section 303(d) of the Tariff Act of 1930'; and''.

1990—Subsec. (a)(1)(B). Pub. L. 101–382, § 132(c)(2), amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: ''a resolution of either House of the Congress, the matter after the resolving clause of which is as follows: 'That the _____ does not approve _____ transmitted to the Congress on _____.', with the first blank space being filled with the name of the resolving House, the second blank space being filled in accordance with paragraph (2), and the third blank space being filled with the appropriate date.''

Subsec. (a)(2). Pub. L. 101–382, § 132(c)(3), substituted ''first'' for ''second'' in introductory provisions and ''2437(c)(2)'' for ''2437(c)(3)'' in subpar. (C), redesignated subpar. (C) as (B), and struck out former subpar. (B) which read as follows: ''in the case of a resolution referred to in section 2437(c)(2) of this title, with the phrase 'the extension of nondiscriminatory treatment with respect to the products of _____' (with this blank space being filled with the name of the country involved); and''.

Subsec. (c)(1). Pub. L. 101–382, § 132(c)(4), substituted ''except that a motion to discharge—

''(A) may only be made on the second legislative day after the calendar day on which the Member making the motion announces to the House his intention to do so; and

''(B) is not in order after the Committee has reported a resolution with respect to the same matter'' for ''except no motion to discharge shall be in order after the committee has reported a resolution with respect to the same matter''.

Subsec. (f). Pub. L. 101–382, § 132(c)(5), amended subsec. (f) generally. Prior to amendment, subsec. (f) read as follows: ''In the case of a resolution described in subsection (a)(1) of this section, if prior to the passage by one House of a resolution of that House, that House receives a resolution with respect to the same matter from the other House, then—

''(1) the procedure in that House shall be the same as if no resolution had been received from the other House; but

''(2) the vote on final passage shall be on the resolution of the other House.''

1984—Subsec. (a)(1)(A). Pub. L. 98–573 substituted ''joint resolution'' for ''concurrent resolution''.

1979—Subsec. (a)(1)(A). Pub. L. 96–39, § 902(a)(1)(A), substituted ''does not approve the action taken by, or the determination of, the President under section 203 of the Trade Act of 1974 transmitted to the Congress on _____.', the blank space being filled with the appropriate date'' for ''does not approve _____ transmitted to the Congress on _____.', the first blank space being filled in accordance with paragraph (2) and the second blank space being filled with the appropriate date''.

Subsec. (a)(1)(B). Pub. L. 96–39, § 902(a)(1)(B), substituted ''paragraph (2),'' for ''paragraph (3),''.

Subsec. (a)(2), (3). Pub. L. 96–39, § 902(a)(1)(C), (D), redesignated par. (3) as (2). Former par. (2), relating to the first blank space referred to in subsec. (a)(1)(A), was struck out.

Subsec. (c)(1). Pub. L. 96–39, § 1106(c)(5), substituted ''section 2194(b) of this title'' for ''section 2193(b) of this title''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the effective date of title II of Pub. L. 103–465, Jan. 1, 1995, see section 261(d)(2) of Pub. L. 103–465, set out as a note under section 1315 of this title.

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by section 132(c)(4) and (5) of Pub. L. 101–382 applicable with respect to recommendations made under section 2432(d) of this title by the President after May 23, 1990, see section 132(d) of Pub. L. 101–382, set out as a note under section 2432 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective on 15th day after Oct. 30, 1984, see section 214(a), (b) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 26, 1979, see sections 903 and 1114 of Pub. L. 96–39, set out as Effective Date notes under sections 2411 and 2581 of this title, respectively.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1330, 2191, 2193, 2253, 2412, 2437, 2903, 3535 of this title.

§ 2193. Resolutions relating to extension of waiver authority under section 402 of the Trade Act of 1974

(a) Contents of resolution

For purposes of this section, the term ''resolution'' means only a joint resolution of the two Houses of Congress, the matter after the resolving clause of which is as follows: ''That the Congress does not approve the extension of the authority contained in section 402(c) of the Trade Act of 1974 recommended by the President to the Congress on _____ with respect to _____.'', with the first blank space being filled with the appropriate date, and the second blank space being filled with the names of those countries, if any, with respect to which such extension of authority is not approved, and with the clause beginning with ''with respect to'' being omitted if the extension of the authority is not approved with respect to any country.

(b) Application of rules of section 2192 of this title; exceptions

(1) Except as provided in this section, the provisions of section 2192 of this title shall apply to resolutions described in subsection (a) of this section.

(2) In applying section 2192(c)(1) of this title, all calendar days shall be counted.

(3) That part of section 2192(d)(2) of this title which provides that no amendment is in order shall not apply to any amendment to a resolution which is limited to striking out or inserting the names of one or more countries or to striking out or inserting a with-respect-to clause. Debate in the House of Representatives on any amendment to a resolution shall be limited to not more than 1 hour which shall be equally divided between those favoring and those opposing the amendment. A motion in the House to further limit debate on an amendment to a resolution is not debatable.

(4) That part of section 2192(e)(4) of this title which provides that no amendment is in order shall not apply to any amendment to a resolution which is limited to striking out or inserting the names of one or more countries or to striking out or inserting a with-respect-to clause. The time limit on a debate on a resolution in the Senate under section 2192(e)(2) of this title shall include all amendments to a resolution. Debate in the Senate on any amendment to a resolution shall be limited to not more than 1 hour, to be equally divided between, and controlled by, the mover and the manager of the resolution, except that in the event the manager of the resolution is in favor of any such amendment, the time in opposition thereto shall be controlled by the minority leader or his designee. The majority leader and minority leader may, from time under their control on the passage of a resolution, allot additional time to any Senator during the consideration of any amendment. A motion in the Senate to further limit debate on an amendment to a resolution is not debatable.

(c) Consideration of second resolution not in order

It shall not be in order in either the House of Representatives or the Senate to consider a resolution with respect to a recommendation of the President under section 2432(d) of this title (other than a resolution described in subsection (a) of this section received from the other House), if that House has adopted a resolution with respect to the same recommendation.

(d) Procedures relating to conference reports in the Senate

(1) Consideration in the Senate of the conference report on any joint resolution described in subsection (a) of this section, including consideration of all amendments in disagreement (and all amendments thereto), and consideration of all debatable motions and appeals in connection therewith, shall be limited to 10 hours, to be equally divided between, and controlled by, the majority leader and the minority leader or their designees. Debate on any debatable motion or appeal related to the conference report shall be limited to 1 hour, to be equally divided between, and controlled by, the mover and the manager of the conference report.

(2) In any case in which there are amendments in disagreement, time on each amendment shall be limited to 30 minutes, to be equally divided between, and controlled by, the manager of the conference report and the minority leader or his designee. No amendment to any amendment in disagreement shall be received unless it is a germane amendment.

(Pub. L. 93–618, title I, § 153, Jan. 3, 1975, 88 Stat. 2006; Pub. L. 101–382, title I, § 132(a)(3)–(6), Aug. 20, 1990, 104 Stat. 644, 645.)

REFERENCES IN TEXT

Section 402 of the Trade Act of 1974, referred to in catchline and subsec. (a), is classified to section 2432 of this title.

AMENDMENTS

1990—Subsec. (a). Pub. L. 101–382, § 132(a)(3), amended subsec. (a) generally. Prior to amendment, subsec. (a) read as follows: ''For purposes of this section, the term 'resolution' means only—

''(1) a concurrent resolution of the two Houses of the Congress, the matter after the resolving clause of which is as follows: 'That the Congress approves the extension of the authority contained in section 402(c)(1) of the Trade Act of 1974 recommended by the President to the Congress on _____, except with respect to _____.', with the first blank space being filled with the appropriate date and the second blank space being filled with the names of those countries, if any, with respect to which such extension of authority is not approved, and with the except clause being omitted if there is no such country; and

''(2) a resolution of either House of the Congress, the matter after the resolving clause of which is as follows: 'That the _____ does not approve the extension of the authority contained in section 402(c) of the Trade Act of 1974 recommended by the President to the Congress on _____ with respect to _____.', with the first blank space being filled with the name of the resolving House, the second blank space being filled with the appropriate date, and the third blank space being filled with the names of those countries, if any, with respect to which such extension of authority is not approved, and with the with-respect-to clause being omitted if the extension of the authority is not approved with respect to any country.''

Subsec. (b). Pub. L. 101–382, § 132(a)(4), in par. (2), struck out provisions substituting 20 days for 30 days in resolution related to section 2432(d)(4) of this title, and in pars. (3) and (4), struck out provisions relating to ex-

cept clause in resolutions under subsec. (a)(1) and provisions identifying with-respect-to clause as relating to resolutions under subsec. (a)(2).

Subsec. (c). Pub. L. 101–382, § 132(a)(5), substituted ''subsection (a)'' for ''subsection (a)(1)''.

Subsec. (d). Pub. L. 101–382, § 132(a)(6), added subsec. (d).

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101–382 applicable with respect to recommendations made under section 2432(d) of this title by the President after May 23, 1990, see section 132(d) of Pub. L. 101–382, set out as a note under section 2432 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2191, 2192, 2432 of this title.

§ 2194. Special rules relating to Congressional procedures

(a) Delivery of documents to both Houses

Whenever, pursuant to section 2112(e), 2253(b), 2432(d), or 2437(a) or (b), a document is required to be transmitted to the Congress, copies of such document shall be delivered to both Houses of Congress on the same day and shall be delivered to the Clerk of the House of Representatives if the House is not in session and to the Secretary of the Senate if the Senate is not in session.

(b) Computation of 90-day period

For purposes of sections 2253(c),[1] and 2437(c)(2) of this title, the 90-day period referred to in such sections shall be computed by excluding—

(1) the days on which either House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die, and

(2) any Saturday and Sunday, not excluded under paragraph (1), when either House is not in session.

(Pub. L. 93–618, title I, § 154, Jan. 3, 1975, 88 Stat. 2008; Pub. L. 96–39, title IX, § 902(a)(2), July 26, 1979, 93 Stat. 300; Pub. L. 101–382, title I, § 132(c)(6), Aug. 20, 1990, 104 Stat. 647; Pub. L. 103–465, title II, § 261(d)(1)(A)(iii), Dec. 8, 1994, 108 Stat. 4909.)

AMENDMENTS

1994—Subsec. (a). Pub. L. 103–465 struck out reference to section 1303(e) of this title.

1990—Subsec. (b). Pub. L. 101–382, which directed the substitution of ''and 2437(c)(2)'' for ''2437(c)(2) and 2437(c)(3)'', was executed by making the substitution for ''2437(c)(2), and 2437(c)(3)'' to reflect the probable intent of Congress.

1979—Subsec. (a). Pub. L. 96–39 struck out reference to section 2412(a) of this title.

Subsec. (b). Pub. L. 96–39 struck out reference to section 2412(b) of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the effective date of title II of Pub. L. 103–465, Jan. 1, 1995, see section 261(d)(2) of Pub. L. 103–465, set out as a note under section 1315 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 26, 1979, see section 903 of Pub. L. 96–39, set out as an Effective Date note under section 2411 of this title.

[1] So in original. The comma probably should not appear.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2192, 2432, 2437, 3535 of this title.

PART 6—CONGRESSIONAL LIAISON AND REPORTS

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in section 2514 of this title.

§ 2211. Congressional advisers for trade policy and negotiations

(a) Selection

(1) At the beginning of each regular session of Congress, the Speaker of the House of Representatives, upon the recommendation of the chairman of the Committee on Ways and Means, shall select 5 members (not more than 3 of whom are members of the same political party) of such committee, and the President pro tempore of the Senate, upon the recommendation of the chairman of the Committee on Finance, shall select 5 members (not more than 3 of whom are members of the same political party) of such committee, who shall be designated congressional advisers on trade policy and negotiations. They shall provide advice on the development of trade policy and priorities for the implementation thereof. They shall also be accredited by the United States Trade Representative on behalf of the President as official advisers to the United States delegations to international conferences, meetings, and negotiating sessions relating to trade agreements.

(2)(A) In addition to the advisers designated under paragraph (1) from the Committee on Ways and Means and the Committee on Finance—

(i) the Speaker of the House may select additional members of the House, for designation as congressional advisers regarding specific trade policy matters or negotiations, from any other committee of the House or joint committee of Congress that has jurisdiction over legislation likely to be affected by such matters or negotiations; and

(ii) the President pro tempore of the Senate may select additional members of the Senate, for designation as congressional advisers regarding specific trade policy matters or negotiations, from any other committee of the Senate or joint committee of Congress that has jurisdiction over legislation likely to be affected by such matters or negotiations.

Members of the House and Senate selected as congressional advisers under this subparagraph shall be accredited by the United States Trade Representative.

(B) Before designating any member under subparagraph (A), the Speaker or the President pro tempore shall consult with—

(i) the chairman and ranking member of the Committee on Ways and Means or the Committee on Finance, as appropriate; and

(ii) the chairman and ranking minority member of the committee from which the member will be selected.

(C) Not more than 3 members (not more than 2 of whom are members of the same political party) may be selected under this paragraph as advisers from any committee of Congress.

(b) Briefing

(1) The United States Trade Representative shall keep each official adviser designated under subsection (a)(1) of this section currently informed on matters affecting the trade policy of the United States and, with respect to possible agreements, negotiating objectives, the status of negotiations in progress, and the nature of any changes in domestic law or the administration thereof which may be recommended to Congress to carry out any trade agreement or any requirement of, amendment to, or recommendation under, such agreement.

(2) The United States Trade Representative shall keep each official adviser designated under subsection (a)(2) of this section currently informed regarding the trade policy matters and negotiations with respect to which the adviser is designated.

(3)(A) The chairmen of the Committee on Ways and Means and the Committee on Finance may designate members (in addition to the official advisers under subsection (a)(1) of this section) and staff members of their respective committees who shall have access to the information provided to official advisers under paragraph (1).

(B) The Chairman[1] of any committee of the House or Senate or any joint committee of Congress from which official advisers are selected under subsection (a)(2) of this section may designate other members of such committee, and staff members of such committee, who shall have access to the information provided to official advisers under paragraph (2).

(c) Committee consultation

The United States Trade Representative shall consult on a continuing basis with the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and the other appropriate committees of the House and Senate on the development, implementation, and administration of overall trade policy of the United States. Such consultations shall include, but are not limited to, the following elements of such policy:

(1) The principal multilateral and bilateral negotiating objectives and the progress being made toward their achievement.

(2) The implementation, administration, and effectiveness of recently concluded multilateral and bilateral trade agreements and resolution of trade disputes.

(3) The actions taken, and proposed to be taken, under the trade laws of the United States and the effectiveness, or anticipated effectiveness, of such actions in achieving trade policy objectives.

(4) The important developments and issues in other areas of trade for which there must be developed proper policy response.

When necessary, meetings shall be held with each Committee[1] in executive session to review matters under negotiation.

(Pub. L. 93–618, title I, § 161, Jan. 3, 1975, 88 Stat. 2008; Pub. L. 96–39, § 3(e), July 26, 1979, 93 Stat. 150; Pub. L. 100–418, title I, § 1632, Aug. 23, 1988, 102 Stat. 1269.)

[1] So in original. Probably should not be capitalized.

AMENDMENTS

1988—Pub. L. 100–418 amended section generally, substituting present provisions for similar provisions which had related to Congressional delegates to negotiations, and changing the structure of the section from one consisting of subsecs. (a) and (b) to one consisting of subsecs. (a) to (c).

1979—Subsec. (b)(1). Pub. L. 96–39 substituted ''trade agreement or any requirement of, amendment to, or recommendation under, such agreement'' for ''trade agreement''.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2132, 2155, 2517 of this title.

§ 2212. Transmission of agreements to Congress

(a) Submission of copy and reasons

As soon as practicable after a trade agreement entered into under section 2133 or 2134 of this title or under section 2902 of this title has entered into force with respect to the United States, the President shall, if he has not previously done so, transmit a copy of such trade agreement to each House of the Congress together with a statement, in the light of the advice of the International Trade Commission under section 2151(b) of this title, if any, and of other relevant considerations, of his reasons for entering into the agreement.

(b) Submission to each member

The President shall transmit to each Member of the Congress a summary of the information required to be transmitted to each House under subsection (a) of this section. For purposes of this subsection, the term ''Member'' includes any Delegate or Resident Commissioner.

(Pub. L. 93–618, title I, § 162, Jan. 3, 1975, 88 Stat. 2008; Pub. L. 100–647, title IX, § 9001(a)(10), Nov. 10, 1988, 102 Stat. 3807.)

AMENDMENTS

1988—Subsec. (a). Pub. L. 100–647 struck out ''part 1 of this subchapter or'' after ''entered into under'', and inserted ''or under section 2902 of this title'' after ''2134 of this title''.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–647 applicable as if such amendment took effect on Aug. 23, 1988, see section 9001(b) of Pub. L. 100–647, set out as an Effective and Termination Dates of 1988 Amendments note under section 58c of this title.

§ 2213. Reports

(a) Annual report on trade agreements program and national trade policy agenda

(1) The President shall submit to the Congress during each calendar year (but not later than March 1 of that year) a report on—

(A) the operation of the trade agreements program, and the provision of import relief and adjustment assistance to workers and firms, under this chapter during the preceding calendar year; and

(B) the national trade policy agenda for the year in which the report is submitted.

(2) The report shall include, with respect to the matters referred to in paragraph (1)(A), information regarding—

(A) new trade negotiations;

(B) changes made in duties and nontariff barriers and other distortions of trade of the United States;

(C) reciprocal concessions obtained;

(D) changes in trade agreements (including the incorporation therein of actions taken for import relief and compensation provided therefor);

(E) the extension or withdrawal of nondiscriminatory treatment by the United States with respect to the products of foreign countries;

(F) the extension, modification, withdrawal, suspension, or limitation of preferential treatment to exports of developing countries;

(G) the results of actions to obtain the removal of foreign trade restrictions (including discriminatory restrictions) against United States exports and the removal of foreign practices which discriminate against United States service industries (including transportation and tourism) and investment;

(H) the measures being taken to seek the removal of other significant foreign import restrictions;

(I) each of the referrals made under section 2171(d)(1)(B) of this title and any action taken with respect to such referral;

(J) other information relating to the trade agreements program and to the agreements entered into thereunder; and

(K) the number of applications filed for adjustment assistance for workers and firms, the number of such applications which were approved, and the extent to which adjustment assistance has been provided under such approved applications.

(3)(A) The national trade policy agenda required under paragraph (1)(B) for the year in which a report is submitted shall be in the form of a statement of—

(i) the trade policy objectives and priorities of the United States for the year, and the reasons therefor;

(ii) the actions proposed, or anticipated, to be undertaken during the year to achieve such objectives and priorities, including, but not limited to, actions authorized under the trade laws and negotiations with foreign countries;

(iii) any proposed legislation necessary or appropriate to achieve any of such objectives or priorities; and

(iv) the progress that was made during the preceding year in achieving the trade policy objectives and priorities included in the statement provided for that year under this paragraph.

(B) The President may separately submit any information referred to in subparagraph (A) to the Congress in confidence if the President considers confidentiality appropriate.

(C) Before submitting the national trade policy agenda for any year, the President shall seek advice from the appropriate advisory committees established under section 2155 of this title and shall consult with the appropriate committees of the Congress.

(D) The United States Trade Representative (hereafter referred to in this section as the ''Trade Representative'') and other appropriate officials of the United States Government shall consult periodically with the appropriate committees of the Congress regarding the annual objectives and priorities set forth in each national trade policy agenda with respect to—

(i) the status and results of the actions that have been undertaken to achieve the objectives and priorities; and

(ii) any development which may require, or result in, changes to any of such objectives or priorities.

(b) Annual trade projection report

(1) In order for the Congress to be informed of the impact of foreign trade barriers and macroeconomic factors on the balance of trade of the United States, the Trade Representative and the Secretary of the Treasury shall jointly prepare and submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives (hereafter referred to in this subsection as the ''Committees'') on or before March 1 of each year a report which consists of—

(A) a review and analysis of—

(i) the merchandise balance of trade,

(ii) the goods and services balance of trade,

(iii) the balance on the current account,

(iv) the external debt position,

(v) the exchange rates,

(vi) the economic growth rates,

(vii) the deficit or surplus in the fiscal budget, and

(viii) the impact on United States trade of market barriers and other unfair practices,

of countries that are major trading partners of the United States, including, as appropriate, groupings of such countries;

(B) projections for each of the economic factors described in subparagraph (A) (except those described in clauses (v) and (viii)) for each of the countries and groups of countries referred to in subparagraph (A) for the year in which the report is submitted and for the succeeding year; and

(C) conclusions and recommendations, based upon the projections referred to in subparagraph (B), for policy changes, including trade policy, exchange rate policy, fiscal policy, and other policies that should be implemented to improve the outlook.

(2) To the extent that subjects referred to in paragraph (1)(A), (B), or (C) are covered in the national trade policy agenda required under subsection (a)(1)(B) of this section or in other reports required by this chapter or other law, the Trade Representative and the Secretary of the Treasury may, as appropriate, draw on the information, analysis, and conclusions, if any, in those reports for the purposes of preparing the report required by this subsection.

(3) The Trade Representative and the Secretary of the Treasury shall consult with the Chairman of the Board of Governors of the Federal Reserve System in the preparation of each report required under this subsection.

(4) The Trade Representative and the Secretary of the Treasury may separately submit any information, analysis, or conclusion re-

ferred to in paragraph (1) to the Committees in confidence if the Trade Representative and the Secretary consider confidentiality appropriate.

(5) After submission of each report required under paragraph (1), the Trade Representative and the Secretary of the Treasury shall consult with each of the Committees with respect to the report.

(c) ITC reports

The United States International Trade Commission shall submit to the Congress, at least once a year, a factual report on the operation of the trade agreements program.

(Pub. L. 93–618, title I, § 163, Jan. 3, 1975, 88 Stat. 2009; Pub. L. 100–418, title I, § 1641, Aug. 23, 1988, 102 Stat. 1271.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a)(1)(A) and (b), was in the original ''this Act'', meaning Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

AMENDMENTS

1988—Pub. L. 100–418 amended section generally, completely revising and expanding provisions covering reports, changing the structure of the section from one consisting of subsecs. (a) and (b) to one consisting of subsecs. (a) to (c).

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2514, 3533 of this title; title 7 sections 5603, 5711.

PART 7—UNITED STATES INTERNATIONAL TRADE COMMISSION

§ 2231. Change of name

(a) Former United States Tariff Commission

The United States Tariff Commission (established by section 1330 of this title) is renamed as the United States International Trade Commission.

(b) References in law and other documents

Any reference in any law of the United States, or in any order, rule, regulation, or other document, to the United States Tariff Commission (or the Tariff Commission) shall be considered to refer to the United States International Trade Commission.

(Pub. L. 93–618, title I, § 171, Jan. 3, 1975, 88 Stat. 2009.)

§ 2232. Independent budget and authorization of appropriations

Effective with respect to the fiscal year beginning October 1, 1976, for purposes of chapter 11 of title 31, estimated expenditures and proposed appropriations for the United States International Trade Commission shall be transmitted to the President on or before October 15 of the year preceding the beginning of each fiscal year and shall be included by him in the Budget without revision, and the Commission shall not be considered to be a department or establishment for purposes of such chapter.

(Pub. L. 93–618, title I, § 175(a)(1), Jan. 3, 1975, 88 Stat. 2011.)

CODIFICATION

''Chapter 11 of title 31'' and ''such chapter'' substituted in text for ''the Budget and Accounting Act, 1921 (31 U.S.C. 1 et seq.)'' and ''such Act'', respectively, on authority of Pub. L. 97–258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

PART 8—IDENTIFICATION OF MARKET BARRIERS AND CERTAIN UNFAIR TRADE ACTIONS

§ 2241. Estimates of barriers to market access

(a) National trade estimates

(1) In general

For calendar year 1988, and for each succeeding calendar year, the United States Trade Representative, through the interagency trade organization established pursuant to section 1872(a) of this title and with the assistance of the interagency advisory committee established under section 2171(d)(2) of this title, shall—

(A) identify and analyze acts, policies, or practices of each foreign country which constitute significant barriers to, or distortions of—

(i) United States exports of goods or services (including agricultural commodities; and property protected by trademarks, patents, and copyrights exported or licensed by United States persons), and

(ii) foreign direct investment by United States persons, especially if such investment has implications for trade in goods or services;

(B) make an estimate of the trade-distorting impact on United States commerce of any act, policy, or practice identified under subparagraph (A); and

(C) make an estimate, if feasible, of—

(i) the value of additional goods and services of the United States, and

(ii) the value of additional foreign direct investment by United States persons,

that would have been exported to, or invested in, each foreign country during such calendar year if each of such acts, policies, and practices of such country did not exist.

(2) Certain factors taken into account in making analysis and estimate

In making any analysis or estimate under paragraph (1), the Trade Representative shall take into account—

(A) the relative impact of the act, policy, or practice on United States commerce;

(B) the availability of information to document prices, market shares, and other matters necessary to demonstrate the effects of the act, policy, or practice;

(C) the extent to which such act, policy, or practice is subject to international agreements to which the United States is a party;

(D) any advice given through appropriate committees established pursuant to section 2155 of this title; and

(E) the actual increase in—

(i) the value of goods and services of the United States exported to, and

(ii) the value of foreign direct investment made in,

the foreign country during the calendar year for which the estimate under paragraph (1)(C) is made.

(3) Annual revisions and updates

The Trade Representative shall annually revise and update the analysis and estimate under paragraph (1).

(b) Reports

(1) In general

On or before April 30, 1989, and on or before March 31 of each succeeding calendar year, the Trade Representative shall submit a report on the analysis and estimates made under subsection (a) of this section for the calendar year preceding such calendar year (which shall be known as the ''National Trade Estimate'') to the President, the Committee on Finance of the Senate, and appropriate committees of the House of Representatives.

(2) Reports to include information with respect to action being taken

The Trade Representative shall include in each report submitted under paragraph (1) information with respect to any action taken (or the reasons for no action taken) to eliminate any act, policy, or practice identified under subsection (a), including, but not limited to—

(A) any action under section 2411 of this title,

(B) negotiations or consultations with foreign governments, or

(C) a section on foreign anticompetitive practices, the toleration of which by foreign governments is adversely affecting exports of United States goods or services.

(3) Consultation with Congress on trade policy priorities

The Trade Representative shall keep the committees described in paragraph (1) currently informed with respect to trade policy priorities for the purposes of expanding market opportunities. After the submission of the report required by paragraph (1), the Trade Representative shall also consult periodically with, and take into account the views of, the committees described in that paragraph regarding means to address the foreign trade barriers identified in the report, including the possible initiation of investigations under section 2412 of this title or other trade actions.

(c) Assistance of other agencies

(1) Furnishing of information

The head of each department or agency of the executive branch of the Government, including any independent agency, is authorized and directed to furnish to the Trade Representative or to the appropriate agency, upon request, such data, reports, and other information as is necessary for the Trade Representative to carry out his functions under this section. In preparing the section of the report required by subsection (b)(2)(C) of this section, the Trade Representative shall consult in particular with the Attorney General.

(2) Restrictions on release or use of information

Nothing in this subsection shall authorize the release of information to, or the use of information by, the Trade Representative in a manner inconsistent with law or any procedure established pursuant thereto.

(3) Personnel and services

The head of any department, agency, or instrumentality of the United States may detail such personnel and may furnish such services, with or without reimbursement, as the Trade Representative may request to assist in carrying out his functions.

(Pub. L. 93–618, title I, § 181, as added Pub. L. 98–573, title III, § 303(a), Oct. 30, 1984, 98 Stat. 3001; amended Pub. L. 100–418, title I, § 1304, Aug. 23, 1988, 102 Stat. 1181; Pub. L. 103–465, title III, §§ 311(a), 312, Dec. 8, 1994, 108 Stat. 4938.)

AMENDMENTS

1994—Subsec. (b)(2)(C). Pub. L. 103–465, § 311(a)(1), added subpar. (C).

Subsec. (b)(3). Pub. L. 103–465, § 312, inserted at end ''After the submission of the report required by paragraph (1), the Trade Representative shall also consult periodically with, and take into account the views of, the committees described in that paragraph regarding means to address the foreign trade barriers identified in the report, including the possible initiation of investigations under section 2412 of this title or other trade actions.''

Subsec. (c)(1). Pub. L. 103–465, § 311(a)(2), inserted at end ''In preparing the section of the report required by subsection (b)(2)(C) of this section, the Trade Representative shall consult in particular with the Attorney General.''

1988—Pub. L. 100–418, § 1304(a)(10), substituted ''Estimates of'' for ''Actions concerning'' in section catchline.

Subsec. (a)(1). Pub. L. 100–418, § 1304(a)(1), substituted ''For calendar year 1988, and for each succeeding calendar year,'' for ''Not later than the date on which the initial report is required under subsection (b)(1) of this section,''.

Pub. L. 100–418, § 1304(a)(9), which directed the insertion of ''and with the assistance of the interagency advisory committee established under section 2171(d)(2) of this title,'' after ''section 1872(a) of this title,'' was executed by making the insertion after ''section 1872(a) of this title'' to reflect the probable intent of Congress.

Subsec. (a)(1)(A). Pub. L. 100–418, § 1304(a)(2), inserted ''of each foreign country'' after ''or practices''.

Subsec. (a)(1)(C). Pub. L. 100–418, § 1304(a)(3)–(5), added subpar. (C).

Subsec. (a)(2)(E). Pub. L. 100–418, § 1304(a)(6)–(8), added subpar. (E).

Subsec. (b)(1). Pub. L. 100–418, § 1304(b), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''On or before the date which is one year after October 30, 1984, and each year thereafter, the Trade Representative shall submit the analysis and estimate under subsection (a) of this section to the Committee on Finance of the Senate and to the Committee on Ways and Means of the House of Representatives.''

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 316 of Pub. L. 103–465, set out as an Effective Date note under section 3581 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2114a, 2171, 2242, 2420, 2901, 3106 of this title; title 15 section 4711; title 22 sections 2200b, 5732; title 49 section 49104.

§ 2242. Identification of countries that deny adequate protection, or market access, for intellectual property rights

(a) In general

By no later than the date that is 30 days after the date on which the annual report is submitted to Congressional committees under section 2241(b) of this title, the United States Trade Representative (hereafter in this section referred to as the ''Trade Representative'') shall identify—

(1) those foreign countries that—

(A) deny adequate and effective protection of intellectual property rights, or

(B) deny fair and equitable market access to United States persons that rely upon intellectual property protection, and

(2) those foreign countries identified under paragraph (1) that are determined by the Trade Representative to be priority foreign countries.

(b) Special rules for identifications

(1) In identifying priority foreign countries under subsection (a)(2) of this section, the Trade Representative shall only identify those foreign countries—

(A) that have the most onerous or egregious acts, policies, or practices that—

(i) deny adequate and effective intellectual property rights, or

(ii) deny fair and equitable market access to United States persons that rely upon intellectual property protection,

(B) whose acts, policies, or practices described in subparagraph (A) have the greatest adverse impact (actual or potential) on the relevant United States products, and

(C) that are not—

(i) entering into good faith negotiations, or

(ii) making significant progress in bilateral or multilateral negotiations,

to provide adequate and effective protection of intellectual property rights.

(2) In identifying priority foreign countries under subsection (a)(2) of this section, the Trade Representative shall—

(A) consult with the Register of Copyrights, the Commissioner of Patents and Trademarks, other appropriate officers of the Federal Government, and

(B) take into account information from such sources as may be available to the Trade Representative and such information as may be submitted to the Trade Representative by interested persons, including information contained in reports submitted under section 2241(b) of this title and petitions submitted under section 2412 of this title.

(3) The Trade Representative may identify a foreign country under subsection (a)(1)(B) of this section only if the Trade Representative finds that there is a factual basis for the denial of fair and equitable market access as a result of the violation of international law or agreement, or the existence of barriers, referred to in subsection (d)(3) of this section.

(4) In identifying foreign countries under paragraphs (1) and (2) of subsection (a) of this section, the Trade Representative shall take into account—

(A) the history of intellectual property laws and practices of the foreign country, including any previous identification under subsection (a)(2) of this section, and

(B) the history of efforts of the United States, and the response of the foreign country, to achieve adequate and effective protection and enforcement of intellectual property rights.

(c) Revocations and additional identifications

(1) The Trade Representative may at any time—

(A) revoke the identification of any foreign country as a priority foreign country under this section, or

(B) identify any foreign country as a priority foreign country under this section,

if information available to the Trade Representative indicates that such action is appropriate.

(2) The Trade Representative shall include in the semiannual report submitted to the Congress under section 2419(3) of this title a detailed explanation of the reasons for the revocation under paragraph (1) of the identification of any foreign country as a priority foreign country under this section.

(d) Definitions

For purposes of this section—

(1) The term ''persons that rely upon intellectual property protection'' means persons involved in—

(A) the creation, production or licensing of works of authorship (within the meaning of sections 102 and 103 of title 17) that are copyrighted, or

(B) the manufacture of products that are patented or for which there are process patents.

(2) A foreign country denies adequate and effective protection of intellectual property rights if the foreign country denies adequate and effective means under the laws of the foreign country for persons who are not citizens or nationals of such foreign country to secure, exercise, and enforce rights relating to patents, process patents, registered trademarks, copyrights and mask works.

(3) A foreign country denies fair and equitable market access if the foreign country effectively denies access to a market for a product protected by a copyright or related right, patent, trademark, mask work, trade secret, or plant breeder's right, through the use of laws, procedures, practices, or regulations which—

(A) violate provisions of international law or international agreements to which both the United States and the foreign country are parties, or

(B) constitute discriminatory nontariff trade barriers.

(4) A foreign country may be determined to deny adequate and effective protection of intellectual property rights, notwithstanding

the fact that the foreign country may be in compliance with the specific obligations of the Agreement on Trade-Related Aspects of Intellectual Property Rights referred to in section 3511(d)(15) of this title.

(e) Publication

The Trade Representative shall publish in the Federal Register a list of foreign countries identified under subsection (a) of this section and shall make such revisions to the list as may be required by reason of action under subsection (c) of this section.

(f) Special rule for actions affecting United States cultural industries

(1) In general

By no later than the date that is 30 days after the date on which the annual report is submitted to Congressional committees under section 2241(b) of this title, the Trade Representative shall identify any act, policy, or practice of Canada which—

(A) affects cultural industries,

(B) is adopted or expanded after December 17, 1992, and

(C) is actionable under article 2106 of the North American Free Trade Agreement.

(2) Special rules for identifications

For purposes of section 2412(b)(2)(A) of this title, an act, policy, or practice identified under this subsection shall be treated as an act, policy, or practice that is the basis for identification of a country under subsection (a)(2) of this section, unless the United States has already taken action pursuant to article 2106 of the North American Free Trade Agreement in response to such act, policy, or practice. In deciding whether to identify an act, policy, or practice under paragraph (1), the Trade Representative shall—

(A) consult with and take into account the views of representatives of the relevant domestic industries, appropriate committees established pursuant to section 2155 of this title, and appropriate officers of the Federal Government, and

(B) take into account the information from such sources as may be available to the Trade Representative and such information as may be submitted to the Trade Representative by interested persons, including information contained in reports submitted under section 2241(b) of this title.

(3) Cultural industries

For purposes of this subsection, the term ''cultural industries'' means persons engaged in any of the following activities:

(A) The publication, distribution, or sale of books, magazines, periodicals, or newspapers in print or machine readable form but not including the sole activity of printing or typesetting any of the foregoing.

(B) The production, distribution, sale, or exhibition of film or video recordings.

(C) The production, distribution, sale, or exhibition of audio or video music recordings.

(D) The publication, distribution, or sale of music in print or machine readable form.

(E) Radio communications in which the transmissions are intended for direct reception by the general public, and all radio, television, and cable broadcasting undertakings and all satellite programming and broadcast network services.

(g) Annual report

The Trade Representative shall, by not later than the date by which countries are identified under subsection (a) of this section, transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, a report on actions taken under this section during the 12 months preceding such report, and the reasons for such actions, including a description of progress made in achieving improved intellectual property protection and market access for persons relying on intellectual property rights.

(Pub. L. 93–618, title I, § 182, as added Pub. L. 100–418, title I, § 1303(b), Aug. 23, 1988, 102 Stat. 1179; amended Pub. L. 103–182, title V, § 513, Dec. 8, 1993, 107 Stat. 2156; Pub. L. 103–465, title III, § 313, Dec. 8, 1994, 108 Stat. 4938.)

AMENDMENTS

1994—Subsec. (b)(4). Pub. L. 103–465, § 313(1), added par. (4).

Subsec. (d)(3). Pub. L. 103–465, § 313(2)(A), amended introductory provisions generally. Prior to amendment, introductory provisions read as follows: ''A foreign country denies fair and equitable market access if the foreign country effectively denies access to a market for a product protected by a copyright, patent, or process patent through the use of laws, procedures, practices, or regulations which—''.

Subsec. (d)(4). Pub. L. 103–465, § 313(2)(B), added par. (4).

Subsec. (g). Pub. L. 103–465, § 313(3), added subsec. (g).

1993—Subsec. (f). Pub. L. 103–182 added subsec. (f).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 316 of Pub. L. 103–465, set out as an Effective Date note under section 3581 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 516(a) of Pub. L. 103–182, set out as an Effective Date note under section 3461 of this title.

PROCUREMENT FROM COUNTRIES THAT DENY ADEQUATE AND EFFECTIVE PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

Pub. L. 101–189, div. A, title VIII, § 852, Nov. 29, 1989, 103 Stat. 1517, as amended by Pub. L. 101–510, div. A, title XIII, § 1302(a), Nov. 5, 1990, 104 Stat. 1668, provided that it is the sense of Congress that it be a very important consideration in procurement of property, services, or technology by the Department of Defense whether such procurement is from any person of any country which has been identified by the United States Trade Representative as denying adequate and effective protection of intellectual property rights or fair and equitable market access to United States persons that rely upon intellectual property protection.

IDENTIFICATION OF COUNTRIES THAT DENY ADEQUATE AND EFFECTIVE PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

Section 1303(a) of Pub. L. 100–418 provided that:

''(1) The Congress finds that—

''(A) international protection of intellectual property rights is vital to the international competitiveness of United States persons that rely on protection of intellectual property rights; and

''(B) the absence of adequate and effective protection of United States intellectual property rights, and the denial of fair and equitable market access, seriously impede the ability of the United States persons that rely on protection of intellectual property rights to export and operate overseas, thereby harming the economic interests of the United States.

''(2) The purpose of this section [enacting this section and this note] is to provide for the development of an overall strategy to ensure adequate and effective protection of intellectual property rights and fair and equitable market access for United States persons that rely on protection of intellectual property rights.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2412 of this title.

SUBCHAPTER II—RELIEF FROM INJURY CAUSED BY IMPORT COMPETITION

SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in section 3538 of this title.

PART 1—POSITIVE ADJUSTMENT BY INDUSTRIES INJURED BY IMPORTS

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in sections 1339, 2133, 2436, 2703, 3203, 3356, 3357, 3371, 3372 of this title.

§ 2251. Action to facilitate positive adjustment to import competition

(a) Presidential action

If the United States International Trade Commission (hereinafter referred to in this part as the ''Commission'') determines under section 2252(b) of this title that an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article, the President, in accordance with this part, shall take all appropriate and feasible action within his power which the President determines will facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs.

(b) Positive adjustment to import competition

(1) For purposes of this part, a positive adjustment to import competition occurs when—

(A) the domestic industry—

(i) is able to compete successfully with imports after actions taken under section 2254 of this title terminate, or

(ii) the domestic industry experiences an orderly transfer of resources to other productive pursuits; and

(B) dislocated workers in the industry experience an orderly transition to productive pursuits.

(2) The domestic industry may be considered to have made a positive adjustment to import competition even though the industry is not of the same size and composition as the industry at the time the investigation was initiated under section 2252(b) of this title.

(Pub. L. 93–618, title II, § 201, Jan. 3, 1975, 88 Stat. 2011; Pub. L. 96–39, title I, § 106(b)(3), July 26, 1979, 93 Stat. 193; Pub. L. 98–573, title II, § 249, Oct. 30, 1984, 98 Stat. 2998; Pub. L. 100–418, title I, § 1401(a), Aug. 23, 1988, 102 Stat. 1225.)

AMENDMENTS

1988—Pub. L. 100–418, in amending section generally, substituted provisions relating to action to facilitate positive adjustment to import competition for provisions relating to investigation by International Trade Commission. See section 2252 of this title.

1984—Subsec. (b)(2)(B). Pub. L. 98–573, § 249(1)(A), substituted ''inventory (whether maintained by domestic producers, importers, wholesalers, or retailers), and'' for ''inventory, and''.

Subsec. (b)(2)(D). Pub. L. 98–573, § 249(1)(B)–(D), added subpar. (D).

Subsec. (b)(7). Pub. L. 98–573, § 249(2), added par. (7).

1979—Subsec. (b)(6). Pub. L. 96–39 substituted ''subtitles A and B of title VII or section 337 of the Tariff Act of 1930'' for ''the Antidumping Act, 1921, section 303 or 337 of the Tariff Act of 1930''.

EFFECTIVE DATE OF 1988 AMENDMENT

Section 1401(c) of Pub. L. 100–418 provided that: ''The amendments made by subsections (a) and (b) [enacting section 2254 of this title and amending sections 1330, 2133, 2251 to 2253, 2274, 2354, and 2703 of this title and provisions set out as a note under section 2112 of this title] shall take effect on the date of the enactment of this Act [Aug. 23, 1988] and shall apply with respect to investigations initiated under chapter 1 of title II of the Trade Act of 1974 [this part] on or after that date. Any petition filed under section 201 of such chapter [19 U.S.C. 2251] before such date of enactment, and with respect to which the United States International Trade Commission did not make a finding before such date with respect to serious injury or the threat thereof, may be withdrawn and refiled, without prejudice, by the petitioner under section 202(a) of such chapter [19 U.S.C. 2252(a)] (as amended by this section).''

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective on 15th day after Oct. 30, 1984, see section 214(a), (b) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective Jan. 1, 1980, see section 107 of Pub. L. 96–39, set out as an Effective Date note under section 1671 of this title.

TERM ''INDUSTRY'' TO INCLUDE PRODUCERS LOCATED IN UNITED STATES INSULAR POSSESSIONS

Pub. L. 98–67, title II, § 214(f), Aug. 5, 1983, 97 Stat. 393, provided that: ''For purposes of chapter 1 of title II of the Trade Act of 1974 [this part], the term 'industry' shall include producers located in the United States insular possessions.''

EX. ORD. NO. 11913. COLLECTION OF INFORMATION FOR IMPORT RELIEF AND ADJUSTMENT ASSISTANCE

Ex. Ord. No. 11913, Apr. 26, 1976, 41 F.R. 17721, provided:

By virtue of the authority vested in me by the Constitution and statutes of the United States of America, including Section 332(g) of the Tariff Act of 1930, as amended (19 U.S.C. 1332(g)), and as President of the United States of America, in order to reduce the reporting burden with respect to the collection of information pursuant to Title II of the Trade Act of 1974 (88 Stat. 2011, 19 U.S.C. 2251 et seq.) and consistent with Chapter 35 of Title 44 of the United States Code, it is hereby ordered as follows:

SECTION 1. Whenever the United States International Trade Commission, in connection with investigations pursuant to Section 201 of the Trade Act of 1974 (19 U.S.C. 2251), collects factual data from firms on their sales, production, employment, and financial experience, the Commission shall provide such information to the Secretaries of Commerce and Labor.

SEC. 2. The Secretaries of Commerce and Labor shall ensure that the factual data, received pursuant to Section 1, are used solely for the performance of their functions pursuant to Sections 264 and 224, respectively, of the Trade Act of 1974 (19 U.S.C. 2354 and 2274).

GERALD R. FORD.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1330, 1872, 2252, 2436, 2703, 3203 of this title; title 42 section 2210b.

§ 2252. Investigations, determinations, and recommendations by Commission

(a) Petitions and adjustment plans

(1) A petition requesting action under this part for the purpose of facilitating positive adjustment to import competition may be filed with the Commission by an entity, including a trade association, firm, certified or recognized union, or group of workers, which is representative of an industry.

(2) A petition under paragraph (1)—

(A) shall include a statement describing the specific purposes for which action is being sought, which may include facilitating the orderly transfer of resources to more productive pursuits, enhancing competitiveness, or other means of adjustment to new conditions of competition; and

(B) may—

(i) subject to subsection (d)(1)(C)(i) of this section, request provisional relief under subsection (d)(1) of this section; or

(ii) request provisional relief under subsection (d)(2) of this section.

(3) Whenever a petition is filed under paragraph (1), the Commission shall promptly transmit copies of the petition to the Office of the United States Trade Representative and other Federal agencies directly concerned.

(4) A petitioner under paragraph (1) may submit to the Commission and the United States Trade Representative (hereafter in this part referred to as the ''Trade Representative''), either with the petition, or at any time within 120 days after the date of filing of the petition, a plan to facilitate positive adjustment to import competition.

(5)(A) Before submitting an adjustment plan under paragraph (4), the petitioner and other entities referred to in paragraph (1) that wish to participate may consult with the Trade Representative and the officers and employees of any Federal agency that is considered appropriate by the Trade Representative, for purposes of evaluating the adequacy of the proposals being considered for inclusion in the plan in relation to specific actions that may be taken under this part.

(B) A request for any consultation under subparagraph (A) must be made to the Trade Representative. Upon receiving such a request, the Trade Representative shall confer with the petitioner and provide such assistance, including publication of appropriate notice in the Federal Register, as may be practicable in obtaining other participants in the consultation. No consultation may occur under subparagraph (A) unless the Trade Representative, or his delegate, is in attendance.

(6)(A) In the course of any investigation under subsection (b) of this section, the Commission shall seek information (on a confidential basis, to the extent appropriate) on actions being taken, or planned to be taken, or both, by firms and workers in the industry to make a positive adjustment to import competition.

(B) Regardless whether an adjustment plan is submitted under paragraph (4) by the petitioner, if the Commission makes an affirmative determination under subsection (b) of this section, any—

(i) firm in the domestic industry;

(ii) certified or recognized union or group of workers in the domestic industry;

(iii) State or local community;

(iv) trade association representing the domestic industry; or

(v) any other person or group of persons,

may, individually, submit to the Commission commitments regarding actions such persons and entities intend to take to facilitate positive adjustment to import competition.

(7) Nothing in paragraphs (5) and (6) may be construed to provide immunity under the antitrust laws.

(8) The procedures concerning the release of confidential business information set forth in section 332(g) of the Tariff Act of 1930 [19 U.S.C. 1332(g)] shall apply with respect to information received by the Commission in the course of investigations conducted under this part and part 1 of title III of the North American Free Trade Agreement Implementation Act [19 U.S.C. 3351 et seq.]. The Commission may request that parties providing confidential business information furnish nonconfidential summaries thereof or, if such parties indicate that the information in the submission cannot be summarized, the reasons why a summary cannot be provided. If the Commission finds that a request for confidentiality is not warranted and if the party concerned is either unwilling to make the information public or to authorize its disclosure in generalized or summarized form, the Commission may disregard the submission.

(b) Investigations and determinations by Commission

(1)(A) Upon the filing of a petition under subsection (a) of this section, the request of the President or the Trade Representative, the resolution of either the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate, or on its own motion, the Commission shall promptly make an investigation to determine whether an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article.

(B) For purposes of this section, the term ''substantial cause'' means a cause which is important and not less than any other cause.

(2)(A) Except as provided in subparagraph (B), the Commission shall make the determination under paragraph (1) within 120 days (180 days if the petition alleges that critical circumstances exist) after the date on which the petition is filed, the request or resolution is received, or the motion is adopted, as the case may be.

(B) If before the 100th day after a petition is filed under subsection (a)(1) of this section the Commission determines that the investigation is extraordinarily complicated, the Commission shall make the determination under paragraph (1) within 150 days (210 days if the petition alleges that critical circumstances exist) after the date referred to in subparagraph (A).

(3) The Commission shall publish notice of the commencement of any proceeding under this subsection in the Federal Register and shall, within a reasonable time thereafter, hold public hearings at which the Commission shall afford interested parties and consumers an opportunity to be present, to present evidence, to comment on the adjustment plan, if any, submitted under subsection (a) of this section, to respond to the presentations of other parties and consumers, and otherwise to be heard.

(c) Factors applied in making determinations

(1) In making determinations under subsection (b) of this section, the Commission shall take into account all economic factors which it considers relevant, including (but not limited to)—

(A) with respect to serious injury—

(i) the significant idling of productive facilities in the domestic industry,

(ii) the inability of a significant number of firms to carry out domestic production operations at a reasonable level of profit, and

(iii) significant unemployment or underemployment within the domestic industry;

(B) with respect to threat of serious injury—

(i) a decline in sales or market share, a higher and growing inventory (whether maintained by domestic producers, importers, wholesalers, or retailers), and a downward trend in production, profits, wages, productivity, or employment (or increasing underemployment) in the domestic industry,

(ii) the extent to which firms in the domestic industry are unable to generate adequate capital to finance the modernization of their domestic plants and equipment, or are unable to maintain existing levels of expenditures for research and development,

(iii) the extent to which the United States market is the focal point for the diversion of exports of the article concerned by reason of restraints on exports of such article to, or on imports of such article into, third country markets; and

(C) with respect to substantial cause, an increase in imports (either actual or relative to domestic production) and a decline in the proportion of the domestic market supplied by domestic producers.

(2) In making determinations under subsection (b) of this section, the Commission shall—

(A) consider the condition of the domestic industry over the course of the relevant business cycle, but may not aggregate the causes of declining demand associated with a recession or economic downturn in the United States economy into a single cause of serious injury or threat of injury; and

(B) examine factors other than imports which may be a cause of serious injury, or threat of serious injury, to the domestic industry.

The Commission shall include the results of its examination under subparagraph (B) in the report submitted by the Commission to the President under subsection (e) of this section.

(3) The presence or absence of any factor which the Commission is required to evaluate in subparagraphs (A) and (B) of paragraph (1) is not necessarily dispositive of whether an article is being imported into the United States in such increased quantities as to be a substantial cause of serious injury, or the threat thereof, to the domestic industry.

(4) For purposes of subsection (b) of this section, in determining the domestic industry producing an article like or directly competitive with an imported article, the Commission—

(A) to the extent information is available, shall, in the case of a domestic producer which also imports, treat as part of such domestic industry only its domestic production;

(B) may, in the case of a domestic producer which produces more than one article, treat as part of such domestic industry only that portion or subdivision of the producer which produces the like or directly competitive article; and

(C) may, in the case of one or more domestic producers which produce a like or directly competitive article in a major geographic area of the United States and whose production facilities in such area for such article constitute a substantial portion of the domestic industry in the United States and primarily serve the market in such area, and where the imports are concentrated in such area, treat as such domestic industry only that segment of the production located in such area.

(5) In the course of any proceeding under this subsection, the Commission shall investigate any factor which in its judgment may be contributing to increased imports of the article under investigation. Whenever in the course of its investigation the Commission has reason to believe that the increased imports are attributable in part to circumstances which come within the purview of subtitles A and B of title VII [19 U.S.C. 1671 et seq., 1673 et seq.] or section 337 [19 U.S.C. 1337] of the Tariff Act of 1930, or other remedial provisions of law, the Commission shall promptly notify the appropriate agency so that such action may be taken as is otherwise authorized by such provisions of law.

(6) For purposes of this section:

(A)(i) The term ''domestic industry'' means, with respect to an article, the producers as a whole of the like or directly competitive article or those producers whose collective production of the like or directly competitive article constitutes a major proportion of the total domestic production of such article.

(ii) The term ''domestic industry'' includes producers located in the United States insular possessions.

(B) The term ''significant idling of productive facilities'' includes the closing of plants or the underutilization of production capacity.

(C) The term ''serious injury'' means a significant overall impairment in the position of a domestic industry.

(D) The term ''threat of serious injury'' means serious injury that is clearly imminent.

(d) Provisional relief

(1)(A) An entity representing a domestic industry that produces a perishable agricultural product or citrus product that is like or directly competitive with an imported perishable agricultural product or citrus product may file a request with the Trade Representative for the monitoring of imports of that product under subparagraph (B). Within 21 days after receiving the request, the Trade Representative shall determine if—

(i) the imported product is a perishable agricultural product or citrus product; and

(ii) there is a reasonable indication that such product is being imported into the United States in such increased quantities as to be, or likely to be, a substantial cause of serious injury, or the threat thereof, to such domestic industry.

(B) If the determinations under subparagraph (A)(i) and (ii) are affirmative, the Trade Representative shall request, under section 332(g) of the Tariff Act of 1930 [19 U.S.C. 1332(g)], the Commission to monitor and investigate the imports concerned for a period not to exceed 2 years. The monitoring and investigation may include the collection and analysis of information that would expedite an investigation under subsection (b) of this section.

(C) If a petition filed under subsection (a) of this section—

(i) alleges injury from imports of a perishable agricultural product or citrus product that has been, on the date the allegation is included in the petition, subject to monitoring by the Commission under subparagraph (B) for not less than 90 days; and

(ii) requests that provisional relief be provided under this subsection with respect to such imports;

the Commission shall, not later than the 21st day after the day on which the request was filed, make a determination, on the basis of available information, whether increased imports (either actual or relative to domestic production) of the perishable agricultural product or citrus product are a substantial cause of serious injury, or the threat thereof, to the domestic industry producing a like or directly competitive perishable product or citrus product, and whether either—

(I) the serious injury is likely to be difficult to repair by reason of perishability of the like or directly competitive agricultural product; or

(II) the serious injury cannot be timely prevented through investigation under subsection (b) of this section and action under section 2253 of this title.

(D) At the request of the Commission, the Secretary of Agriculture shall promptly provide to the Commission any relevant information that the Department of Agriculture may have for purposes of making determinations and findings under this subsection.

(E) Whenever the Commission makes an affirmative preliminary determination under subparagraph (C), the Commission shall find the amount or extent of provisional relief that is necessary to prevent or remedy the serious injury. In carrying out this subparagraph, the Commission shall give preference to increasing or imposing a duty on imports, if such form of relief is feasible and would prevent or remedy the serious injury.

(F) The Commission shall immediately report to the President its determination under subparagraph (C) and, if the determination is affirmative, the finding under subparagraph (E).

(G) Within 7 days after receiving a report from the Commission under subparagraph (F) containing an affirmative determination, the President, if he considers provisional relief to be warranted and after taking into account the finding of the Commission under subparagraph (E), shall proclaim such provisional relief that the President considers necessary to prevent or remedy the serious injury.

(2)(A) When a petition filed under subsection (a) of this section alleges that critical circumstances exist and requests that provisional relief be provided under this subsection with respect to imports of the article identified in the petition, the Commission shall, not later than 60 days after the petition containing the request was filed, determine, on the basis of available information, whether—

(i) there is clear evidence that increased imports (either actual or relative to domestic production) of the article are a substantial cause of serious injury, or the threat thereof, to the domestic industry producing an article like or directly competitive with the imported article; and

(ii) delay in taking action under this part would cause damage to that industry that would be difficult to repair.

(B) If the determinations under subparagraph (A)(i) and (ii) are affirmative, the Commission shall find the amount or extent of provisional relief that is necessary to prevent or remedy the serious injury. In carrying out this subparagraph, the Commission shall give preference to increasing or imposing a duty on imports, if such form of relief is feasible and would prevent or remedy the serious injury.

(C) The Commission shall immediately report to the President its determinations under subparagraph (A)(i) and (ii) and, if the determinations are affirmative, the finding under subparagraph (B).

(D) Within 30 days after receiving a report from the Commission under subparagraph (C) containing an affirmative determination under subparagraph (A)(i) and (ii), the President, if he considers provisional relief to be warranted and after taking into account the finding of the Commission under subparagraph (B), shall proclaim, for a period not to exceed 200 days, such provisional relief that the President considers necessary to prevent or remedy the serious injury. Such relief shall take the form of an increase in, or the imposition of, a duty on im-

ports, if such form of relief is feasible and would prevent or remedy the serious injury.

(3) If provisional relief is proclaimed under paragraph (1)(G) or (2)(D) in the form of an increase, or the imposition of, a duty, the President shall order the suspension of liquidation of all imported articles subject to the affirmative determination under paragraph (1)(C) or paragraph (2)(A), as the case may be, that are entered, or withdrawn from warehouse for consumption, on or after the date of the determination.

(4)(A) Any provisional relief implemented under this subsection with respect to an imported article shall terminate on the day on which—

(i) if such relief was proclaimed under paragraph (1)(G) or (2)(D), the Commission makes a negative determination under subsection (b) of this section regarding injury or the threat thereof by imports of such article;

(ii) action described in section 2253(a)(3)(A) or (C) of this title takes effect under section 2253 of this title with respect to such article;

(iii) a decision by the President not to take any action under section 2253(a) of this title with respect to such article becomes final; or

(iv) whenever the President determines that, because of changed circumstances, such relief is no longer warranted.

(B) Any suspension of liquidation ordered under paragraph (3) with respect to an imported article shall terminate on the day on which provisional relief is terminated under subparagraph (A) with respect to the article.

(C) If an increase in, or the imposition of, a duty that is proclaimed under section 2253 of this title on an imported article is different from a duty increase or imposition that was proclaimed for such an article under this section, then the entry of any such article for which liquidation was suspended under paragraph (3) shall be liquidated at whichever of such rates of duty is lower.

(D) If provisional relief in the form of an increase in, or the imposition of, a duty is proclaimed under this section with respect to an imported article and neither a duty increase nor a duty imposition is proclaimed under section 2253 of this title regarding such article, the entry of any such article for which liquidation was suspended under paragraph (3) may be liquidated at the rate of duty that applied before provisional relief was provided.

(5) For purposes of this subsection:

(A) The term ''citrus product'' means any processed oranges or grapefruit, or any orange or grapefruit juice, including concentrate.

(B) A perishable agricultural product is any agricultural article, including livestock, regarding which the Trade Representative considers action under this section to be appropriate after taking into account—

(i) whether the article has—

(I) a short shelf life,

(II) a short growing season, or

(III) a short marketing period,

(ii) whether the article is treated as a perishable product under any other Federal law or regulation; and

(iii) any other factor considered appropriate by the Trade Representative.

The presence or absence of any factor which the Trade Representative is required to take into account under clause (i), (ii), or (iii) is not necessarily dispositive of whether an article is a perishable agricultural product.

(C) The term ''provisional relief'' means—

(i) any increase in, or imposition of, any duty;

(ii) any modification or imposition of any quantitative restriction on the importation of an article into the United States; or

(iii) any combination of actions under clauses (i) and (ii).

(e) Commission recommendations

(1) If the Commission makes an affirmative determination under subsection (b)(1) of this section, the Commission shall also recommend the action that would address the serious injury, or threat thereof, to the domestic industry and be most effective in facilitating the efforts of the domestic industry to make a positive adjustment to import competition.

(2) The Commission is authorized to recommend under paragraph (1)—

(A) an increase in, or the imposition of, any duty on the imported article;

(B) a tariff-rate quota on the article;

(C) a modification or imposition of any quantitative restriction on the importation of the article into the United States;

(D) one or more appropriate adjustment measures, including the provision of trade adjustment assistance under part 2 of this subchapter; or

(E) any combination of the actions described in subparagraphs (A) through (D).

(3) The Commission shall specify the type, amount, and duration of the action recommended by it under paragraph (1). The limitations set forth in section 2253(e) of this title are applicable to the action recommended by the Commission.

(4) In addition to the recommendation made under paragraph (1), the Commission may also recommend that the President—

(A) initiate international negotiations to address the underlying cause of the increase in imports of the article or otherwise to alleviate the injury or threat; or

(B) implement any other action authorized under law that is likely to facilitate positive adjustment to import competition.

(5) For purposes of making its recommendation under this subsection, the Commission shall—

(A) after reasonable notice, hold a public hearing at which all interested parties shall be provided an opportunity to present testimony and evidence; and

(B) take into account—

(i) the form and amount of action described in paragraph (2)(A), (B), and (C) that would prevent or remedy the injury or threat thereof,

(ii) the objectives and actions specified in the adjustment plan, if any, submitted under subsection (a)(4) of this section,

(iii) any individual commitment that was submitted to the Commission under subsection (a)(6) of this section,

(iv) any information available to the Commission concerning the conditions of competition in domestic and world markets, and likely developments affecting such conditions during the period for which action is being requested, and

(v) whether international negotiations may be constructive to address the injury or threat thereof or to facilitate adjustment.

(6) Only those members of the Commission who agreed to the affirmative determination under subsection (b) of this section are eligible to vote on the recommendation required to be made under paragraph (1) or that may be made under paragraph (3). Members of the Commission who did not agree to the affirmative determination may submit, in the report required under subsection (f) of this section, separate views regarding what action, if any, should be taken under section 2253 of this title.

(f) Report by Commission

(1) The Commission shall submit to the President a report on each investigation undertaken under subsection (b) of this section. The report shall be submitted at the earliest practicable time, but not later than 180 days (240 days if the petition alleges that critical circumstances exist) after the date on which the petition is filed, the request or resolution is received, or the motion is adopted, as the case may be.

(2) The Commission shall include in the report required under paragraph (1) the following:

(A) The determination made under subsection (b) of this section and an explanation of the basis for the determination.

(B) If the determination under subsection (b) of this section is affirmative, the recommendations for action made under subsection (e) of this section and an explanation of the basis for each recommendation.

(C) Any dissenting or separate views by members of the Commission regarding the determination and any recommendation referred to in subparagraphs (A) and (B).

(D) The findings required to be included in the report under subsection (c)(2) of this section.

(E) A copy of the adjustment plan, if any, submitted under section 2251(b)(4) of this title.

(F) Commitments submitted, and information obtained, by the Commission regarding steps that firms and workers in the domestic industry are taking, or plan to take, to facilitate positive adjustment to import competition.

(G) A description of—

(i) the short- and long-term effects that implementation of the action recommended under subection[1] (e) of this section is likely to have on the petitioning domestic industry, on other domestic industries, and on consumers, and

(ii) the short- and long-term effects of not taking the recommended action on the petitioning domestic industry, its workers and the communities where production facilities of such industry are located, and on other domestic industries.

(3) The Commission, after submitting a report to the President under paragraph (1), shall promptly make it available to the public (with the exception of the confidential information obtained under subsection (a)(6)(B) of this section and any other information which the Commission determines to be confidential) and cause a summary thereof to be published in the Federal Register.

(g) Expedited consideration of adjustment assistance petitions

If the Commission makes an affirmative determination under subsection (b)(1) of this section, the Commission shall promptly notify the Secretary of Labor and the Secretary of Commerce of the determination. After receiving such notification—

(1) the Secretary of Labor shall give expedited consideration to petitions by workers in the domestic industry for certification for eligibility to apply for adjustment assistance under part 2 of this subchapter; and

(2) the Secretary of Commerce shall give expedited consideration to petitions by firms in the domestic industry for certification of eligibility to apply for adjustment assistance under part 3 of this subchapter.

(h) Limitations on investigations

(1) Except for good cause determined by the Commission to exist, no investigation for the purposes of this section shall be made with respect to the same subject matter as a previous investigation under this part, unless 1 year has elapsed since the Commission made its report to the President of the results of such previous investigation.

(2) No new investigation shall be conducted with respect to an article that is or has been the subject of an action under section 2253(a)(3)(A), (B), (C), or (E) of this title if the last day on which the President could take action under section 2253 of this title in the new investigation is a date earlier than that permitted under section 2253(e)(7) of this title.

(3)(A) Not later than the date on which the Textiles Agreement enters into force with respect to the United States, the Secretary of Commerce shall publish in the Federal Register a list of all articles that are subject to the Textiles Agreement. An investigation may be conducted under this section concerning imports of any article that is subject to the Textiles Agreement only if the United States has integrated that article into GATT 1994 pursuant to the Textiles Agreement, as set forth in notices published in the Federal Register by the Secretary of Commerce, including the notice published under section 3591 of this title.

(B) For purposes of this paragraph:

(i) The term ''Textiles Agreement'' means the Agreement on Textiles and Clothing referred to in section 3511(d)(4) of this title.

(ii) The term ''GATT 1994'' has the meaning given that term in section 3501(1)(B) of this title.

[1] So in original. Probably should be ''subsection''.

(i) Limited disclosure of confidential business information under protective order

The Commission shall promulgate regulations to provide access to confidential business information under protective order to authorized representatives of interested parties who are parties to an investigation under this section.

(Pub. L. 93–618, title II, § 202, Jan. 3, 1975, 88 Stat. 2014; Pub. L. 100–418, title I, § 1401(a), Aug. 23, 1988, 102 Stat. 1225; Pub. L. 103–182, title III, §§ 315, 317(b), Dec. 8, 1993, 107 Stat. 2107, 2108; Pub. L. 103–465, title III, §§ 301(a)–(d)(2), (4), (e), (f), 302(b)(4)(B), 303(1)–(6), Dec. 8, 1994, 108 Stat. 4932–4934, 4936, 4937.)

REFERENCES IN TEXT

The antitrust laws, referred to in subsec. (a)(7), are classified generally to chapter 1 (§ 1 et seq.) of Title 15, Commerce and Trade.

The North American Free Trade Agreement Implementation Act, referred to in subsec. (a)(8), is Pub. L. 103–182, Dec. 8, 1993, 107 Stat. 2057. Part 1 of title III of the Act probably means part 1 of subtitle A of title III of the Act, which is classified generally to subpart 1 (§ 3351 et seq.) of part A of subchapter III of chapter 21 of this title. For complete classification of this Act to the Code, see Short Title note set out under section 3301 of this title and Tables.

The Tariff Act of 1930, referred to in subsec. (c)(5), is act June 17, 1930, ch. 497, 46 Stat. 590, as amended. Subtitles A and B of title VII of the Tariff Act of 1930 are classified generally to parts I and II (§ 1671 et seq. and 1673 et seq., respectively) of subtitle IV of chapter 4 of this title. For complete classification of this Act to the Code, see section 1654 of this title and Tables.

AMENDMENTS

1994—Subsec. (a)(2)(B)(ii). Pub. L. 103–465, § 303(1), struck out ", or at any time before the 150th day after the date of filing be amended to request," after "request".

Subsec. (a)(8). Pub. L. 103–465, § 301(a), inserted at end "The Commission may request that parties providing confidential business information furnish nonconfidential summaries thereof or, if such parties indicate that the information in the submission cannot be summarized, the reasons why a summary cannot be provided. If the Commission finds that a request for confidentiality is not warranted and if the party concerned is either unwilling to make the information public or to authorize its disclosure in generalized or summarized form, the Commission may disregard the submission."

Subsec. (b)(1)(A). Pub. L. 103–465, § 303(2), substituted "subsection (a)" for "subsection (b)".

Subsec. (b)(2)(A). Pub. L. 103–465, § 301(d)(2)(A)(i), inserted "(180 days if the petition alleges that critical circumstances exist)" after "120 days".

Subsec. (b)(2)(B). Pub. L. 103–465, § 301(d)(2)(A)(ii), inserted "(210 days if the petition alleges that critical circumstances exist)" after "150 days".

Subsec. (b)(3), (4). Pub. L. 103–465, § 301(c), added par. (3), struck out former par. (3) which provided time limits on Commission determinations where petitioner alleged existence of critical circumstances, and struck out former par. (4) which provided for notice and hearings on any adjustment plan submitted under subsec. (a) of this section.

Subsec. (c)(1)(B)(i). Pub. L. 103–465, § 301(e)(1), inserted "productivity," after "wages,".

Subsec. (c)(6). Pub. L. 103–465, § 303(5), substituted "section" for "subsection" in introductory provisions.

Subsec. (c)(6)(A). Pub. L. 103–465, § 301(e)(2)(A), amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: "The term 'domestic industry' includes producers located in the United States insular possession."

Subsec. (c)(6)(C), (D). Pub. L. 103–465, § 301(e)(2)(B), added subpars. (C) and (D).

Subsec. (d)(1)(C)(i). Pub. L. 103–465, § 303(3)(A), substituted "subparagraph (B)" for "paragraph (2)".

Subsec. (d)(1)(E), (G). Pub. L. 103–465, § 303(3)(B), struck out "or threat thereof" after "the serious injury" wherever appearing.

Subsec. (d)(2). Pub. L. 103–465, § 301(d)(1), amended par. (2) generally. Prior to amendment, par. (2) read as follows:

"(2)(A) The Commission shall, at the same time it makes an affirmative determination under subsection (b)(3)(A) of this section regarding the existence of critical circumstances, find the amount or extent of provisional relief that is appropriate to address such critical circumstances. The Commission shall immediately report to the President each such affirmative determination and finding.

"(B) After receiving a report from the Commission under subparagraph (A), the President shall, within 7 days after the day on which the report is received and after taking into account the finding of the Commission under subparagraph (A), proclaim such provisional relief, if any, that the President considers appropriate to address the critical circumstances."

Subsec. (d)(3). Pub. L. 103–465, § 301(d)(4)(A), substituted "(2)(D)" for "(2)(B)" and "paragraph (2)(A)" for "subsection (b)(1) of this section".

Subsec. (d)(4)(A)(i). Pub. L. 103–465, §§ 301(d)(4)(B), 303(4), inserted "or (2)(D)" after "(1)(G)" and substituted "subsection (b) of this section" for "section 2253(a) of this title".

Subsec. (f)(1). Pub. L. 103–465, § 301(d)(2)(B), inserted "(240 days if the petition alleges that critical circumstances exist)" after "180 days".

Subsec. (f)(2)(G)(ii). Pub. L. 103–465, § 303(6), substituted "industry are located" for "industry is located".

Subsec. (h)(2). Pub. L. 103–465, § 302(b)(4)(B), amended par. (2) generally. Prior to amendment, par. (2) read as follows: "If an article was the subject of an investigation under this section that resulted in any action described in section 2253(a)(3)(A), (B), (C), or (E) of this title being taken under section 2253 of this title, no other investigation under this part may be initiated with respect to such article while such action is in effect or during the period beginning on the date on which such action terminates that is equal in duration to the period during which such action was in effect."

Subsec. (h)(3). Pub. L. 103–465, § 301(f), added par. (3).

Subsec. (i). Pub. L. 103–465, § 301(b), added subsec. (i).

1993—Subsec. (a)(8). Pub. L. 103–182, § 317(b), added par. (8).

Subsec. (d)(1)(A). Pub. L. 103–182, § 315(1), inserted "or citrus product" after "agricultural product" wherever appearing.

Subsec. (d)(1)(C). Pub. L. 103–182, § 315(2), in cl. (i) and provisions before subcl. (I), inserted "or citrus product" after "agricultural product" wherever appearing and in provisions before subcl. (I), inserted "or citrus product" after "competitive perishable product".

Subsec. (d)(5). Pub. L. 103–182, § 315(3), (4), added subpar. (A) and redesignated former subpars. (A) and (B) as (B) and (C), respectively.

1988—Pub. L. 100–418, in amending section generally, substituted provisions relating to investigations, determinations and recommendations by Commission for provisions relating to Presidential action after investigations. See section 2253 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Section 304 of title III of Pub. L. 103–465 provided that:

"(a) IN GENERAL.—Except as provided in subsection (b), this subtitle [subtitle A (§§ 301–304) of title III of Pub. L. 103–465, amending this section and sections 2253 and 2254 of this title] and the amendments made by this subtitle take effect on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995].

"(b) SECTION 301(b).—The amendment made by section 301(b) [amending this section] takes effect on the date of the enactment of this Act [Dec. 8, 1994]."

EFFECTIVE DATES OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 318 of Pub. L. 103–182, set out as an Effective Date note under section 3351 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective Aug. 23, 1988, and applicable with respect to investigations initiated under this part on or after that date, see section 1401(c) of Pub. L. 100–418, set out as a note under section 2251 of this title.

URUGUAY ROUND AGREEMENTS: ENTRY INTO FORCE

The Uruguay Round Agreements, including the World Trade Organization Agreement and agreements annexed to that Agreement, as referred to in section 3511(d) of this title, entered into force with respect to the United States on Jan. 1, 1995. See note set out under section 3511 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1330, 2251, 2253, 2254, 2274, 2354, 2436, 2703, 3203, 3352, 3353, 3381, 3602 of this title.

§ 2253. Action by President after determination of import injury

(a) In general

(1)(A) After receiving a report under section 2252(f) of this title containing an affirmative finding regarding serious injury, or the threat thereof, to a domestic industry, the President shall take all appropriate and feasible action within his power which the President determines will facilitate efforts by the domestic industry to make a positive adjustment to import competition and provide greater economic and social benefits than costs.

(B) The action taken by the President under subparagraph (A) shall be to such extent, and for such duration, subject to subsection (e)(1) of this section, that the President determines to be appropriate and feasible under such subparagraph.

(C) The interagency trade organization established under section 1872(a) of this title shall, with respect to each affirmative determination reported under section 2252(f) of this title, make a recommendation to the President as to what action the President should take under subparagraph (A).

(2) In determining what action to take under paragraph (1), the President shall take into account—

(A) the recommendation and report of the Commission;

(B) the extent to which workers and firms in the domestic industry are—

(i) benefitting from adjustment assistance and other manpower programs, and

(ii) engaged in worker retraining efforts;

(C) the efforts being made, or to be implemented, by the domestic industry (including the efforts included in any adjustment plan or commitment submitted to the Commission under section 2252(a) of this title) to make a positive adjustment to import competition;

(D) the probable effectiveness of the actions authorized under paragraph (3) to facilitate positive adjustment to import competition;

(E) the short- and long-term economic and social costs of the actions authorized under paragraph (3) relative to their short- and long-term economic and social benefits and other considerations relative to the position of the domestic industry in the United States economy;

(F) other factors related to the national economic interest of the United States, including, but not limited to—

(i) the economic and social costs which would be incurred by taxpayers, communities, and workers if import relief were not provided under this part,

(ii) the effect of the implementation of actions under this section on consumers and on competition in domestic markets for articles, and

(iii) the impact on United States industries and firms as a result of international obligations regarding compensation;

(G) the extent to which there is diversion of foreign exports to the United States market by reason of foreign restraints;

(H) the potential for circumvention of any action taken under this section;

(I) the national security interests of the United States; and

(J) the factors required to be considered by the Commission under section 2252(e)(5) of this title.

(3) The President may, for purposes of taking action under paragraph (1)—

(A) proclaim an increase in, or the imposition of, any duty on the imported article;

(B) proclaim a tariff-rate quota on the article;

(C) proclaim a modification or imposition of any quantitative restriction on the importation of the article into the United States;

(D) implement one or more appropriate adjustment measures, including the provision of trade adjustment assistance under part 2 of this subchapter;

(E) negotiate, conclude, and carry out agreements with foreign countries limiting the export from foreign countries and the import into the United States of such article;

(F) proclaim procedures necessary to allocate among importers by the auction of import licenses quantities of the article that are permitted to be imported into the United States;

(G) initiate international negotiations to address the underlying cause of the increase in imports of the article or otherwise to alleviate the injury or threat thereof;

(H) submit to Congress legislative proposals to facilitate the efforts of the domestic industry to make a positive adjustment to import competition;

(I) take any other action which may be taken by the President under the authority of law and which the President considers appropriate and feasible for purposes of paragraph (1); and

(J) take any combination of actions listed in subparagraphs (A) through (I).

(4)(A) Subject to subparagraph (B), the President shall take action under paragraph (1) within 60 days (50 days if the President has proclaimed provisional relief under section

2252(d)(2)(D) of this title with respect to the article concerned) after receiving a report from the Commission containing an affirmative determination under section 2252(b)(1) of this title (or a determination under such section which he considers to be an affirmative determination by reason of section 1330(d) of this title).

(B) If a supplemental report is requested under paragraph (5), the President shall take action under paragraph (1) within 30 days after the supplemental report is received, except that, in a case in which the President has proclaimed provisional relief under section 2252(d)(2)(D) of this title with respect to the article concerned, action by the President under paragraph (1) may not be taken later than the 200th day after the provisional relief was proclaimed.

(5) The President may, within 15 days after the date on which he receives a report from the Commission containing an affirmative determination under section 2252(b)(1) of this title, request additional information from the Commission. The Commission shall, as soon as practicable but in no event more than 30 days after the date on which it receives the President's request, furnish additional information with respect to the industry in a supplemental report.

(b) Reports to Congress

(1) On the day the President takes action under subsection (a)(1) of this section, the President shall transmit to Congress a document describing the action and the reasons for taking the action. If the action taken by the President differs from the action required to be recommended by the Commission under section 2252(e)(1) of this title, the President shall state in detail the reasons for the difference.

(2) On the day on which the President decides that there is no appropriate and feasible action to take under subsection (a)(1) of this section with respect to a domestic industry, the President shall transmit to Congress a document that sets forth in detail the reasons for the decision.

(3) On the day on which the President takes any action under subsection (a)(1) of this section that is not reported under paragraph (1), the President shall transmit to Congress a document setting forth the action being taken and the reasons therefor.

(c) Implementation of action recommended by Commission

If the President reports under subsection (b)(1) or (2) of this section that—

(1) the action taken under subsection (a)(1) of this section differs from the action recommended by the Commission under section 2252(e)(1) of this title; or

(2) no action will be taken under subsection (a)(1) of this section with respect to the domestic industry;

the action recommended by the Commission shall take effect (as provided in subsection (d)(2) of this section) upon the enactment of a joint resolution described in section 2192(a)(1)(A) of this title within the 90-day period beginning on the date on which the document referred to in subsection (b)(1) or (2) of this section is transmitted to the Congress.

(d) Time for taking effect of certain relief

(1) Except as provided in paragraph (2), any action described in subsection (a)(3)(A), (B), or (C) of this section, that is taken under subsection (a)(1) of this section shall take effect within 15 days after the day on which the President proclaims the action, unless the President announces, on the date he decides to take such action, his intention to negotiate one or more agreements described in subsection (a)(3)(E) of this section in which case the action under subsection (a)(3)(A), (B), or (C) of this section shall be proclaimed and take effect within 90 days after the date of such decision.

(2) If the contingency set forth in subsection (c) of this section occurs, the President shall, within 30 days after the date of the enactment of the joint resolution referred to in such subsection, proclaim the action recommended by the Commission under section 2252(e)(1) of this title.

(e) Limitations on actions

(1)(A) Subject to subparagraph (B), the duration of the period in which an action taken under this section may be in effect shall not exceed 4 years. Such period shall include the period, if any, in which provisional relief under section 2252(d) of this title was in effect.

(B)(i) Subject to clause (ii), the President, after receiving an affirmative determination from the Commission under section 2254(c) of this title (or, if the Commission is equally divided in its determination, a determination which the President considers to be an affirmative determination of the Commission), may extend the effective period of any action under this section if the President determines that—

(I) the action continues to be necessary to prevent or remedy the serious injury; and

(II) there is evidence that the domestic industry is making a positive adjustment to import competition.

(ii) The effective period of any action under this section, including any extensions thereof, may not, in the aggregate, exceed 8 years.

(2) Action of a type described in subsection (a)(3)(A), (B), or (C) of this section may be taken under subsection (a)(1) of this section, under section 2252(d)(1)(G) of this title, or under section 2252(d)(2)(D) of this title only to the extent the cumulative impact of such action does not exceed the amount necessary to prevent or remedy the serious injury.

(3) No action may be taken under this section which would increase a rate of duty to (or impose a rate) which is more than 50 percent ad valorem above the rate (if any) existing at the time the action is taken.

(4) Any action taken under this section proclaiming a quantitative restriction shall permit the importation of a quantity or value of the article which is not less than the average quantity or value of such article entered into the United States in the most recent 3 years that are representative of imports of such article and for which data are available, unless the President finds that the importation of a different quantity or value is clearly justified in order to prevent or remedy the serious injury.

(5) An action described in subsection (a)(3)(A), (B), or (C) of this section that has an effective

period of more than 1 year shall be phased down at regular intervals during the period in which the action is in effect.

(6)(A) The suspension, pursuant to any action taken under this section, of—

(i) subheadings 9802.00.60 or 9802.00.80 of the Harmonized Tariff Schedule of the United States with respect to an article; and

(ii) the designation of any article as an eligible article for purposes of subchapter V of this chapter;

shall be treated as an increase in duty.

(B) No proclamation providing for a suspension referred to in subparagraph (A) with respect to any article may be made by the President, nor may any such suspension be recommended by the Commission under section 2252(e) of this title, unless the Commission, in addition to making an affirmative determination under section 2252(b)(1) of this title, determines in the course of its investigation under section 2252(b) of this title that the serious injury, or threat thereof, substantially caused by imports to the domestic industry producing a like or directly competitive article results from, as the case may be—

(i) the application of subheading 9802.00.60 or subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States; or

(ii) the designation of the article as an eligible article for the purposes of subchapter V of this chapter.

(7)(A) If an article was the subject of an action under subparagraph (A), (B), (C), or (E) of subsection (a)(3) of this section, no new action may be taken under any of those subparagraphs with respect to such article for—

(i) a period beginning on the date on which the previous action terminates that is equal to the period in which the previous action was in effect, or

(ii) a period of 2 years beginning on the date on which the previous action terminates,

whichever is greater.

(B) Notwithstanding subparagraph (A), if the previous action under subparagraph (A), (B), (C), or (E) of subsection (a)(3) of this section with respect to an article was in effect for a period of 180 days or less, the President may take a new action under any of those subparagraphs with respect to such article if—

(i) at least 1 year has elapsed since the previous action went into effect; and

(ii) an action described in any of those subparagraphs has not been taken with respect to such article more than twice in the 5-year period immediately preceding the date on which the new action with respect to such article first becomes effective.

(f) Certain agreements

(1) If the President takes action under this section other than the implemention of agreements of the type described in subsection (a)(3)(E) of this section, the President may, after such action takes effect, negotiate agreements of the type described in subsection (a)(3)(E) of this section, and may, after such agreements take effect, suspend or terminate, in whole or in part, any action previously taken.

(2) If an agreement implemented under subsection (a)(3)(E) of this section is not effective, the President may, consistent with the limitations contained in subsection (e) of this section, take additional action under subsection (a) of this section.

(g) Regulations

(1) The President shall by regulation provide for the efficient and fair administration of all actions taken for the purpose of providing import relief under this part.

(2) In order to carry out an international agreement concluded under this part, the President may prescribe regulations governing the entry or withdrawal from warehouse of articles covered by such agreement. In addition, in order to carry out any agreement of the type described in subsection (a)(3)(E) of this section that is concluded under this part with one or more countries accounting for a major part of United States imports of the article covered by such agreement, including imports into a major geographic area of the United States, the President may issue regulations governing the entry or withdrawal from warehouse of like articles which are the product of countries not parties to such agreement.

(3) Regulations prescribed under this subsection shall, to the extent practicable and consistent with efficient and fair administration, insure against inequitable sharing of imports by a relatively small number of the larger importers.

(Pub. L. 93–618, title II, § 203, Jan. 3, 1975, 88 Stat. 2015; Pub. L. 96–39, title XI, § 1106(d), July 26, 1979, 93 Stat. 312; Pub. L. 98–573, title II, § 248(a), Oct. 30, 1984, 98 Stat. 2998; Pub. L. 100–418, title I, §§ 1214(j)(2), 1401(a), Aug. 23, 1988, 102 Stat. 1158, 1234; Pub. L. 100–647, title IX, § 9001(a)(2), Nov. 10, 1988, 102 Stat. 3806; Pub. L. 103–465, title III, §§ 301(d)(3), 302(a)–(b)(4)(A), 303(7)–(10), Dec. 8, 1994, 108 Stat. 4933–4937.)

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States, referred to in subsec. (e)(6), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

AMENDMENTS

1994—Subsec. (a)(2)(C). Pub. L. 103–465, § 303(7), substituted ''2252(a)'' for ''2251(b)''.

Subsec. (a)(3)(E). Pub. L. 103–465, § 302(a)(1), struck out ''orderly marketing'' before ''agreements''.

Subsec. (a)(4). Pub. L. 103–465, § 301(d)(3), designated existing provisions as subpar. (A), substituted ''Subject to subparagraph (B), the'' for ''The'', inserted ''(50 days if the President has proclaimed provisional relief under section 2252(d)(2)(D) of this title with respect to the article concerned)'' after ''60 days'', and substituted a period and subpar. (B) for ''; except that if a supplemental report is requested under paragraph (5), the President shall take action under paragraph (1) within 30 days after the supplemental report is received.''

Subsec. (c). Pub. L. 103–465, § 303(8), substituted ''subsection (d)(2)'' for ''subsection (c)(2)'' in concluding provisions.

Subsec. (d)(1). Pub. L. 103–465, § 302(a)(2), substituted ''agreements described in subsection (a)(3)(E) of this section'' for ''orderly marketing agreements''.

Subsec. (e)(1). Pub. L. 103–465, § 302(b)(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows:

''(1)(A) The duration of the period in which action taken under this section may be in effect shall not exceed 8 years.

''(B) If the initial effective period for action taken under this section is less than 8 years, the President may extend the effective period once, but the aggregate of the initial period and the extension may not exceed 8 years.''

Subsec. (e)(2). Pub. L. 103–465, §303(9), substituted ''of a type described in subsection (a)(3)(A), (B), or (C) of this section may be taken under subsection (a)(1) of this section, under section 2252(d)(1)(G) of this title, or under section 2252(d)(2)(D) of this title'' for ''may be taken under subsection (a)(1)(A), (B), or (C) of this section or under section 2252(d)(2)(B) of this title'' and struck out ''or threat thereof'' after ''the serious injury''.

Subsec. (e)(4), (5). Pub. L. 103–465, §302(b)(2), (3), amended pars. (4) and (5) generally. Prior to amendment, pars. (4) and (5) read as follows:

''(4) Any action taken under this section proclaiming a quantitative restriction shall permit the importation of a quantity or value of the article which is not less than the quantity or value of such article imported into the United States during the most recent period that is representative of imports of such article.

''(5) To the extent feasible, an effective period of more than 3 years for an action described in subsection (a)(3)(A), (B), or (C) of this section shall be phased down during the period in which the action is taken, with the first reduction taking effect no later than the close of the day which is 3 years after the day on which such action first takes effect.''

Subsec. (e)(6)(B). Pub. L. 103–465, §303(10), substituted ''section 2252(e) of this title'' for ''subsection (c) of this section'' and ''section 2252(b) of this title'' for ''subsection (a) of this section''.

Subsec. (e)(7). Pub. L. 103–465, §302(b)(4)(A), added par. (7).

Subsec. (f). Pub. L. 103–465, §302(a)(3), in heading, substituted ''Certain'' for ''Orderly marketing and other'', in par. (1), substituted ''implementation of agreements of the type described in subsection (a)(3)(E) of this section'' for ''implementation of orderly marketing agreements'' and ''negotiate agreements of the type described in subsection (a)(3)(E) of this section'' for ''negotiate orderly marketing agreements with foreign countries'', and in par. (2), substituted ''agreement implemented under subsection (a)(3)(E) of this section'' for ''orderly marketing agreement implemented under subsection (a) of this section''.

Subsec. (g)(2). Pub. L. 103–465, §302(a)(4), in first sentence, struck out ''orderly marketing or other'' before ''international'', and in second sentence, substituted ''agreement of the type described in subsection (a)(3)(E) of this section that is'' for ''orderly marketing agreement'' and ''covered by such agreement'' for ''covered by such agreements''.

1988—Pub. L. 100–418, §1401(a), in amending section generally, substituted provisions relating to action by President after determination of import injury for provisions relating to import relief.

Subsec. (e)(6)(A)(i). Pub. L. 100–418, §1214(j)(2)(A), as amended by Pub. L. 100–647, §9001(a)(2)(B)(i), (ii), substituted ''subheadings 9802.00.60 or 9802.00.80 of the Harmonized Tariff Schedule of the United States'' for ''item 806.30 or 807.00 of the Tariff Schedules of the United States''.

Subsec. (e)(6)(B). Pub. L. 100–647, §9001(a)(2)(A), substituted ''(i) the application'' for ''(A) the application'', and ''(ii) the designation'' for ''(B) the designation''.

Subsec. (e)(6)(B)(i). Pub. L. 100–418, §1214(j)(2)(B), as amended by Pub. L. 100–647, §9001(a)(2)(B)(i), (iii), substituted ''subheading 9802.00.60 or subheading 9802.00.80 of the Harmonized Tariff Schedule of the United States'' for ''item 806.30 or item 807.00''.

1984—Subsec. (c)(1). Pub. L. 98–573, §248(a)(1), substituted provision that the action recommended by the Commission shall take effect upon enactment of a joint resolution described in section 2192(a)(1)(A) of this title for provision that the action recommended by the Commission would take effect upon the adoption by both Houses of Congress, by an affirmative vote of a majority of the Members of each House present and voting under the procedures set forth in section 2192 of this title, of a concurrent resolution disapproving the action taken by the President or his determination not to provide import relief under section 2252(a)(1)(A) of this title.

Subsec. (c)(2). Pub. L. 98–573, §248(a)(2), substituted ''enactment of the joint resolution referred to in paragraph (1)'' for ''adoption of such resolution'' and ''section 2251(d)'' for ''section 2251(b)''.

1979—Subsec. (a)(4). Pub. L. 96–39, §1106(d)(1), substituted ''negotiate, conclude, and carry out'' for ''negotiate''.

Subsec. (b)(1). Pub. L. 96–39, §1106(d)(2)(A), (B), substituted ''On the day the President determines under section 2252 of this title to provide import relief, including announcement of his intention to negotiate an orderly marketing agreement'' for ''On the day on which the President proclaims import relief under this section or announces his intention to negotiate one or more orderly marketing agreements'' and section ''2251(d)(1)(A)'' for ''2251(b)(1)(A)'' of this title.

Subsec. (b)(3). Pub. L. 96–39, §1106(d)(2)(C), added par. (3).

Subsec. (c)(1). Pub. L. 96–39, §1106(d)(3)(A), (B), substituted ''section 2251(d)(1)(A)'' for ''section 2251(b)(1)(A)'' of this title and inserted ''under the procedures set forth in section 2192 of this title'' after ''voting''.

Subsec. (e)(3). Pub. L. 96–39, §1106(d)(4), substituted ''subsection (a) of this section'' for ''subsection (a)(1), (2), (3), or (5) of this section''.

Subsec. (g)(1). Pub. L. 96–39, §1106(d)(5)(A), (B), struck out ''quantitative'' before ''restriction'' and substituted ''pursuant to this section'' for ''pursuant to subsection (a)(3) or (c) of this section''.

Subsec. (g)(2). Pub. L. 96–39, §1106(d)(6), inserted references to subsec. (e)(3) of this section.

Subsec. (h)(3). Pub. L. 96–39, §1106(d)(7)(A), (B), inserted reference to subsec. (i)(3) of this section and substituted ''one period of not more than 3 years'' for ''one 3-year period''.

Subsec. (h)(4). Pub. L. 96–39, §1106(d)(7)(A), inserted reference to subsec. (i)(3) of this section.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 304(a) of Pub. L. 103–465, set out as a note under section 2252 of this title.

EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by Pub. L. 100–647 applicable as if such amendment took effect on Aug. 23, 1988, see section 9001(b) of Pub. L. 100–647, set out as an Effective and Termination Dates of 1988 Amendments note under section 58c of this title.

Amendment by section 1214(j)(2) of Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.

Amendment by section 1401a of Pub. L. 100–418 effective Aug. 23, 1988, and applicable with respect to investigations initiated under this part on or after that date, see section 1401(c) of Pub. L. 100–418, set out as a note under section 2251 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective on 15th day after Oct. 30, 1984, see section 214(a), (b) of Pub. L. 98–573, set out as a note under section 1304 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

STEEL IMPORT STABILIZATION

Title VIII of Pub. L. 98–573, as amended by Pub. L. 100–418, title I, § 1322, Aug. 23, 1988, 102 Stat. 1195; Pub. L. 101–221, §§ 2, 3(a), 4–6(a), Dec. 12, 1989, 103 Stat. 1886–1889, known as the Steel Import Stabilization Act, endorsed principles and goals of steel trade liberalization program as announced by the President on July 25, 1989, and provided for its implementation, granted specific enforcement powers to President to carry out terms and conditions of bilateral arrangements entered into for purposes of implementing that program, made continuation of those powers subject to condition that steel industry continue to modernize its plant and equipment and provide for appropriate worker retraining, directed Secretary of Labor to prepare and submit to Congress plan of action for assisting workers in communities adversely affected by imports of steel products, and provided that section 805 which provided enforcement authority for President would terminate Mar. 31, 1992.

LIMITATION ON MEAT IMPORTS

Pub. L. 88–482, § 2, Aug. 22, 1964, 78 Stat. 594, as amended by Pub. L. 96–177, Dec. 31, 1979, 93 Stat. 1291; Pub. L. 100–418, title I, § 1214(u), Aug. 23, 1988, 102 Stat. 1162; Pub. L. 100–449, title III, § 301(b), Sept. 28, 1988, 102 Stat. 1867; Pub. L. 103–182, title III, § 321(a), Dec. 8, 1993, 107 Stat. 2108, provided that this section was to be cited as the ''Meat Import Act of 1979'', defined terms for purposes of this section, limited with exception the aggregate quantity of meat articles which could enter the country in any calendar year after 1979, provided for adjustment of aggregate quantity for calendar years after 1979, required Secretary of Agriculture to estimate and publish yearly aggregate quantity, authorized President to increase or limit by proclamation the total quantity of meat articles entering this country under certain circumstances, and provided for suspension of such proclamations after providing notice in Federal Register and opportunity to comment, prior to repeal by Pub. L. 103–465, title IV, § 403, Dec. 8, 1994, 108 Stat. 4959, effective on the date of entry into force of the WTO Agreement with respect to the United States (Jan. 1, 1995).

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1330, 1981, 2114d, 2133, 2137, 2192, 2194, 2252, 2254, 2436, 2463, 2581, 2703, 3203, 3602 of this title.

§ 2254. Monitoring, modification, and termination of action

(a) Monitoring

(1) So long as any action taken under section 2253 of this title remains in effect, the Commission shall monitor developments with respect to the domestic industry, including the progress and specific efforts made by workers and firms in the domestic industry to make a positive adjustment to import competition.

(2) If the initial period during which the action taken under section 2253 of this title is in effect exceeds 3 years, or if an extension of such action exceeds 3 years, the Commission shall submit a report on the results of the monitoring under paragraph (1) to the President and to the Congress not later than the date that is the midpoint of the initial period, and of each such extension, during which the action is in effect.

(3) In the course of preparing each report under paragraph (2), the Commission shall hold a hearing at which interested persons shall be given a reasonable opportunity to be present, to produce evidence, and to be heard.

(4) Upon request of the President, the Commission shall advise the President of its judgment as to the probable economic effect on the industry concerned of any reduction, modification, or termination of the action taken under section 2253 of this title which is under consideration.

(b) Reduction, modification, and termination of action

(1) Action taken under section 2253 of this title may be reduced, modified, or terminated by the President (but not before the President receives the report required under subsection (a)(2)(A) of this section) if the President—

(A) after taking into account any report or advice submitted by the Commission under subsection (a) of this section and after seeking the advice of the Secretary of Commerce and the Secretary of Labor, determines, on the basis that either—

(i) the domestic industry has not made adequate efforts to make a positive adjustment to import competition, or

(ii) the effectiveness of the action taken under section 2253 of this title has been impaired by changed economic circumstances,

that changed circumstances warrant such reduction, or termination; or

(B) determines, after a majority of the representatives of the domestic industry submits to the President a petition requesting such reduction, modification, or termination on such basis, that the domestic industry has made a positive adjustment to import competition.

(2) Notwithstanding paragraph (1), the President is authorized to take such additional action under section 2253 of this title as may be necessary to eliminate any circumvention of any action previously taken under such section.

(3) Notwithstanding paragraph (1), the President may, after receipt of a Commission determination under section 3538(a)(4) of this title and consulting with the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate, reduce, modify, or terminate action taken under section 2253 of this title.

(c) Extension of action

(1) Upon request of the President, or upon petition on behalf of the industry concerned filed with the Commission not earlier than the date which is 9 months, and not later than the date which is 6 months, before the date any action taken under section 2253 of this title is to terminate, the Commission shall investigate to determine whether action under section 2253 of this title continues to be necessary to prevent or remedy serious injury and whether there is evidence that the industry is making a positive adjustment to import competition.

(2) The Commission shall publish notice of the commencement of any proceeding under this subsection in the Federal Register and shall, within a reasonable time thereafter, hold a public hearing at which the Commission shall afford interested parties and consumers an opportunity to be present, to present evidence, and to respond to the presentations of other parties and consumers, and otherwise to be heard.

(3) The Commission shall transmit to the President a report on its investigation and determination under this subsection not later than

60 days before the action under section 2253 of this title is to terminate, unless the President specifies a different date.

(d) Evaluation of effectiveness of action

(1) After any action taken under section 2253 of this title has terminated, the Commission shall evaluate the effectiveness of the actions in facilitating positive adjustment by the domestic industry to import competition, consistent with the reasons set out by the President in the report submitted to the Congress under section 2253(b) of this title.

(2) During the course of the evaluation conducted under paragraph (1), the Commission shall, after reasonable public notice, hold a hearing on the effectiveness of the action. All interested persons shall have the opportunity to attend such hearing and to present evidence or testimony at such hearing.

(3) A report on the evaluation made under paragraph (1) and the hearings held under paragraph (2) shall be submitted by the Commission to the President and to the Congress by no later than the 180th day after the day on which the actions taken under section 2253 of this title terminated.

(e) Other provisions

(1) Action by the President under this part may be taken without regard to the provisions of section 2136(a) of this title but only after consideration of the relation of such actions to the international obligations of the United States.

(2) If the Commission treats as the domestic industry production located in a major geographic area of the United States under section 2252(c)(4)(C) of this title, then the President shall take into account the geographic concentration of domestic production and of imports in that area in taking any action authorized under paragraph (1).

(Pub. L. 93–618, title II, § 204, as added Pub. L. 100–418, title I, § 1401(a), Aug. 23, 1988, 102 Stat. 1238; amended Pub. L. 100–647, title IX, § 9001(a)(8), Nov. 10, 1988, 102 Stat. 3807; Pub. L. 103–465, title I, § 129(a)(7), title III, § 302(c), (d), Dec. 8, 1994, 108 Stat. 4837, 4936.)

AMENDMENTS

1994—Subsec. (a)(2). Pub. L. 103–465, § 302(c)(1), amended par. (2) generally. Prior to amendment, par. (2) read as follows: ''The Commission shall submit a report on the results of the monitoring under paragraph (1) to the President and to the Congress not later than—

''(A) the 2nd-anniversary of the day on which the action under section 2253 of this title first took effect; and

''(B) the last day of each 2-year period occurring after the 2-year period referred to in subparagraph (A).''

Subsec. (a)(4). Pub. L. 103–465, § 302(c)(2), struck out ''extension,'' before ''reduction,''.

Subsec. (b)(3). Pub. L. 103–465, § 129(a)(7), added par. (3).

Subsecs. (c) to (e). Pub. L. 103–465, § 302(d), added subsec. (c) and redesignated former subsecs. (c) and (d) as (d) and (e), respectivley.

1988—Subsecs. (c) to (e). Pub. L. 100–647 redesignated subsecs. (d) and (e) as (c) and (d), respectively.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by section 129(a)(7) of Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 130 of Pub. L. 103–465, set out as an Effective Date note under section 3531 of this title.

Amendment by section 302(c), (d) of Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 304(a) of Pub. L. 103–465, set out as a note under section 2252 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–647 applicable as if such amendment took effect on Aug. 23, 1988, see section 9001(b) of Pub. L. 100–647, set out as an Effective and Termination Dates of 1988 Amendments note under section 58c of this title.

EFFECTIVE DATE

Section effective Aug. 23, 1988, and applicable with respect to investigations initiated under this part on or after that date, see section 1401(c) of Pub. L. 100–418, set out as an Effective Date of 1988 Amendment note under section 2251 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1330, 2133, 2251, 2253, 3203 of this title.

PART 2—ADJUSTMENT ASSISTANCE FOR WORKERS

TERMINATION DATE

Section 285, formerly section 284, of Pub. L. 93–618, title II, Jan. 3, 1975, 88 Stat. 2041; renumbered § 285, Pub. L. 96–417, title VI, § 613(a), Oct. 10, 1980, 94 Stat. 1746; and amended Pub. L. 97–35, title XXV, § 2512, Aug. 13, 1981, 95 Stat. 888; Pub. L. 98–120, § 2(b), Oct. 12, 1983, 97 Stat. 809; Pub. L. 99–107, § 3, Sept. 30, 1985, 99 Stat. 479; Pub. L. 99–155, § 2(b), Nov. 14, 1985, 99 Stat. 814; Pub. L. 99–181, § 2, Dec. 13, 1985, 99 Stat. 1172; Pub. L. 99–189, § 2, Dec. 18, 1985, 99 Stat. 1184; Pub. L. 99–272, title XIII, § 13007(a), Apr. 7, 1986, 100 Stat. 304; Pub. L. 100–418, title I, § 1426(a), Aug. 23, 1988, 102 Stat. 1251; Pub. L. 103–66, title XIII, § 13803(a)(1), Aug. 10, 1993, 107 Stat. 668; Pub. L. 103–182, title V, § 505, Dec. 8, 1993, 107 Stat. 2152, provided that:

''(a) Chapter 4 [enacting part 4 of this subchapter] shall terminate on September 30, 1982.

''(b) No duty shall be imposed under section 287 [section 2397 of this title], after September 30, 1993.

''(c)(1) Except as provided in paragraph (2), no assistance, vouchers, allowances, or other payments may be provided under chapter 2 [enacting part 2 of this subchapter and amending section 3302 of Title 26, Internal Revenue Code], and no technical assistance may be provided under chapter 3 [enacting part 3 of this subchapter], after September 30, 1998.

''(2)(A) Except as provided in subparagraph (B), no assistance, vouchers, allowances, or other payments may be provided under subchapter D of chapter 2 [enacting subpart D of part 2 of this subchapter] after the day that is the earlier of—

''(i) September 30, 1998, or

''(ii) the date on which legislation, establishing a program providing dislocated workers with comprehensive assistance substantially similar to the assistance provided by such subchapter D, becomes effective.

''(B) Notwithstanding subparagraph (A), if, on or before the day described in subparagraph (A), a worker—

''(i) is certified as eligible to apply for assistance, under subchapter D of chapter 2; and

''(ii) is otherwise eligible to receive assistance in accordance with section 250 [19 U.S.C. 2331],

such worker shall continue to be eligible to receive such assistance for any week for which the worker meets the eligibility requirements of such section.''

[Amendment by Pub. L. 103–182 to section 285(c) of Pub. L. 93–618, set out above, effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994],

see section 506(a) of Pub. L. 103–182, set out as an Effective Date note under section 2331 of this title.]

[Parts 2 and 3 of this subchapter applicable as if amendments by sections 13007 and 13008 of Pub. L. 99–272, amending section 285 of Pub. L. 93–618, set out above, and sections 2317 and 2346 of this title, had taken effect Dec. 18, 1985, see section 13009(c) of Pub. L. 99–272, set out as an Effective Date of 1986 Amendment note under section 2291 of this title.]

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in sections 1339, 2252, 2253, 2318, 2391, 2396, 2397 of this title; title 29 sections 1605, 1661, 1732.

SUBPART A—PETITIONS AND DETERMINATIONS

SUBPART REFERRED TO IN OTHER SECTIONS

This subpart is referred to in sections 2291, 2295, 2296, 2297, 2298, 2318, 2322, 2331 of this title.

§ 2271. Petitions

(a) Filing of petition; publication of notice

A petition for a certification of eligibility to apply for adjustment assistance under this subpart may be filed with the Secretary of Labor (hereinafter in this part referred to as the ''Secretary'') by a group of workers (including workers in any agricultural firm or subdivision of an agricultural firm) or by their certified or recognized union or other duly authorized representative. Upon receipt of the petition, the Secretary shall promptly publish notice in the Federal Register that he has received the petition and initiated an investigation.

(b) Hearing

If the petitioner, or any other person found by the Secretary to have a substantial interest in the proceedings, submits not later than 10 days after the date of the Secretary's publication under subsection (a) of this section a request for a hearing, the Secretary shall provide for a public hearing and afford such interested persons an opportunity to be present, to produce evidence, and to be heard.

(Pub. L. 93–618, title II, § 221, Jan. 3, 1975, 88 Stat. 2019; Pub. L. 99–272, title XIII, § 13002(a), Apr. 7, 1986, 100 Stat. 300; Pub. L. 103–182, title V, § 503(a), Dec. 8, 1993, 107 Stat. 2151.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182 substituted ''assistance under this subpart'' for ''assistance under this part''.

1986—Subsec. (a). Pub. L. 99–272 inserted ''(including workers in any agricultural firm or subdivision of an agricultural firm)'' after ''group of workers''.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 506(a) of Pub. L. 103–182, set out as an Effective Date note under section 2331 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2273, 2291, 2311 of this title.

§ 2272. Group eligibility requirements; agricultural workers; oil and natural gas industry

(a) The Secretary shall certify a group of workers (including workers in any agricultural firm or subdivision of an agricultural firm) as eligible to apply for adjustment assistance under this subpart if he determines—

(1) that a significant number or proportion of the workers in such workers' firm or an appropriate subdivision of the firm have become totally or partially separated, or are threatened to become totally or partially separated,

(2) that sales or production, or both, of such firm or subdivision have decreased absolutely, and

(3) that increases of imports of articles like or directly competitive with articles produced by such workers' firm or an appropriate subdivision thereof contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production.

(b) For purposes of subsection (a)(3) of this section—

(1) The term ''contributed importantly'' means a cause which is important but not necessarily more important than any other cause.

(2)(A) Any firm, or appropriate subdivision of a firm, that engages in exploration or drilling for oil or natural gas shall be considered to be a firm producing oil or natural gas.

(B) Any firm, or appropriate subdivision of a firm, that engages in exploration or drilling for oil or natural gas, or otherwise produces oil or natural gas, shall be considered to be producing articles directly competitive with imports of oil and with imports of natural gas.

(Pub. L. 93–618, title II, § 222, Jan. 3, 1975, 88 Stat. 2019; Pub. L. 97–35, title XXV, § 2501, Aug. 13, 1981, 95 Stat. 881; Pub. L. 98–120, § 3(a), Oct. 12, 1983, 97 Stat. 809; Pub. L. 99–272, title XIII, § 13002(a), Apr. 7, 1986, 100 Stat. 300; Pub. L. 100–418, title I, § 1421(a)(1)(A), (b)(1), Aug. 23, 1988, 102 Stat. 1242, 1243; Pub. L. 103–182, title V, § 503(a), Dec. 8, 1993, 107 Stat. 2151.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182 substituted ''assistance under this subpart'' for ''assistance under this part''.

1988—Pub. L. 100–418, § 1421(a)(1)(A), struck out last sentence which defined ''contributed importantly'' for purposes of par. (3), designated remaining provisions as subsec. (a), and added subsec. (b).

Subsec. (a)(3). Pub. L. 100–418, § 1421(b)(1), directed the general amendment of par. (3) adding provisions relating to provision of essential goods or services by such workers' firm, or appropriate subdivision thereof, which amendment did not become effective pursuant to section 1430(d) of Pub. L. 100–418, as amended, set out as an Effective Date note under section 2397 of this title.

1986—Pub. L. 99–272 inserted ''(including workers in any agricultural firm or subdivision of an agricultural firm)'' after ''group of workers''.

1983—Pub. L. 98–120, § 3(a)(2), substituted ''For purposes of paragraph (3), the term 'contributed importantly' means a cause which is important, but not nec-

essarily more important than any other cause'' for ''For purposes of paragraph (3), the term 'substantial cause' means a cause which is important and not less than any other cause'' in provision following par. (3).

Par. (3). Pub. L. 98–120, § 3(a)(1), substituted ''contributed importantly to such total or partial separation, or threat thereof, and to such decline'' for ''were a substantial cause of such total or partial separation, or threat thereof, and of such decline''.

1981—Pub. L. 97–35 substituted provisions defining ''substantial cause'' and applicability of such term in par. (3) for provisions defining ''contributed importantly'' and applicability of such term in par. (3).

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 506(a) of Pub. L. 103–182, set out as an Effective Date note under section 2331 of this title.

EFFECTIVE DATE OF 1983 AMENDMENT

Section 3(b) of Pub. L. 98–120 provided that: ''The amendments made by subsection (a) [amending this section] shall apply with respect to petitions for certification filed under section 221 of the Trade Act of 1974 [19 U.S.C. 2271] on or after October 1, 1983.''

EFFECTIVE DATE OF 1981 AMENDMENT AND TRANSITION PROVISIONS

Amendment by Pub. L. 97–35 applicable to petitions filed on or after Oct. 1, 1983, with transition provisions applicable, see section 2514 of Pub. L. 97–35, set out as a note under section 2291 of this title.

WORKERS COVERED BY CERTIFICATION NOTWITHSTANDING OTHER LAW

Section 1421(a)(1)(B) of Pub. L. 100–418 provided that: ''Notwithstanding section 223(b) of the Trade Act of 1974 [19 U.S.C. 2273(b)], or any other provision of law, any certification made under subchapter A of chapter 2 of title II of such Act [this subpart] which—

''(i) is made with respect to a petition filed before the date that is 90 days after the date of enactment of this Act [Aug. 23, 1988], and

''(ii) would not have been made if the amendments made by subparagraph (A) [amending this section] had not been enacted into law,

shall apply to any worker whose most recent total or partial separation from the firm, or appropriate subdivision of the firm, described in section 222(a) of such Act [19 U.S.C. 2272(a)] occurs after September 30, 1985.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2273, 2296 of this title.

§ 2273. Determinations by Secretary of Labor

(a) Certification of eligibility

As soon as possible after the date on which a petition is filed under section 2271 of this title, but in any event not later than 60 days after that date, the Secretary shall determine whether the petitioning group meets the requirements of section 2272 of this title and shall issue a certification of eligibility to apply for assistance under this subpart covering workers in any group which meets such requirements. Each certification shall specify the date on which the total or partial separation began or threatened to begin.

(b) Workers covered by certification

A certification under this section shall not apply to any worker whose last total or partial separation from the firm or appropriate subdivision of the firm before his application under section 2291 of this title occurred—

(1) more than one year before the date of the petition on which such certification was granted, or

(2) more than 6 months before the effective date of this part.

(c) Publication of determination in Federal Register

Upon reaching his determination on a petition, the Secretary shall promptly publish a summary of the determination in the Federal Register together with his reasons for making such determination.

(d) Termination of certification

Whenever the Secretary determines, with respect to any certification of eligibility of the workers of a firm or subdivision of the firm, that total or partial separations from such firm or subdivision are no longer attributable to the conditions specified in section 2272 of this title, he shall terminate such certification and promptly have notice of such termination published in the Federal Register together with his reasons for making such determination. Such termination shall apply only with respect to total or partial separations occurring after the termination date specified by the Secretary.

(Pub. L. 93–618, title II, § 223, Jan. 3, 1975, 88 Stat. 2019; Pub. L. 103–182, title V, § 503(a), Dec. 8, 1993, 107 Stat. 2151.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

REFERENCES IN TEXT

For the effective date of this part, referred to in subsec. (b)(2), see Effective and Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182 substituted ''assistance under this subpart'' for ''assistance under this part''.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 506(a) of Pub. L. 103–182, set out as an Effective Date note under section 2331 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2275, 2291, 2355, 2395 of this title; title 28 sections 1581, 2631, 2636, 2640, 2643.

§ 2274. Study by Secretary of Labor when International Trade Commission begins investigation

(a) Subject matter of study

Whenever the International Trade Commission (hereafter referred to in this part as the ''Commission'') begins an investigation under section 2252 of this title with respect to an industry, the Commission shall immediately notify the Secretary of such investigation, and the Secretary shall immediately begin a study of—

(1) the number of workers in the domestic industry producing the like or directly competitive article who have been or are likely to be certified as eligible for adjustment assistance, and

(2) the extent to which the adjustment of such workers to the import competition may be facilitated through the use of existing programs.

(b) Report; publication

The report of the Secretary of the study under subsection (a) of this section shall be made to the President not later than 15 days after the day on which the Commission makes its report under section 2252(f) of this title. Upon making his report to the President, the Secretary shall also promptly make it public (with the exception of information which the Secretary determines to be confidential) and shall have a summary of it published in the Federal Register.

(Pub. L. 93–618, title II, § 224, Jan. 3, 1975, 88 Stat. 2020; Pub. L. 97–35, title XXV, § 2513(a), Aug. 13, 1981, 95 Stat. 889; Pub. L. 100–418, title I, § 1401(b)(1)(B), Aug. 23, 1988, 102 Stat. 1239.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1988—Subsec. (a). Pub. L. 100–418 substituted ''section 2252'' for ''section 2251''.

Subsec. (b). Pub. L. 100–418 substituted ''section 2252(f)'' for ''section 2251''.

1981—Subsec. (c). Pub. L. 97–35 struck out subsec. (c) which related to availability of information to workers.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective Aug. 23, 1988, and applicable with respect to investigations initiated under part 1 (§ 2251 et seq.) of this subchapter on or after that date, see section 1401(c) of Pub. L. 100–418, set out as a note under section 2251 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT AND TRANSITION PROVISIONS

Amendment by Pub. L. 97–35 effective Aug. 13, 1981, with transition provisions applicable, see section 2514 of Pub. L. 97–35, set out as a note under section 2291 of this title.

§ 2275. Benefit information for workers

(a) The Secretary shall provide full information to workers about the benefit allowances, training, and other employment services available under this part and about the petition and application procedures, and the appropriate filing dates, for such allowances, training and services. The Secretary shall provide whatever assistance is necessary to enable groups of workers to prepare petitions or applications for program benefits. The Secretary shall make every effort to insure that cooperating State agencies fully comply with the agreements entered into under section 2311(a) of this title and shall periodically review such compliance. The Secretary shall inform the State Board for Vocational Education or equivalent agency and other public or private agencies, institutions, and employers, as appropriate, of each certification issued under section 2273 of this title and of projections, if available, of the needs for training under section 2296 of this title as a result of such certification.

(b)(1) The Secretary shall provide written notice through the mail of the benefits available under this part to each worker whom the Secretary has reason to believe is covered by a certification made under this subpart or subpart D of this part—

(A) at the time such certification is made, if the worker was partially or totally separated from the adversely affected employment before such certification, or

(B) at the time of the total or partial separation of the worker from the adversely affected employment, if subparagraph (A) does not apply.

(2) The Secretary shall publish notice of the benefits available under this part to workers covered by each certification made under this subpart or subpart D of this part in newspapers of general circulation in the areas in which such workers reside.

(Pub. L. 93–618, title II, § 225, as added Pub. L. 97–35, title XXV, § 2502, Aug. 13, 1981, 95 Stat. 881; amended Pub. L. 100–418, title I, § 1422, Aug. 23, 1988, 102 Stat. 1244; Pub. L. 103–182, title V, § 503(b), Dec. 8, 1993, 107 Stat. 2151.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1993—Subsec. (b). Pub. L. 103–182 inserted reference to subpart D in pars. (1) and (2).

1988—Pub. L. 100–418 designated existing provisions as subsec. (a) and added subsec. (b).

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 506(a) of Pub. L. 103–182, set out as an Effective Date note under section 2331 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective on date that is 30 days after Aug. 23, 1988, see section 1430(e) of Pub. L. 100–418, set out as an Effective Date note under section 2397 of this title.

EFFECTIVE DATE AND TRANSITION PROVISIONS

Section effective Aug. 13, 1981, with transition provisions applicable, see section 2514 of Pub. L. 97–35, set out as an Effective Date of 1981 Amendment note under section 2291 of this title.

SUBPART B—PROGRAM BENEFITS

SUBPART REFERRED TO IN OTHER SECTIONS

This subpart is referred to in sections 2312, 2331 of this title.

§ 2291. Qualifying requirements for workers

(a) Trade readjustment allowance conditions

Payment of a trade readjustment allowance shall be made to an adversely affected worker covered by a certification under subpart A of this part who files an application for such allow-

ance for any week of unemployment which begins more than 60 days after the date on which the petition that resulted in such certification was filed under section 2271 of this title, if the following conditions are met:

(1) Such worker's total or partial separation before his application under this part occurred—

(A) on or after the date, as specified in the certification under which he is covered, on which total or partial separation began or threatened to begin in the adversely affected employment,

(B) before the expiration of the 2-year period beginning on the date on which the determination under section 2273 of this title was made, and

(C) before the termination date (if any) determined pursuant to section 2273(d) of this title.

(2) Such worker had, in the 52-week period ending with the week in which such total or partial separation occurred, at least 26 weeks of employment at wages of $30 or more a week in adversely affected employment with a single firm or subdivision of a firm, or, if data with respect to weeks of employment with a firm are not available, equivalent amounts of employment computed under regulations prescribed by the Secretary. For the purposes of this paragraph, any week in which such worker—

(A) is on employer-authorized leave for purposes of vacation, sickness, injury, maternity, or inactive duty or active duty military service for training,

(B) does not work because of a disability that is compensable under a workmen's compensation law or plan of a State or the United States,

(C) had his employment interrupted in order to serve as a full-time representative of a labor organization in such firm or subdivision, or

(D) is on call-up for purposes of active duty in a reserve status in the Armed Forces of the United States, provided such active duty is ''Federal service'' as defined in section 8521(a)(1) of title 5,

shall be treated as a week of employment at wages of $30 or more, but not more than 7 weeks, in case of weeks described in subparagraph (A) or (C), or both (and not more than 26 weeks, in the case of weeks described in subparagraph (B) or (D)), may be treated as weeks of employment under this sentence.

(3) Such worker—

(A) was entitled to (or would be entitled to if he applied therefor) unemployment insurance for a week within the benefit period (i) in which such total or partial separation took place, or (ii) which began (or would have begun) by reason of the filing of a claim for unemployment insurance by such worker after such total or partial separation;

(B) has exhausted all rights to any unemployment insurance to which he was entitled (or would be entitled if he applied therefor); and

(C) does not have an unexpired waiting period applicable to him for any such unemployment insurance.

(4) Such worker, with respect to such week of unemployment, would not be disqualified for extended compensation payable under the Federal-State Extended Unemployment Compensation Act of 1970 by reason of the work acceptance and job search requirements in section 202(a)(3) of such Act.

(5) Such worker—

(A) is enrolled in a training program approved by the Secretary under section 2296(a) of this title,

(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a training program approved by the Secretary under section 2296(a) of this title, or

(C) has received a written statement certified under subsection (c)(1) of this section after the date described in subparagraph (B).

(b) Withholding of trade readjustment allowance pending beginning or resumption of participation in training program; period of applicability

(1) If—

(A) the Secretary determines that—

(i) the adversely affected worker—

(I) has failed to begin participation in the training program the enrollment in which meets the requirement of subsection (a)(5) of this section, or

(II) has ceased to participate in such training program before completing such training program, and

(ii) there is no justifiable cause for such failure or cessation, or

(B) the certification made with respect to such worker under subsection (c)(1) of this section is revoked under subsection (c)(2) of this section,

no trade readjustment allowance may be paid to the adversely affected worker under sections 2291 to 2294 of this title for the week in which such failure, cessation, or revocation occurred, or any succeeding week, until the adversely affected worker begins or resumes participation in a training program approved under section 2296(a) of this title.

(2) The provisions of subsection (a)(5) of this section and paragraph (1) shall not apply with respect to any week of unemployment which begins—

(A) after the date that is 60 days after the date on which the petition that results in the certification that covers the worker is filed under section 2271 of this title, and

(B) before the first week following the week in which such certification is made under subpart A of this part.

(c) Approval of training programs; written certifications; revocation of certification; annual report

(1)(A) If the Secretary finds that it is not feasible or appropriate to approve a training program for a worker under section 2296(a) of this

title, the Secretary shall submit to such worker a written statement certifying such finding.

(B) If a State or State agency has an agreement with the Secretary under section 2311 of this title and the State or State agency finds that it is not feasible or appropriate to approve a training program for a worker pursuant to the requirements of section 2296(a) of this title, the State or State agency shall—

(i) submit to such worker a written statement certifying such finding, and

(ii) submit to the Secretary a written statement certifying such finding and the reasons for such finding.

(2)(A) If, after submitting to a worker a written statement certified under paragraph (1)(A), the Secretary finds that it is feasible or appropriate to approve a training program for such worker under section 2296(a) of this title, the Secretary shall submit to such worker a written statement that revokes the certification made under paragraph (1)(A) with respect to such worker.

(B) If, after submitting to a worker a written statement certified under paragraph (1)(B), a State or State agency finds that it is feasible or appropriate to approve a training program for such worker pursuant to the requirements of section 2296(a) of this title, the State or State agency shall submit to such worker, and to the Secretary, a written statement that revokes the certification made under paragraph (1)(B) with respect to such worker.

(3) The Secretary shall submit to the Finance Committee of the Senate and to the Ways and Means Committee of the House of Representatives an annual report on the number of workers who received certifications under paragraph (1) during the preceding year and the number of certifications made under paragraph (1) that were revoked during the preceding year.

(Pub. L. 93–618, title II, § 231, Jan. 3, 1975, 88 Stat. 2020; Pub. L. 97–35, title XXV, § 2503, Aug. 13, 1981, 95 Stat. 881; Pub. L. 99–272, title XIII, § 13003(a)(1), (2), (b), Apr. 7, 1986, 100 Stat. 300, 301; Pub. L. 100–418, title I, § 1423(a)(1)–(3), Aug. 23, 1988, 102 Stat. 1244, 1245; Pub. L. 102–318, title I, § 106(a), July 3, 1992, 106 Stat. 294.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

REFERENCES IN TEXT

The Federal-State Extended Unemployment Compensation Act of 1970, referred to in subsec. (a)(4), is title II of Pub. L. 91–373, Aug. 10, 1970, 84 Stat. 708, as amended, which is classified generally as a note under section 3304 of Title 26, Internal Revenue Code. Section 202(a)(3) of such Act, referred to in subsec. (a)(4), is set out in the note under section 3304 of Title 26. For complete classification of this Act to the Code, see Tables.

AMENDMENTS

1992—Subsec. (a)(2). Pub. L. 102–318 added subpar. (D) and substituted ''subparagraph (A) or (C), or both (and not more than 26 weeks, in the case of weeks described in subparagraph (B) or (D))'' for ''paragraph (A) or (C), or both'' in closing provisions.

1988—Subsec. (a)(5). Pub. L. 100–418, § 1423(a)(1), amended par. (5) generally. Prior to amendment, par. (5) read as follows: ''Such worker, unless the Secretary has determined that no acceptable job search program is reasonably available—

''(A) is enrolled in a job search program approved by the Secretary under section 2297(c) of this title, or

''(B) has, after the date on which the worker became totally separated, or partially separated, from the adversely affected employment, completed a job search program approved by the Secretary under section 2297(c) of this title.''

Subsec. (b). Pub. L. 100–418, § 1423(a)(2), amended subsec. (b) generally, substituting provisions relating to withholding of trade readjustment allowance pending beginning or resumption of participation in training program, and period of applicability, for provisions relating to mandatory training or job-search.

Subsec. (c). Pub. L. 100–418, § 1423(a)(3), amended subsec. (c) generally, substituting provisions relating to approval of training programs, written certifications, revocation of certification, and annual report, for provisions relating to withholding of trade readjustment allowance pending beginning or resumption of participation in job search program.

1986—Subsec. (a)(2). Pub. L. 99–272, § 13003(b), substituted provisions restricting to no more than 7 the number of weeks to be treated as weeks of employment under this sentence for provisions designated as clauses (i) to (iii), limiting the weeks that may be treated as weeks of employment to 3, 7, and 7, respectively, under certain conditions.

Subsec. (a)(5). Pub. L. 99–272, § 13003(a)(1), added par. (5).

Subsec. (c). Pub. L. 99–272, § 13003(a)(2), added subsec. (c).

1981—Pub. L. 97–35 designated existing provisions as subsec. (a), substituted provisions respecting applicability of date upon which petition was filed for provisions respecting applicability of date specified in certification under section 2273(a) of this title, substantially revised and reorganized conditions by, among other changes, adding pars. (3) and (4), and added subsec. (b).

EFFECTIVE DATE OF 1992 AMENDMENT

Section 106(b) of Pub. L. 102–318 provided that: ''The amendments made by subsection (a) [amending this section] shall apply to weeks beginning after August 1, 1990.''

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective on date that is 90 days after Aug. 23, 1988, see section 1430(f) of Pub. L. 100–418, set out as an Effective Date note under section 2397 of this title.

EFFECTIVE DATE OF 1986 AMENDMENT; APPLICATION OF GRAMM-RUDMAN

Section 13009 of Pub. L. 99–272 provided that:

''(a) IN GENERAL.—Except as provided in subsections (b) and (c), the amendments made by this part [part 1 (§§ 13001–13009) of subtitle A, amending this section, sections 2271, 2272, 2292, 2293, 2296, 2297, 2311, 2317, 2319, 2341 to 2344, and 2346 of this title, and provisions set out as a note preceding section 2271 of this title] shall take effect on the date of the enactment of this Act [Apr. 7, 1986].

''(b) JOB SEARCH PROGRAM REQUIREMENTS.—The amendments made by section 13003(a) [amending this section and section 2311 of this title] apply with respect to workers covered by petitions filed under section 221 of the Trade Act of 1974 [section 2271 of this title] on or after the date of the enactment of this Act [Apr. 7, 1986].

''(c) EXTENSION AND AUTHORIZATION.—Chapters 2 and 3 of title II of the Trade Act of 1974 (19 U.S.C. 2271, et seq.) [parts 2 and 3 of this subchapter] shall be applied as if the amendments made by sections 13007 and 13008 [amending sections 2317 and 2346 of this title and provisions set out as a note preceding section 2271 of this title] had taken effect on December 18, 1985.

''(d) APPLICATION OF GRAMM-RUDMAN.—Trade readjustment allowances payable under part I [of subchapter B] of chapter 2 of title II of the Trade Act of 1974 [sections 2291 to 2294 of this title] for the period from March 1, 1986, and until October 1, 1986, shall be reduced by a percentage equal to the non-defense sequester percentage applied in the Sequestration Report (submitted under the Balanced Budget and Emergency Deficit Control Act of 1985 [see Short Title note set out under section 901 of Title 2, The Congress] and dated January 21, 1986) of the Comptroller General of the United States for fiscal year 1986.''

EFFECTIVE DATE OF 1981 AMENDMENT AND TRANSITION PROVISIONS

Section 2514 of Pub. L. 97–35, as amended by Pub. L. 97–362, title II, § 204, Oct. 24, 1982, 96 Stat. 1733, provided that:

''(a)(1) Except as provided in paragraph (2), this subtitle [enacting section 2275 of this title, amending this section and sections 2272, 2274, 2292, 2293, 2296, 2297, 2298, 2311, 2313, 2315, 2317, and 2319 of this title, repealing section 2318 of this title, enacting provisions set out as a note under section 2292 of this title, and amending provisions set out as a note preceding section 2271 of this title and under section 3304 of Title 26, Internal Revenue Code] shall take effect on the date of the enactment of this Act [Aug. 13, 1981].

''(2)(A) The amendments made by section 2501 [amending section 2272 of this title] shall apply with respect to all petitions for certification filed under section 221 of the Trade Act of 1974 [section 2271 of this title] on or after October 1, 1983.

''(B) The amendments made by sections 2503, 2504, 2505, and 2511 [amending this section, sections 2292, 2293, and 2319 of this title, and provisions set out as a note under section 3304 of Title 26, Internal Revenue Code] shall apply with respect to trade readjustment allowances payable for weeks of unemployment which begin after September 30, 1981.

''(C) The amendments made by sections 2506, 2507, and 2508 [amending sections 2296, 2297, and 2298 of this title] shall take effect with respect to determinations regarding training and applications for allowances under sections 236, 237, and 238 of the Trade Act of 1974 [sections 2296, 2297, and 2298 of this title] that are made or filed after September 30, 1981.

''(D)(i) Except as otherwise provided in clause (ii), the provisions of sections 233(d) and 236(a)(2) of the Trade Act of 1974 (as amended by this Act) [sections 2293(d) and 2296(a)(2) of this title], and the provisions of section 204(a)(2)(C) of the Federal-State Extended Unemployment Compensation Act of 1970 (as added by this Act) [set out as a note under section 3304 of Title 26] shall apply to State unemployment compensation laws for purposes of certifications under section 3304(c) of the Internal Revenue Code of 1954 [section 3304(c) of Title 26] on October 31, of any taxable year after 1981.

''(ii) In the case of any State the legislature of which—

''(I) does not meet in a session which begins after the date of the enactment of this Act [Aug. 13, 1981] and prior to September 1, 1982, and

''(II) if in session on the date of the enactment of this Act, does not remain in session for a period of at least 25 calendar days,

the date '1981' in clause (i) shall be deemed to be '1982'.

''(b) An adversely affected worker who is receiving or is entitled to receive payments of trade readjustment allowances under chapter 2 of the Trade Act of 1974 [this part] for weeks of unemployment beginning before October 1, 1981, shall be entitled to receive—

''(1) with respect to weeks of unemployment beginning before October 1, 1981, payments of trade readjustment allowances determined under such chapter 2 without regard to the amendments made by this subtitle; and

''(2) with respect to weeks of unemployment beginning after September 30, 1981, payments of trade readjustment allowances as determined under such chapter 2 as amended by this subtitle, except that the maximum amount of trade readjustment allowances payable to such an individual for such weeks of unemployment shall be an amount equal to the product of the trade readjustment allowance payable to the individual for a week of total unemployment (as determined under section 232(a) as so amended [section 2292(a) of this title]) multiplied by a factor determined by subtracting from fifty-two the sum of—

''(A) the number of weeks preceding the first week which begins after September 30, 1981, and which are within the period covered by the same certification under such chapter 2 as such week of unemployment, for which the individual was entitled to a trade readjustment allowance or unemployment insurance, or would have been entitled to such allowance or unemployment insurance if he had applied therefor, and

''(B) the number of weeks preceding such first week that are deductible under section 232(d) (as in effect before the amendments made by section 2504) [section 2392(d) of this title];

except that the amount of trade readjustment allowances payable to an adversely affected worker under this paragraph shall be subject to adjustment on a week-to-week basis as may be required by section 232(b) [section 2392(b) of this title].''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2273, 2292, 2293, 2311, 2318, 2331, 2396 of this title; title 26 section 62.

§ 2292. Weekly amounts of readjustment allowance

(a) Formula

Subject to subsections (b) and (c) of this section, the trade readjustment allowance payable to an adversely affected worker for a week of total unemployment shall be an amount equal to the most recent weekly benefit amount of the unemployment insurance payable to the worker for a week of total unemployment preceding the worker's first exhaustion of unemployment insurance (as determined for purposes of section 2291(a)(3)(B) of this title) reduced (but not below zero) by—

(1) any training allowance deductible under subsection (c) of this section; and

(2) income that is deductible from unemployment insurance under the disqualifying income provisions of the applicable State law or Federal unemployment insurance law.

(b) Adversely affected workers who are undergoing training

Any adversely affected worker who is entitled to trade readjustment allowances and who is undergoing training approved by the Secretary shall receive for each week in which he is undergoing any such training, a trade readjustment allowance in an amount (computed for such week) equal to the amount computed under subsection (a) of this section or (if greater) the amount of any weekly allowance for such training to which he would be entitled under any other Federal law for the training of workers, if he applied for such allowance. Such trade readjustment allowance shall be paid in lieu of any training allowance to which the worker would be entitled under such other Federal law.

(c) Deduction from total number of weeks of allowance entitlement

If a training allowance under any Federal law other than this chapter is paid to an adversely

affected worker for any week of unemployment with respect to which he would be entitled (determined without regard to any disqualification under section 2291(b) of this title) to a trade readjustment allowance if he applied for such allowance, each such week shall be deducted from the total number of weeks of trade readjustment allowance otherwise payable to him under section 2293(a) of this title when he applies for a trade readjustment allowance and is determined to be entitled to such allowance. If such training allowance paid to such worker for any week of unemployment is less than the amount of the trade readjustment allowance to which he would be entitled if he applied for such allowance, he shall receive, when he applies for a trade readjustment allowance and is determined to be entitled to such allowance, a trade readjustment allowance for such week equal to such difference.

(Pub. L. 93–618, title II, § 232, Jan. 3, 1975, 88 Stat. 2021; Pub. L. 97–35, title XXV, § 2504(a), Aug. 13, 1981, 95 Stat. 883; Pub. L. 99–272, title XIII, § 13003(c), Apr. 7, 1986, 100 Stat. 301; Pub. L. 100–418, title I, § 1423(b), Aug. 23, 1988, 102 Stat. 1246.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

REFERENCES IN TEXT

This chapter, referred to in subsec. (c), was in the original ''this Act'', meaning Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

AMENDMENTS

1988—Subsec. (b). Pub. L. 100–418, § 1423(b)(1), struck out '', including on-the-job training,'' after ''approved by the Secretary''.

Subsec. (c). Pub. L. 100–418, § 1423(b)(2), substituted ''under section 2291(b)'' for ''under section 2291(c) or 2296(c)''.

1986—Subsec. (c). Pub. L. 99–272 substituted ''under any Federal law other than this chapter'' for ''under any Federal law,'', ''section 2291(c) or 2296(c) of this title'' for ''section 2296(c) of this title'', and ''If such training allowance'' for ''If the training allowance''.

1981—Subsec. (a). Pub. L. 97–35, § 2504(a)(1), substituted provisions setting forth amount of allowance as reduced (but not below zero) by training allowance and income deductions for provisions setting forth amount of allowance as computed by specified percentages of wages and reduced by paid remuneration.

Subsecs. (c), (d). Pub. L. 97–35, § 2504(a)(2)–(4), redesignated subsec. (d) as (c) and struck out references to unemployment insurance and to the inapplicability of former subsecs. (c) and (e) of this section. Former subsec. (c), which related to the computation of unemployment insurance, was struck out.

Subsec. (e). Pub. L. 97–35, § 2504(a)(2), struck out subsec. (e) which related to maximum total for all remuneration and allowances.

Subsec. (f). Pub. L. 97–35, § 2504(a)(2), struck out subsec. (f) which authorized rounding off to whole dollar amounts.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 1423(b)(1) effective Aug. 23, 1988, and amendment by section 1423(b)(2) of Pub. L. 100–418 effective on the date that is 90 days after Aug. 23, 1988, see section 1430(a), (f) of Pub. L. 100–418, set out as an Effective Date note under section 2397 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT AND TRANSITION PROVISIONS

Amendment by Pub. L. 97–35 applicable to allowances payable for weeks of unemployment which begin after Sept. 30, 1981, with transition provisions applicable, see section 2514 of Pub. L. 97–35, set out as a note under section 2291 of this title.

REFERENCE TO SUBSECTION (d) DEEMED REFERENCE TO (c)

Section 2504(b) of Pub. L. 97–35 provided that: ''Any reference in any law to subsection (d) of section 232 of the Trade Act of 1974 [subsec. (d) of this section] shall be considered a reference to subsection (c) thereof [subsec. (c) of this section].''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2291, 2293, 2311, 2318, 2396, 2331 of this title; title 26 section 62.

§ 2293. Limitations on trade readjustment allowances

(a) Maximum allowance; deduction for unemployment insurance; additional payments for approved training periods

(1) The maximum amount of trade readjustment allowances payable with respect to the period covered by any certification to an adversely affected worker shall be the amount which is the product of 52 multiplied by the trade readjustment allowance payable to the worker for a week of total unemployment (as determined under section 2292(a) of this title), but such product shall be reduced by the total sum of the unemployment insurance to which the worker was entitled (or would have been entitled if he had applied therefor) in the worker's first benefit period described in section 2291(a)(3)(A) of this title.

(2) A trade readjustment allowance shall not be paid for any week occurring after the close of the 104-week period that begins with the first week following the week in which the adversely affected worker was most recently totally separated from adversely affected employment—

(A) within the period which is described in section 2291(a)(1) of this title, and

(B) with respect to which the worker meets the requirements of section 2291(a)(2) of this title.

(3) Notwithstanding paragraph (1), in order to assist the adversely affected worker to complete training approved for him under section 2296 of this title, and in accordance with regulations prescribed by the Secretary, payments may be made as trade readjustment allowances for up to 26 additional weeks in the 26-week period that—

(A) follows the last week of entitlement to trade readjustment allowances otherwise payable under this part; or

(B) begins with the first week of such training, if such training begins after the last week described in subparagraph (A).

Payments for such additional weeks may be made only for weeks in such 26-week period during which the individual is participating in such training.

(b) Limitations on additional payments for training periods

A trade readjustment allowance may not be paid for an additional week specified in subsection (a)(3) of this section if the adversely affected worker who would receive such allowance did not make a bona fide application to a training program approved by the Secretary under section 2296 of this title within 210 days after the date of the worker's first certification of eligibility to apply for adjustment assistance issued by the Secretary, or, if later, within 210 days after the date of the worker's total or partial separation referred to in section 2291(a)(1) of this title.

(c) Adjustments of amounts payable

Amounts payable to an adversely affected worker under sections 2291 to 2294 of this title shall be subject to such adjustment on a week-to-week basis as may be required by section 2292(b) of this title.

(d) Special adjustments for benefit years ending with extended benefit periods

Notwithstanding any other provision of this chapter or other Federal law, if the benefit year of a worker ends within an extended benefit period, the number of weeks of extended benefits that such worker would, but for this subsection, be entitled to in that extended benefit period shall be reduced (but not below zero) by the number of weeks for which the worker was entitled, during such benefit year, to trade readjustment allowances under sections 2291 to 2294 of this title. For purposes of this paragraph, the terms ''benefit year'' and ''extended benefit period'' shall have the same respective meanings given to them in the Federal-State Extended Unemployment Compensation Act of 1970.

(e) Week during which worker received on-the-job training

No trade readjustment allowance shall be paid to a worker under sections 2291 to 2294 of this title for any week during which the worker is receiving on-the-job training.

(f) Workers treated as participating in training

For purposes of this part, a worker shall be treated as participating in training during any week which is part of a break in training that does not exceed 14 days if—

(1) the worker was participating in a training program approved under section 2296(a) of this title before the beginning of such break in training, and

(2) the break is provided under such training program.

(Pub. L. 93–618, title II, § 233, Jan. 3, 1975, 88 Stat. 2022; Pub. L. 97–35, title XXV, § 2505(a), Aug. 13, 1981, 95 Stat. 883; Pub. L. 98–369, div. B, title VI, § 2671, July 18, 1984, 98 Stat. 1172; Pub. L. 99–272, title XIII, § 13003(d), Apr. 7, 1986, 100 Stat. 301; Pub. L. 100–418, title I, §§ 1423(c), 1425(a), Aug. 23, 1988, 102 Stat. 1246, 1250.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

REFERENCES IN TEXT

This chapter, referred to in subsec. (d), was in the original ''this Act'', meaning Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

The Federal-State Extended Unemployment Compensation Act of 1970, referred to in subsec. (d), is title II of Pub. L. 91–373, Aug. 10, 1970, 84 Stat. 708, as amended, which is classified generally as a note under section 3304 of Title 26, Internal Revenue Code. For complete classification of this Act to the Code, see Tables.

AMENDMENTS

1988—Subsec. (a)(2). Pub. L. 100–418, § 1425(a), amended par. (2) generally. Prior to amendment, par. (2) read as follows: ''A trade readjustment allowance shall not be paid for any week after the 104-week period beginning with the first week following the first week in the period covered by the certification with respect to which the worker has exhausted (as determined for purposes of section 2291(a)(3)(B) of this title) all rights to that part of his unemployment insurance that is regular compensation.''

Subsec. (a)(3). Pub. L. 100–418, § 1423(c)(2), substituted ''participating in such training'' for ''engaged in such training and has not been determined under section 2296(c) of this title to be failing to make satisfactory progress in the training'' in last sentence.

Subsec. (a)(3)(B). Pub. L. 100–418, § 1423(c)(1), substituted ''begins'' for ''is approved'' after ''training''.

Subsec. (f). Pub. L. 100–418, § 1423(c)(3), added subsec. (f).

1986—Subsec. (a)(2). Pub. L. 99–272, § 13003(d)(1), substituted ''104-week period'' for ''52-week period''.

Subsec. (e). Pub. L. 99–272, § 13003(d)(2), added subsec. (e).

1984—Subsec. (a)(3). Pub. L. 98–369 substituted ''Notwithstanding paragraph (1), in order to assist the adversely affected worker to complete training approved for him under section 2296 of this title, and in accordance with regulations prescribed by the Secretary, payments may be made as trade readjustment allowances for up to 26 additional weeks in the 26-week period that—

''(A) follows the last week of entitlement to trade readjustment allowances otherwise payable under this part; or

''(B) begins with the first week of such training, if such training is approved after the last week described in subparagraph (A).''

for ''Notwithstanding paragraph (1), in accordance with regulations prescribed by the Secretary, payments may be made as trade readjustment allowances for up to 26 additional weeks in the 26-week period following the last week of entitlement to trade readjustment allowances otherwise payable under this part in order to assist the adversely affected worker to complete training approved for the worker under section 2296 of this title.''

1981—Subsec. (a). Pub. L. 97–35 substituted provisions relating to maximum amount of allowance payable for provisions relating to time limitations on allowance payable.

Subsec. (b). Pub. L. 97–35 substituted provisions relating to payment for an additional week for provisions relating to payment for an additional week after the appropriate week and provisions determining the appropriate week.

Subsecs. (c), (d). Pub. L. 97–35 added subsecs. (c) and (d).

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 1423(c)(2) of Pub. L. 100–418 effective on date that is 90 days after Aug. 23, 1988, and amendment by section 1425(a) of Pub. L. 100–418 effective Aug. 23, 1988, but not applicable with respect to any total separation of a worker from adversely af-

fected employment (within the meaning of section 2319 of this title) that occurs before Aug. 23, 1988, if the application of such amendment with respect to such total separation would reduce the period for which such worker would (but for such amendment) be allowed to receive trade readjustment allowances under sections 2291 to 2294 of this title, see section 1430(a), (f), (g) of Pub. L. 100–418, set out as an Effective Date note under section 2397 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT AND TRANSITION PROVISIONS

Amendment by Pub. L. 97–35 applicable to allowances payable for weeks of unemployment which begin after Sept. 30, 1981, with transition provisions applicable, and with the amendment of subsec. (d) of this section applicable, except as otherwise provided, to laws for certification purposes under section 3304(c) of title 26 on Oct. 31, of any taxable year after 1981, see section 2514 of Pub. L. 97–35, set out as a note under section 2291 of this title.

WAIVER OF CERTAIN TIME LIMITATIONS

Section 1425(b) of Pub. L. 100–418 provided that:

''(1) The provisions of subsections (a)(2) and (b) of section 233 of the Trade Act of 1974 [19 U.S.C. 2293(a)(2), (b)] shall not apply with respect to any worker who became totally separated from adversely affected employment (within the meaning of section 247 of such Act [19 U.S.C. 2319]) during the period that began on August 13, 1981, and ended on April 7, 1986.

''(2)(A) Any worker who is otherwise eligible for payment of a trade readjustment allowance under part I of subchapter B of chapter 2 of title II of the Trade Act of 1974 [19 U.S.C. 2291 to 2294] by reason of paragraph (1) of this subsection may receive payments of such allowance only if such worker—

''(i) is enrolled in a training program approved by the Secretary under section 236(a) of such Act [19 U.S.C. 2296(a)], and

''(ii) has been unemployed continuously since the date on which the worker became totally separated from the adversely affected employment, not taking into account seasonal employment, odd jobs, or part-time, temporary employment.

''(B) If the Secretary of Labor determines that—

''(i) a worker—

''(I) has failed to begin participation in the training program the enrollment in which meets the requirement of subparagraph (A), or

''(II) has ceased to participate in such training program before completing such training program, and

''(ii) there is no justifiable cause for such failure or cessation,

no trade readjustment allowance may be paid to the worker under part I of subchapter B of chapter 2 of title II of the Trade Act of 1974 for the week in which such failure or cessation occurred, or any succeeding week, until the worker begins or resumes participation in a training program approved under section 236(a) of such Act.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2291, 2292, 2311, 2318, 2331, 2396 of this title.

§ 2294. Application of State laws

Except where inconsistent with the provisions of this part and subject to such regulations as the Secretary may prescribe, the availability and disqualification provisions of the State law—

(1) under which an adversely affected worker is entitled to unemployment insurance (whether or not he has filed a claim for such insurance), or

(2) if he is not so entitled to unemployment insurance, of the State in which he was totally or partially separated,

shall apply to any such worker who files a claim for trade readjustment allowances. The State law so determined with respect to a separation of a worker shall remain applicable, for purposes of the preceding sentence, with respect to such separation until such worker becomes entitled to unemployment insurance under another State law (whether or not he has filed a claim for such insurance).

(Pub. L. 93–618, title II, § 234, Jan. 3, 1975, 88 Stat. 2022.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2291, 2293, 2311, 2318, 2331, 2396 of this title.

§ 2295. Employment services

The Secretary shall make every reasonable effort to secure for adversely affected workers covered by a certification under subpart A of this part counseling, testing, and placement services, and supportive and other services, provided for under any other Federal law. The Secretary shall, whenever appropriate, procure such services through agreements with the States.

(Pub. L. 93–618, title II, § 235, Jan. 3, 1975, 88 Stat. 2023; Pub. L. 100–418, title I, § 1424(d)(1)(A), Aug. 23, 1988, 102 Stat. 1249.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1988—Pub. L. 100–418 substituted ''the States'' for ''cooperating State agencies''.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2311, 2331 of this title.

§ 2296. Training

(a) Approval of training; limitation on expenditures; reasonable expectation of employment; payment of costs; approved training programs; nonduplication of payments from other sources; disapproval of certain programs; exhaustion of unemployment benefits; promulgation of regulations

(1) If the Secretary determines that—

(A) there is no suitable employment (which may include technical and professional employment) available for an adversely affected worker,

(B) the worker would benefit from appropriate training,

(C) there is a reasonable expectation of employment following completion of such training,

(D) training approved by the Secretary is reasonably available to the worker from either

governmental agencies or private sources (which may include area vocational education schools, as defined in section 195(2) of the Vocational Education Act of 1963,[1] and employers)[2]

(E) the worker is qualified to undertake and complete such training, and

(F) such training is suitable for the worker and available at a reasonable cost,

the Secretary shall approve such training for the worker. Upon such approval, the worker shall be entitled to have payment of the costs of such training (subject to the limitations imposed by this section) paid on his behalf by the Secretary directly or through a voucher system. Insofar as possible, the Secretary shall provide or assure the provision of such training on the job, which shall include related education necessary for the acquisition of skills needed for a position within a particular occupation.

(2)(A) The total amount of payments that may be made under paragraph (1) for any fiscal year shall not exceed $80,000,000, except that for fiscal year 1997, the total amount of payments made under paragraph (1) shall not exceed $70,000,000.

(B) If, during any fiscal year, the Secretary estimates that the amount of funds necessary to pay the costs of training approved under this section will exceed the amount of the limitation imposed under subparagraph (A), the Secretary shall decide how the portion of such limitation that has not been expended at the time of such estimate is to be apportioned among the States for the remainder of such fiscal year.

(3) For purposes of applying paragraph (1)(C), a reasonable expectation of employment does not require that employment opportunities for a worker be available, or offered, immediately upon the completion of training approved under this paragraph (1).

(4)(A) If the costs of training an adversely affected worker are paid by the Secretary under paragraph (1), no other payment for such costs may be made under any other provision of Federal law.

(B) No payment may be made under paragraph (1) of the costs of training an adversely affected worker if such costs—

(i) have already been paid under any other provision of Federal law, or

(ii) are reimbursable under any other provision of Federal law and a portion of such costs have already been paid under such other provision of Federal law.

(C) The provisions of this paragraph shall not apply to, or take into account, any funds provided under any other provision of Federal law which are used for any purpose other than the direct payment of the costs incurred in training a particular adversely affected worker, even if such use has the effect of indirectly paying or reducing any portion of the costs involved in training the adversely affected worker.

(5) The training programs that may be approved under paragraph (1) include, but are not limited to—

(A) on-the-job training,

(B) any training program provided by a State pursuant to section 1653 of title 29,[1]

(C) any training program approved by a private industry council established under section 1512 of title 29,

(D) any program of remedial education,

(E) any training program (other than a training program described in paragraph (7)) for which all, or any portion, of the costs of training the worker are paid—

(i) under any Federal or State program other than this chapter, or

(ii) from any source other than this section, and

(F) any other training program approved by the Secretary.

(6)(A) The Secretary is not required under paragraph (1) to pay the costs of any training approved under paragraph (1) to the extent that such costs are paid—

(i) under any Federal or State program other than this part, or

(ii) from any source other than this section.

(B) Before approving any training to which subparagraph (A) may apply, the Secretary may require that the adversely affected worker enter into an agreement with the Secretary under which the Secretary will not be required to pay under this section the portion of the costs of such training that the worker has reason to believe will be paid under the program, or by the source, described in clause (i) or (ii) of subparagraph (A).

(7) The Secretary shall not approve a training program if—

(A) all or a portion of the costs of such training program are paid under any nongovernmental plan or program,

(B) the adversely affected worker has a right to obtain training or funds for training under such plan or program, and

(C) such plan or program requires the worker to reimburse the plan or program from funds provided under this part, or from wages paid under such training program, for any portion of the costs of such training program paid under the plan or program.

(8) The Secretary may approve training for any adversely affected worker who is a member of a group certified under subpart A of this part at any time after the date on which the group is certified under subpart A of this part, without regard to whether such worker has exhausted all rights to any unemployment insurance to which the worker is entitled.

(9) The Secretary shall prescribe regulations which set forth the criteria under each of the subparagraphs of paragraph (1) that will be used as the basis for making determinations under paragraph (1).

(b) Supplemental assistance

The Secretary may, where appropriate, authorize supplemental assistance necessary to defray reasonable transportation and subsistence expenses for separate maintenance when training is provided in facilities which are not within commuting distance of a worker's regular place of residence. The Secretary may not authorize—

(1) payments for subsistence that exceed whichever is the lesser of (A) the actual per

[1] See References in Text note below.

[2] So in original. Probably should be followed by a comma.

diem expenses for subsistence, or (B) payments at 50 percent of the prevailing per diem allowance rate authorized under the Federal travel regulations, or

(2) payments for travel expenses exceeding the prevailing mileage rate authorized under the Federal travel regulations.

(c) Payment of costs of on-the-job training

The Secretary shall pay the costs of any on-the-job training of an adversely affected worker that is approved under subsection (a)(1) of this section in equal monthly installments, but the Secretary may pay such costs, notwithstanding any other provision of this section, only if—

(1) no currently employed worker is displaced by such adversely affected worker (including partial displacement such as a reduction in the hours of nonovertime work, wages, or employment benefits),

(2) such training does not impair existing contracts for services or collective bargaining agreements,

(3) in the case of training which would be inconsistent with the terms of a collective bargaining agreement, the written concurrence of the labor organization concerned has been obtained,

(4) no other individual is on layoff from the same, or any substantially equivalent, job for which such adversely affected worker is being trained,

(5) the employer has not terminated the employment of any regular employee or otherwise reduced the workforce of the employer with the intention of filling the vacancy so created by hiring such adversely affected worker,

(6) the job for which such adversely affected worker is being trained is not being created in a promotional line that will infringe in any way upon the promotional opportunities of currently employed individuals,

(7) such training is not for the same occupation from which the worker was separated and with respect to which such worker's group was certified pursuant to section 2272 of this title,

(8) the employer certifies to the Secretary that the employer will continue to employ such worker for at least 26 weeks after completion of such training if the worker desires to continue such employment and the employer does not have due cause to terminate such employment,

(9) the employer has not received payment under subsection (a)(1) of this section with respect to any other on-the-job training provided by such employer which failed to meet the requirements of paragraphs (1), (2), (3), (4), (5), and (6), and

(10) the employer has not taken, at any time, any action which violated the terms of any certification described in paragraph (8) made by such employer with respect to any other on-the-job training provided by such employer for which the Secretary has made a payment under subsection (a)(1) of this section.

(d) Eligibility for unemployment insurance

A worker may not be determined to be ineligible or disqualified for unemployment insurance or program benefits under this subpart because the individual is in training approved under subsection (a) of this section, because of leaving work which is not suitable employment to enter such training, or because of the application to any such week in training of provisions of State law or Federal unemployment insurance law relating to availability for work, active search for work, or refusal to accept work. The Secretary shall submit to the Congress a quarterly report regarding the amount of funds expended during the quarter concerned to provided training under subsection (a) of this section and the anticipated demand for such funds for any remaining quarters in the fiscal year concerned.

(e) "Suitable employment" defined

For purposes of this section the term ''suitable employment'' means, with respect to a worker, work of a substantially equal or higher skill level than the worker's past adversely affected employment, and wages for such work at not less than 80 percent of the worker's average weekly wage.

(Pub. L. 93–618, title II, § 236, Jan. 3, 1975, 88 Stat. 2023; Pub. L. 97–35, title XXV, § 2506(2), Aug. 13, 1981, 95 Stat. 885; Pub. L. 99–272, title XIII, § 13004(a), Apr. 7, 1986, 100 Stat. 301; Pub. L. 100–418, title I, § 1424(a)–(c), Aug. 23, 1988, 102 Stat. 1248, 1249; Pub. L. 100–647, title IX, § 9001(a)(20), Nov. 10, 1988, 102 Stat. 3808; Pub. L. 103–66, title XIII, § 13803(b), Aug. 10, 1993, 107 Stat. 668.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

REFERENCES IN TEXT

Section 195(2) of the Vocational Education Act of 1963, referred to in subsec. (a)(1)(D), is section 195(2) of Pub. L. 88–210, title I, as added by Pub. L. 94–482, title II, § 202(a), Oct. 12, 1976, 90 Stat. 2211, and amended, which was classified to section 2461(2) of Title 20, Education, prior to the general revision and redesignation of Pub. L. 88–210 as the Carl D. Perkins Vocational Education Act by Pub. L. 98–524, § 1, Oct. 19, 1984, 98 Stat. 2435. The definition of ''area vocational education school'' is now contained in section 521(4) of Pub. L. 88–210, which is classified to section 2471(4) of Title 20.

Section 1653 of title 29, referred to in subsec. (a)(5)(B), was amended generally by Pub. L. 100–418, title VI, § 6302(a), Aug. 23, 1988, 102 Stat. 1527, and, as so amended, does not refer to training programs provided by a State.

AMENDMENTS

1993—Subsec. (a)(2)(A). Pub. L. 103–66 inserted before period at end '', except that for fiscal year 1997, the total amount of payments made under paragraph (1) shall not exceed $70,000,000''.

1988—Subsec. (a)(1). Pub. L. 100–418, § 1424(a)(5)–(7), struck out ''(to the extent appropriated funds are available)'' after ''the Secretary shall'' in first sentence, and in second sentence inserted ''(subject to the limitations imposed by this section)'' after ''costs of such training'' and ''directly or through a voucher system'' after ''by the Secretary''.

Subsec. (a)(1)(D). Pub. L. 100–418, § 1424(a)(1), substituted ''is reasonably available'' for ''is available''.

Subsec. (a)(1)(F). Pub. L. 100–418, § 1424(a)(2)–(4), added subpar. (F).

Subsec. (a)(2). Pub. L. 100–418, § 1424(a)(11), (12), added par. (2) and redesignated former par. (2) as (3).

Subsec. (a)(2)(A). Pub. L. 100–418, § 1424(b), directed the amendment of subpar. (A) by substituting ''$120,000,000'' for ''$80,000,000'', which amendment did not become effective pursuant to section 1430(d) of Pub. L. 100–418, as amended, set out as an Effective Date note under section 2397 of this title.

Subsec. (a)(3), (4). Pub. L. 100–418, § 1424(a)(11), redesignated pars. (2) and (3) as (3) and (4), respectively. Former par. (4) redesignated (5).

Subsec. (a)(5). Pub. L. 100–418, § 1424(a)(8)–(11), redesignated former par. (4) as (5), added subpars. (D) and (E), and redesignated former subpar. (D) as (F).

Subsec. (a)(6). Pub. L. 100–418, § 1424(a)(13), added par. (6).

Subsec. (a)(6)(B). Pub. L. 100–647 substituted ''in clause (i) or (ii) of subparagraph (A)'' for ''in subparagraph (A) or (B) of paragraph (1)''.

Subsec. (a)(7) to (9). Pub. L. 100–418, § 1424(a)(13), added pars. (7) to (9).

Subsec. (c). Pub. L. 100–418, § 1424(c)(1), substituted present introductory provisions for ''Notwithstanding any provision of subsection (a)(1) of this section, the Secretary may pay the costs of on-the-job training of an adversely affected worker under subsection (a)(1) of this section only if—''.

Pub. L. 100–418, § 1424(c)(2), (3), redesignated subsec. (d) as (c), and struck out former subsec. (c) which related to refusal to accept or continue training, or failure to make satisfactory progress.

Subsecs. (d) to (f). Pub. L. 100–418, § 1424(c)(3), redesignated subsecs. (e) and (f) as (d) and (e), respectively. Former subsec. (d) redesignated (c).

1986—Subsec. (a)(1). Pub. L. 99–272, § 13004(a)(2), substituted ''shall (to the extent appropriated funds are available) approve'' for ''may approve'' in first sentence.

Subsec. (a)(1)(A). Pub. L. 99–272, § 13004(a)(1), substituted ''for an adversely affected worker'' for ''for a worker''.

Subsec. (a)(2) to (4). Pub. L. 99–272, § 13004(a)(6), added pars. (2) to (4). Former pars. (2) and (3) redesignated subsecs. (e) and (f), respectively.

Subsec. (d). Pub. L. 99–272, § 13004(a)(7), added subsec. (d).

Subsec. (e). Pub. L. 99–272, § 13004(a)(3), (5), redesignated par. (2) of subsec. (a) as subsec. (e) and substituted ''under subsection (a) of this section'' for ''under paragraph (1)'' in two places.

Subsec. (f). Pub. L. 99–272, § 13004(a)(4), (5), redesignated par. (3) of subsec. (a) as subsec. (f) and substituted ''this section'' for ''this subsection''.

1981—Subsec. (a). Pub. L. 97–35 redesignated existing provisions as par. (1), revised provisions, made changes in nomenclature, inserted provisions respecting availability, payment, and scope of training, and added pars. (2) and (3).

Subsec. (b). Pub. L. 97–35 substituted provisions limiting the maximum amount of travel expenses on the basis of amounts paid under Federal travel regulations for provisions establishing specific maximum amounts for subsistence and transportation expenses.

EFFECTIVE DATE OF 1988 AMENDMENTS

Amendment by Pub. L. 100–647 applicable as if such amendment took effect on Aug. 23, 1988, see section 9001(b) of Pub. L. 100–647, set out as an Effective and Termination Dates of 1988 Amendments note under section 58c of this title.

Amendment by section 1424(c)(2), (3) of Pub. L. 100–418 effective on date that is 90 days after Aug. 23, 1988, see section 1430(f) of Pub. L. 100–418, set out as an Effective Date note under section 2397 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT AND TRANSITION PROVISIONS

Amendment by Pub. L. 97–35 effective for determinations made or filed after Sept. 30, 1981, with transition provisions applicable, and with the amendment of subsec. (a)(2) of this section applicable, except as otherwise provided, to laws for certification purposes under section 3304 of title 26 on Oct. 31, of any taxable year after 1981, see section 2514 of Pub. L. 97–35, set out as a note under section 2291 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2275, 2291, 2293, 2297, 2298, 2311, 2331 of this title; title 7 section 2015.

§ 2297. Job search allowances

(a) Terms

Any adversely affected worker covered by a certification under subpart A of this part may file an application with the Secretary for a job search allowance. Such allowance, if granted, shall provide reimbursement to the worker of 90 percent of the cost of necessary job search expenses as prescribed by regulations of the Secretary; except that—

(1) such reimbursement may not exceed $800 for any worker, and

(2) reimbursement may not be made for subsistence and transportation expenses at levels exceeding those allowable under section 2296(b)(1) and (2) of this title.

(b) Conditions

A job search allowance may be granted only—

(1) to assist an adversely affected worker who has been totally separated in securing a job within the United States;

(2) where the Secretary determines that such worker cannot reasonably be expected to secure suitable employment in the commuting area in which he resides; and

(3) where the worker has filed an application for such allowance with the Secretary before—

(A) the later of—

(i) the 365th day after the date of the certification under which the worker is eligible, or

(ii) the 365th day after the date of the worker's last total separation; or

(B) the 182d day after the concluding date of any training received by the worker, if the worker was referred to such training by the Secretary.

(c) Reimbursement for necessary expenses

The Secretary shall reimburse any adversely affected worker for necessary expenses incurred by such worker in participating in a job search program approved by the Secretary.

(Pub. L. 93–618, title II, § 237, Jan. 3, 1975, 88 Stat. 2023; Pub. L. 97–35, title XXV, § 2507, Aug. 13, 1981, 95 Stat. 886; Pub. L. 98–369, div. B, title VI, § 2672(a), July 18, 1984, 98 Stat. 1172; Pub. L. 99–272, title XIII, § 13005(a), Apr. 7, 1986, 100 Stat. 303.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1986—Subsec. (c). Pub. L. 99–272 added subsec. (c).

1984—Subsec. (a)(1). Pub. L. 98–369 substituted ''$800'' for ''$600''.

1981—Subsec. (a). Pub. L. 97–35, § 2507(1), amended provisions generally, increasing percent of reimbursement of cost of job search from 80 to 90 and maximum amount from $500 to $600, and striking out requirement of total separation.

Subsec. (b)(1). Pub. L. 97–35, § 2507(2)(A), inserted ''who has been totally separated'' after ''to assist an adversely affected worker''.

Subsec. (b)(3). Pub. L. 97–35, § 2507(2)(B), amended par. (3) generally, substituting the 182-day period for a reasonable period of time and inserting provision relating to 365 days after certification.

EFFECTIVE DATE OF 1981 AMENDMENT AND TRANSITION PROVISIONS

Amendment by Pub. L. 97–35 effective for determinations made or filed after Sept. 30, 1981, with transition provisions applicable, see section 2514 of Pub. L. 97–35, set out as a note under section 2291 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2331 of this title.

§ 2298. Relocation allowances

(a) Filing of application

Any adversely affected worker covered by a certification under subpart A of this part may file an application with the Secretary for a relocation allowance, subject to the terms and conditions of this section, if such worker files such application before—

(1) the later of—

(A) the 425th day after the date of the certification, or

(B) the 425th day after the date of the worker's last total separation; or

(2) the 182d day after the concluding date of any training received by such worker, if the worker was referred to such training by the Secretary.

(b) Suitable employment; bona fide offer; total separation when relocation commences

A relocation allowance may be granted only to assist an adversely affected worker in relocating within the United States and only if the Secretary determines that such worker cannot reasonably be expected to secure suitable employment in the commuting area in which he resides and that such worker—

(1) has obtained suitable employment affording a reasonable expectation of long-term duration in the area in which he wishes to relocate, or

(2) has obtained a bona fide offer of such employment, and

(3) is totally separated from employment at the time relocation commences.

(c) Time of relocation

A relocation allowance shall not be granted to such worker unless his relocation occurs within 182 days after the filing of the application therefor or (in the case of a worker who has been referred to training by the Secretary) within 182 days after the conclusion of such training.

(d) "Relocation allowance" defined

For the purposes of this section, the term ''relocation allowance'' means—

(1) 90 percent of the reasonable and necessary expenses (including, but not limited to, subsistence and transportation expenses at levels not exceeding those allowable under section 2296(b)(1) and (2) of this title) specified in regulations prescribed by the Secretary, incurred in transporting a worker and his family, if any, and household effects, and

(2) a lump sum equivalent to three times the worker's average weekly wage, up to a maximum payment of $800.

(Pub. L. 93–618, title II, § 238, Jan. 3, 1975, 88 Stat. 2024; Pub. L. 97–35, title XXV, § 2508, Aug. 13, 1981, 95 Stat. 886; Pub. L. 98–369, div. B, title VI, § 2672(b), July 18, 1984, 98 Stat. 1172.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1984—Subsec. (d)(2). Pub. L. 98–369 substituted ''$800'' for ''$600''.

1981—Subsec. (a). Pub. L. 97–35, § 2508(1), inserted provisions relating to time for filing application and struck out provisions respecting total separation.

Subsec. (b)(3). Pub. L. 97–35, § 2508(2), added par. (3).

Subsec. (c). Pub. L. 97–35, § 2508(3), substituted provisions respecting 182-day requirements for provisions respecting requirements involving entitlements for the week in which the application is filed and relocation occurring within a reasonable period of time.

Subsec. (d)(1). Pub. L. 97–35, § 2508(4)(A), increased percentage from 80 to 90 percent and inserted provision respecting allowable levels of subsistence and travel expenses.

Subsec. (d)(2). Pub. L. 97–35, § 2508(4)(B), increased maximum payment from $500 to $600.

EFFECTIVE DATE OF 1981 AMENDMENT AND TRANSITION PROVISIONS

Amendment by Pub. L. 97–35 effective for determinations made or filed after Sept. 30, 1981, with transition provisions applicable, see section 2514 of Pub. L. 97–35, set out as a note under section 2291 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2331 of this title.

SUBPART C—GENERAL PROVISIONS

SUBPART REFERRED TO IN OTHER SECTIONS

This subpart is referred to in section 2331 of this title.

§ 2311. Agreements with States

(a) Authority of Secretary to enter into agreements

The Secretary is authorized on behalf of the United States to enter into an agreement with any State, or with any State agency (referred to in this subpart as ''cooperating States'' and ''cooperating States agencies'' respectively). Under such an agreement, the cooperating State agency (1) as agent of the United States, will receive applications for, and will provide, payments on the basis provided in this part, (2) where appropriate, but in accordance with subsection (f) of this section, will afford adversely affected workers testing, counseling, referral to training and job search programs, and placement services, (3) will make any certifications required under section 2291(c)(2) of this title, and (4) will otherwise cooperate with the Secretary and with other State and Federal agencies in providing payments and services under this part.

(b) Amendment, suspension, and termination of agreements

Each agreement under this subpart shall provide the terms and conditions upon which the agreement may be amended, suspended, or terminated.

(c) Unemployment insurance

Each agreement under this subpart shall provide that unemployment insurance otherwise payable to any adversely affected worker will not be denied or reduced for any week by reason of any right to payments under this part.

(d) Review

A determination by a cooperating State agency with respect to entitlement to program benefits under an agreement is subject to review in the same manner and to the same extent as determinations under the applicable State law and only in that manner and to that extent.

(e) Coordination of benefits and assistance

Any agreement entered into under this section shall provide for the coordination of the administration of the provisions for employment services, training, and supplemental assistance under sections 2295 and 2296 of this title and under title III of the Job Training Partnership Act [29 U.S.C. 1651 et seq.] upon such terms and conditions as are established by the Secretary in consultation with the States and set forth in such agreement. Any agency of the State jointly administering such provisions under such agreement shall be considered to be a cooperating State agency for purposes of this part.

(f) Advising and interviewing adversely affected workers

Each cooperating State agency shall, in carrying out subsection (a)(2) of this section—

(1) advise each worker who applies for unemployment insurance of the benefits under this part and the procedures and deadlines for applying for such benefits,

(2) facilitate the early filing of petitions under section 2271 of this title for any workers that the agency considers are likely to be eligible for benefits under this part,

(3) advise each adversely affected worker to apply for training under section 2296(a) of this title before, or at the same time, the worker applies for trade readjustment allowances under sections 2291 to 2294 of this title, and

(4) as soon as practicable, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 2296 of this title and review such opportunities with the worker.

(Pub. L. 93–618, title II, § 239, Jan. 3, 1975, 88 Stat. 2024; Pub. L. 97–35, title XXV, § 2513(d)(6), Aug. 13, 1981, 95 Stat. 889; Pub. L. 99–272, title XIII, §§ 13003(a)(3), 13004(c), Apr. 7, 1986, 100 Stat. 301, 303; Pub. L. 100–418, title I, §§ 1423(a)(4), 1424(d)(1)(B), (2), Aug. 23, 1988, 102 Stat. 1246, 1250.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

REFERENCES IN TEXT

The Job Training Partnership Act, referred to in subsec. (e), is Pub. L. 97–300, Oct. 13, 1982, 96 Stat. 1322, as amended. Title III of that Act is classified generally to subchapter III (§ 1651 et seq.) of chapter 19 of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 1501 of Title 29 and Tables.

CODIFICATION

Section is comprised of subsecs. (a) to (f) of Pub. L. 93–618. Another subsec. (e) of section 239 of Pub. L. 93–618 amended section 3302 of Title 26, Internal Revenue Code.

AMENDMENTS

1988—Subsec. (a)(3). Pub. L. 100–418, § 1423(a)(4), amended cl. (3) generally. Prior to amendment, cl. (3) read as follows: ''will make determinations and approvals regarding job search programs under sections 2291(c) and 2297(c) of this title, and''.

Subsec. (e). Pub. L. 100–418, § 1424(d)(1)(B), amended subsec. (e) generally. Prior to amendment, subsec. (e) read as follows: ''Agreements entered into under this section may be made with one or more State or local agencies including—

''(1) the employment service agency of such State,

''(2) any State agency carrying out title III of the Job Training Partnership Act [29 U.S.C. 1651 et seq.], or

''(3) any other State or local agency administering job training or related programs.''

Subsec. (f). Pub. L. 100–418, § 1424(d)(2), amended subsec. (f) generally. Prior to amendment, subsec. (f) read as follows: ''Each cooperating State agency shall, in carrying out subsection (a)(2) of this section—

''(1) advise each adversely affected worker to apply for training under section 2296(a) of this title at the time the worker makes application for trade readjustment allowances (but failure of the worker to do so may not be treated as cause for denial of those allowances), and

''(2) within 60 days after application for training is made by the worker, interview the adversely affected worker regarding suitable training opportunities available to the worker under section 2296 of this title and review such opportunities with the worker.''

1986—Subsec. (a). Pub. L. 99–272, § 13004(c)(1), inserted ''but in accordance with subsection (f) of this section,'' in cl. (2).

Pub. L. 99–272, § 13003(a)(3), substituted ''training and job search programs'' for ''training'' in cl. (2), added cl. (3), and redesignated former cl. (3) as (4).

Subsecs. (e), (f). Pub. L. 99–272, § 13004(c)(2), added subsecs. (e) and (f).

1981—Subsec. (a). Pub. L. 97–35 struck out provisions respecting persons applying for payments under this part.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by section 1424(d)(1)(B), (2) of Pub. L. 100–418 effective Aug. 23, 1988, and amendment by section 1423(a)(4) of Pub. L. 100–418 effective on the date that is 90 days after Aug. 23, 1988, see section 1430(a), (f) of Pub. L. 100–418, set out as an Effective Date note under section 2397 of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

Amendment by section 13003(a) of Pub. L. 99–272 applicable with respect to workers covered by petitions filed under section 2271 of this title on or after Apr. 7, 1986, and amendment by section 13004(c) of Pub. L. 99–272 effective on Apr. 7, 1986, see section 13009(a), (b) of Pub. L. 99–272, set out as a note under section 2291 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT AND TRANSITION PROVISIONS

Amendment by Pub. L. 97–35 effective Aug. 1981, with transition provisions applicable, see section 2514 of

Pub. L. 97–35, set out as a note under section 2291 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2275, 2291, 2312, 2316, 2331 of this title; title 26 section 3302; title 29 section 1661.

§ 2312. Administration absent State agreement

(a) Promulgation of regulations; fair hearing

In any State where there is no agreement in force between a State or its agency under section 2311 of this title, the Secretary shall arrange under regulations prescribed by him for performance of all necessary functions under subpart B of this part, including provision for a fair hearing for any worker whose application for payments is denied.

(b) Review of final determination

A final determination under subsection (a) of this section with respect to entitlement to program benefits under subpart B of this part is subject to review by the courts in the same manner and to the same extent as is provided by section 405(g) of title 42.

(Pub. L. 93–618, title II, § 240, Jan. 3, 1975, 88 Stat. 2025.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

§ 2313. Payments to States

(a) Certification to Secretary of the Treasury for payment to cooperating States

The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each cooperating State the sums necessary to enable such State as agent of the United States to make payments provided for by this part.

(b) Utilization or return of money

All money paid a State under this section shall be used solely for the purposes for which it is paid; and money so paid which is not used for such purposes shall be returned, at the time specified in the agreement under this subpart, to the Secretary of the Treasury.

(c) Surety bonds

Any agreement under this subpart may require any officer or employee of the State certifying payments or disbursing funds under the agreement or otherwise participating in the performance of the agreement, to give a surety bond to the United States in such amount as the Secretary may deem necessary, and may provide for the payment of the cost of such bond from funds for carrying out the purposes of this part.

(Pub. L. 93–618, title II, § 241, Jan. 3, 1975, 88 Stat. 2025; Pub. L. 97–35, title XXV, § 2513(b), Aug. 13, 1981, 95 Stat. 889.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1981—Subsec. (a). Pub. L. 97–35 struck out provisions relating to payment to the State by the Secretary of the Treasury from the Adjustment Assistance Trust Fund prior to audit or settlement by the General Accounting Office.

Subsec. (b). Pub. L. 97–35 struck out provisions relating to crediting money returned to the Secretary of the Treasury to the Adjustment Assistance Trust Fund.

EFFECTIVE DATE OF 1981 AMENDMENT AND TRANSITION PROVISIONS

Amendment by Pub. L. 97–35 effective Aug. 1981, with transition provisions applicable, see section 2514 of Pub. L. 97–35, set out as a note under section 2291 of this title.

§ 2314. Liabilities of certifying and disbursing officers

(a) Certifying officer

No person designated by the Secretary, or designated pursuant to an agreement under this subpart, as a certifying officer, shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment certified by him under this part.

(b) Disbursing officer

No disbursing officer shall, in the absence of gross negligence or intent to defraud the United States, be liable with respect to any payment by him under this part if it was based upon a voucher signed by a certifying officer designated as provided in subsection (a) of this section.

(Pub. L. 93–618, title II, § 242, Jan. 3, 1975, 88 Stat. 2026.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

§ 2315. Fraud and recovery of overpayments

(a) Repayment; deductions

(1) If a cooperating State agency, the Secretary, or a court of competent jurisdiction determines that any person has received any payment under this part to which the person was not entitled, including a payment referred to in subsection (b) of this section, such person shall be liable to repay such amount to the State agency or the Secretary, as the case may be, except that the State agency or the Secretary may waive such repayment if such agency or the Secretary determines, in accordance with guidelines prescribed by the Secretary, that—

(A) the payment was made without fault on the part of such individual, and

(B) requiring such repayment would be contrary to equity and good conscience.

(2) Unless an overpayment is otherwise recovered, or waived under paragraph (1), the State agency or the Secretary shall recover the overpayment by deductions from any sums payable to such person under this part, under any Federal unemployment compensation law administered by the State agency or the Secretary, or under any other Federal law administered by the State agency or the Secretary which provides for the payment of assistance or an allowance with respect to unemployment, and, notwithstanding any other provision of State law or Federal law to the contrary, the Secretary may

require the State agency to recover any overpayment under this part by deduction from any unemployment insurance payable to such person under the State law, except that no single deduction under this paragraph shall exceed 50 percent of the amount otherwise payable.

(b) False representation or nondisclosure of material fact

If a cooperating State agency, the Secretary, or a court of competent jurisdiction determines that an individual—

(1) knowingly has made, or caused another to make, a false statement or representation of a material fact, or

(2) knowingly has failed, or caused another to fail, to disclose a material fact,

and as a result of such false statement or representation, or of such nondisclosure, such individual has received any payment under this part to which the individual was not entitled, such individual shall, in addition to any other penalty provided by law, be ineligible for any further payments under this part.

(c) Notice of determination; fair hearing; finality

Except for overpayments determined by a court of competent jurisdiction, no repayment may be required, and no deduction may be made, under this section until a determination under subsection (a)(1) of this section by the State agency or the Secretary, as the case may be, has been made, notice of the determination and an opportunity for a fair hearing thereon has been given to the individual concerned, and the determination has become final.

(d) Recovered amount returned to Treasury

Any amount recovered under this section shall be returned to the Treasury of the United States.

(Pub. L. 93–618, title II, § 243, Jan. 3, 1975, 88 Stat. 2026; Pub. L. 97–35, title XXV, § 2509, Aug. 13, 1981, 95 Stat. 887.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1981—Subsec. (a). Pub. L. 97–35 designated existing provisions as par. (1), revised provisions, made changes in nomenclature and, among other changes, inserted provisions respecting waiver, and added par. (2).

Subsec. (b). Pub. L. 97–35 substituted provisions relating to ineligibility for other payments for provisions relating to deposit, return, and credit of repayments.

Subsecs. (c), (d). Pub. L. 97–35 added subsecs. (c) and (d).

EFFECTIVE DATE OF 1981 AMENDMENT AND TRANSITION PROVISIONS

Amendment by Pub. L. 97–35 effective Aug. 13, 1981, with transition provisions applicable, see section 2514 of Pub. L. 97–35, set out as a note under section 2291 of this title.

§ 2316. Penalties

Whoever makes a false statement of a material fact knowing it to be false, or knowingly fails to disclose a material fact, for the purpose of obtaining or increasing for himself or for any other person any payment authorized to be furnished under this part or pursuant to an agreement under section 2311 of this title shall be fined not more than $1,000 or imprisoned for not more than one year, or both.

(Pub. L. 93–618, title II, § 244, Jan. 3, 1975, 88 Stat. 2026.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

§ 2317. Authorization of appropriations

(a) In general

There are authorized to be appropriated to the Department of Labor, for each of the fiscal years 1993, 1994, 1995, 1996, 1997, and 1998, such sums as may be necessary to carry out the purposes of this part, other than subpart D.

(b) Subpart D

There are authorized to be appropriated to the Department of Labor, for each of fiscal years 1994, 1995, 1996, 1997, and 1998, such sums as may be necessary to carry out the purposes of subpart D of this part.

(Pub. L. 93–618, title II, § 245, Jan. 3, 1975, 88 Stat. 2026; Pub. L. 97–35, title XXV, § 2510, Aug. 13, 1981, 95 Stat. 888; Pub. L. 98–120, § 2(a), Oct. 12, 1983, 97 Stat. 809; Pub. L. 99–272, title XIII, § 13008(a), Apr. 7, 1986, 100 Stat. 305; Pub. L. 100–418, title I, § 1426(b)(1), Aug. 23, 1988, 102 Stat. 1251; Pub. L. 103–66, title XIII, § 13803(a)(2), Aug. 10, 1993, 107 Stat. 668; Pub. L. 103–182, title V, § 504, Dec. 8, 1993, 107 Stat. 2151.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1993—Pub. L. 103–182 designated existing provisions as subsec. (a), inserted heading and ‘‘, other than subpart D’’ after ‘‘this part’’, and added subsec. (b).

Pub. L. 103–66 substituted ‘‘1993, 1994, 1995, 1996, 1997, and 1998’’ for ‘‘1988, 1989, 1990, 1991, 1992, and 1993’’.

1988—Pub. L. 100–418 substituted ‘‘1988, 1989, 1990, 1991, 1992, and 1993’’ for ‘‘1986, 1987, 1988, 1989, 1990, and 1991’’.

1986—Pub. L. 99–272 substituted ‘‘1986, 1987, 1988, 1989, 1990, and 1991’’ for ‘‘1982 through 1985’’.

1983—Pub. L. 98–120 substituted ‘‘each of the fiscal years 1982 through 1985’’ for ‘‘each of fiscal years 1982 and 1983’’.

1981—Pub. L. 97–35 substituted provisions relating to authorization of appropriations for fiscal years 1982 and 1983 for provisions relating to establishment of the Adjustment Assistance Trust Fund.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 506(a) of Pub. L. 103–182, set out as an Effective Date note under section 2331 of this title.

EFFECTIVE DATE OF 1986 AMENDMENT

Parts 2 and 3 of this subchapter applicable as if the amendment of this section by Pub. L. 99–272 had taken effect Dec. 18, 1985, see section 13009(c) of Pub. L. 99–272, set out as a note under section 2291 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT AND TRANSITION PROVISIONS

Amendment by Pub. L. 97–35 effective Aug. 13, 1981, with transition provisions applicable, see section 2514 of Pub. L. 97–35, set out as a note under section 2291 of this title.

§ 2318. Supplemental wage allowance demonstration projects

(a) Establishment of projects; purpose

The Secretary shall establish one or more demonstration projects during fiscal years 1989 and 1990 for the purpose of—

(1) determining the attractiveness of a supplemental wage allowance to various categories of workers eligible for assistance under this part, based on the amount and duration of the supplement;

(2) determining the effectiveness of a supplemental wage allowance as an option under this part in facilitating the readjustment of adversely affected workers; and

(3) determining whether a supplemental wage allowance should be made an option under the Trade Adjustment Assistance program for all fiscal years.

(b) Supplemental wage allowances

(1) For purposes of this section, the term ''supplemental wage allowance'' means a payment that is made to an adversely affected worker who—

(A) accepts full-time employment at an average weekly wage that is less than the average weekly wage of the worker in the adversely affected employment,

(B) prior to such acceptance, is eligible for trade readjustment allowances under sections 2291 to 2294 of this title, and

(C) voluntarily elects to receive such payment in lieu of any trade readjustment allowances that the worker would otherwise be eligible to receive with respect to the period covered by the certification made under subpart A of this part that applies to such worker.

(2) A supplemental wage allowance shall be provided under any demonstration project established under subsection (a) of this section to a worker described in paragraph (1) for each week during which the worker performs services in the full-time employment referred to in paragraph (1)(A) in an amount that does not exceed the lesser of—

(A) the amount of the trade readjustment allowance that the worker would have been eligible to receive for any week under sections 2291 to 2294 of this title if the worker had not accepted the full-time employment and had not made the election described in paragraph (1)(C), or

(B) the excess of—

(i) an amount equal to 80 percent of the average weekly wage of the worker in the adversely affected employment, over

(ii) the average weekly wage in the full-time employment.

(3)(A) Supplemental wage allowances shall not be provided under any demonstration project established under subsection (a) of this section for more than 52 weeks.

(B) The total amount of supplemental wage allowances that may be paid to any worker under any demonstration project established under subsection (a) of this section with respect to the period covered by the certification applicable to such worker shall not exceed an amount that is equal to the excess of—

(i) the amount of the limitation imposed under section 2293(a)(1) of this title with respect to such worker for such period, over

(ii) the amount of the trade readjustment allowances paid under sections 2291 to 2294 of this title to such worker for such period.

(c) Evaluation of projects

The Secretary shall provide for an evaluation of demonstration projects conducted under this section to determine at least the following:

(1) the extent to which different age groups of eligible recipients utilize the supplemental wage allowance;

(2) the effect of the amount and duration of the supplemental wage allowance on the utilization of the allowance;

(3) the extent to which the supplemental wage allowance affects the demand for training and the appropriateness thereof;

(4) the extent to which the supplemental wage allowance facilitates the readjustment of workers who would not otherwise utilize benefits provided under this part;

(5) the extent to which the allowance affects the cost of carrying out the provisions of this part; and

(6) the effectiveness of the supplemental wage allowance as an option under this part in facilitating the readjustment of adversely affected workers.

(d) Report to Congress; evaluation and recommendation

By no later than the date that is 6 years after August 23, 1988, the Secretary shall transmit to the Congress a report that includes—

(1) an evaluation of the projects authorized under this section that is conducted in accordance with subsection (c) of this section, and

(2) a recommendation as to whether the supplemental wage allowance should be available on a permanent basis as an option for some or all workers eligible for assistance under this part.

(Pub. L. 93–618, title II, § 246, as added Pub. L. 100–418, title I, § 1423(d)(1), Aug. 23, 1988, 102 Stat. 1246; amended Pub. L. 101–382, title I, § 136, Aug. 20, 1990, 104 Stat. 652.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

PRIOR PROVISIONS

A prior section, Pub. L. 93–618, title II, § 246, Jan. 3, 1975, 88 Stat. 2027, contained transition provisions for events taking place during specified periods prior to the effective date of this part, prior to repeal by Pub. L. 97–35, title XXV, § 2513(c), Aug. 13, 1981, 95 Stat. 889.

AMENDMENTS

1990—Subsec. (a). Pub. L. 101–382, § 136(1), struck out ''and carry out'' after ''establish'' in introductory provisions.

Subsec. (d). Pub. L. 101–382, § 136(2), substituted ''6 years'' for ''3 years''.

SUPPLEMENTAL WAGE ALLOWANCES REGARDED AS TRADE READJUSTMENT ALLOWANCES

Section 1423(d)(2) of Pub. L. 100–418 provided that: ''For purposes of funding the demonstration projects established under section 246(a) of the Trade Act of 1974 [19 U.S.C. 2318(a)], as added by paragraph (1) of this subsection—

''(A) the supplemental wage allowances payable under such projects shall be considered to be trade readjustment allowances payable under part I of subchapter B of chapter 2 of title II of the Trade Act of 1974 [19 U.S.C. 2291 to 2294], and

''(B) the costs of administering such projects by the States shall be considered to be costs of administering such part I.''

§ 2319. Definitions

For purposes of this part—

(1) The term ''adversely affected employment'' means employment in a firm or appropriate subdivision of a firm, if workers of such firm or subdivision are eligible to apply for adjustment assistance under this part.

(2) The term ''adversely affected worker'' means an individual who, because of lack of work in adversely affected employment—

(A) has been totally or partially separated from such employment, or

(B) has been totally separated from employment with the firm in a subdivision of which such adversely affected employment exists.

(3) Repealed. Pub. L. 97–35, title XXV, § 2511(1), Aug. 13, 1981, 95 Stat. 888.

(4) The term ''average weekly wage'' means one-thirteenth of the total wages paid to an individual in the high quarter. For purposes of this computation, the high quarter shall be that quarter in which the individual's total wages were highest among the first 4 of the last 5 completed calendar quarters immediately before the quarter in which occurs the week with respect to which the computation is made. Such week shall be the week in which total separation occurred, or, in cases where partial separation is claimed, an appropriate week, as defined in regulations prescribed by the Secretary.

(5) The term ''average weekly hours'' means the average hours worked by the individual (excluding overtime) in the employment from which he has been or claims to have been separated in the 52 weeks (excluding weeks during which the individual was sick or on vacation) preceding the week specified in the last sentence of paragraph (4).

(6) The term ''partial separation'' means, with respect to an individual who has not been totally separated, that he has had—

(A) his hours of work reduced to 80 percent or less of his average weekly hours in adversely affected employment, and

(B) his wages reduced to 80 percent or less of his average weekly wage in such adversely affected employment.

(7) Repealed. Pub. L. 97–35, title XXV, § 2511(1), Aug. 13, 1981, 95 Stat. 888.

(8) The term ''State'' includes the District of Columbia and the Commonwealth of Puerto Rico; and the term ''United States'' when used in the geographical sense includes such Commonwealth.

(9) The term ''State agency'' means the agency of the State which administers the State law.

(10) The term ''State law'' means the unemployment insurance law of the State approved by the Secretary of Labor under section 3304 of title 26.

(11) The term ''total separation'' means the layoff or severance of an individual from employment with a firm in which, or in a subdivision of which, adversely affected employment exists.

(12) The term ''unemployment insurance'' means the unemployment compensation payable to an individual under any State law or Federal unemployment compensation law, including chapter 85 of title 5 and the Railroad Unemployment Insurance Act [45 U.S.C. 351 et seq.]. The terms ''regular compensation'', ''additional compensation'', and ''extended compensation'' have the same respective meanings that are given them in section 205(2), (3), and (4) of the Federal-State Extended Unemployment Compensation Act of 1970 (26 U.S.C. 3304 note).

(13) The term ''week'' means a week as defined in the applicable State law.

(14) The term ''week of unemployment'' means a week of total, part-total, or partial unemployment as determined under the applicable State law or Federal unemployment insurance law.

(15) The term ''benefit period'' means, with respect to an individual—

(A) the benefit year and any ensuing period, as determined under applicable State law, during which the individual is eligible for regular compensation, additional compensation, or extended compensation, or

(B) the equivalent to such a benefit year or ensuing period provided for under the applicable Federal unemployment insurance law.

(16) The term ''on-the-job training'' means training provided by an employer to an individual who is employed by the employer.

(17)(A) The term ''job search program'' means a job search workshop or job finding club.

(B) The term ''job search workshop'' means a short (1 to 3 days) seminar designed to provide participants with knowledge that will enable the participants to find jobs. Subjects are not limited to, but should include, labor market information, resume writing, interviewing techniques, and techniques for finding job openings.

(C) The term ''job finding club'' means a job search workshop which includes a period (1 to 2 weeks) of structured, supervised activity in which participants attempt to obtain jobs.

(Pub. L. 93–618, title II, § 247, Jan. 3, 1975, 88 Stat. 2028; Pub. L. 97–35, title XXV, § 2511, Aug. 13, 1981, 95 Stat. 888; Pub. L. 99–272, title XIII, §§ 13004(b), 13005(b), Apr. 7, 1986, 100 Stat. 303.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

REFERENCES IN TEXT

The Railroad Unemployment Insurance Act, referred to in par. (12), is act June 25, 1938, ch. 680, 52 Stat. 1094, as amended, which is classified principally to chapter 11 (§ 351 et seq.) of Title 45, Railroads. For complete classification of this Act to the Code, see Tables.

AMENDMENTS

1986—Pars. (16), (17). Pub. L. 99–272 added pars. (16) and (17).

1981—Par. (3). Pub. L. 97–35, § 2511(1), struck out par. (3) defining ''average weekly manufacturing wage''.

Par. (7). Pub. L. 97–35, § 2511(1), struck out par. (7) defining ''remuneration''.

Par. (12). Pub. L. 97–35, § 2511(2), revised par. (12) generally, inserting definitions of ''regular compensation'', ''additional compensation'', and ''extended compensation''.

Par. (14). Pub. L. 97–35, § 2511(3), substituted provisions requiring determination under the applicable State law or Federal unemployment insurance law for provisions requiring computation applying percent of average weekly wage and time spent prior to separation.

Par. (15). Pub. L. 97–35, § 2511(4), added par. (15).

EFFECTIVE DATE OF 1981 AMENDMENT AND TRANSITION PROVISIONS

Amendment by Pub. L. 97–35 applicable to allowances payable for weeks of unemployment which begin after Sept. 30, 1981, with transition provisions applicable, see section 2514 of Pub. L. 97–35, set out as a note under section 2291 of this title.

§ 2320. Regulations

The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this part.

(Pub. L. 93–618, title II, § 248, Jan. 3, 1975, 88 Stat. 2029.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

§ 2321. Subpena power

(a) Subpena by Secretary

The Secretary may require by subpena the attendance of witnesses and the production of evidence necessary for him to make a determination under the provisions of this part.

(b) Court order

If a person refuses to obey a subpena issued under subsection (a) of this section, a United States district court within the jurisdiction of which the relevant proceeding under this part is conducted may, upon petition by the Secretary, issue an order requiring compliance with such subpena.

(Pub. L. 93–618, title II, § 249, Jan. 3, 1975, 88 Stat. 2029.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

§ 2322. Nonduplication of assistance

No worker may receive assistance relating to a separation pursuant to certifications under both subparts A and D of this part.

(Pub. L. 93–618, title II, § 249A, as added Pub. L. 103–182, title V, § 503(c), Dec. 8, 1993, 107 Stat. 2151.)

PRIOR PROVISIONS

A prior section 2322, Pub. L. 93–618, title II, § 250, Jan. 3, 1975, 88 Stat. 2029, provided for judicial review for workers or groups aggrieved by a final determination by the Secretary under section 2273 of this title, prior to repeal by Pub. L. 96–417, title VI, § 612, title VII, § 701(a), Oct. 10, 1980, 94 Stat. 1746, 1747, effective Nov. 1, 1980, and applicable with respect to civil actions pending on or commenced on or after such date. See section 2395 of this title.

EFFECTIVE DATE

Section effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 506(a) of Pub. L. 103–182, set out as a note under section 2331 of this title.

SUBPART D—NAFTA TRANSITIONAL ADJUSTMENT ASSISTANCE PROGRAM

SUBPART REFERRED TO IN OTHER SECTIONS

This subpart is referred to in sections 2275, 2317, 2322 of this title.

§ 2331. Establishment of transitional program

(a) Group eligibility requirements

(1) Criteria

A group of workers (including workers in any agricultural firm or subdivision of an agricultural firm) shall be certified as eligible to apply for adjustment assistance under this subpart pursuant to a petition filed under subsection (b) of this section if the Secretary determines that a significant number or proportion of the workers in such workers' firm or an appropriate subdivision of the firm have become totally or partially separated, or are threatened to become totally or partially separated, and either—

(A) that—

(i) the sales or production, or both, of such firm or subdivision have decreased absolutely,

(ii) imports from Mexico or Canada of articles like or directly competitive with articles produced by such firm or subdivision have increased, and

(iii) the increase in imports under clause (ii) contributed importantly to such workers' separation or threat of separation and to the decline in the sales or production of such firm or subdivision; or

(B) that there has been a shift in production by such workers' firm or subdivision to Mexico or Canada of articles like or directly competitive with articles which are produced by the firm or subdivision.

(2) "Contributed importantly" defined

The term ''contributed importantly'', as used in paragraph (1)(A)(iii), means a cause which is important but not necessarily more important than any other cause.

(3) Regulations

The Secretary shall issue regulations relating to the application of the criteria described

in paragraph (1) in making preliminary findings under subsection (b) of this section and determinations under subsection (c) of this section.

(b) Preliminary findings and basic assistance

(1) Filing of petitions

A petition for certification of eligibility to apply for adjustment assistance under this subpart may be filed by a group of workers (including workers in any agricultural firm or subdivision of an agricultural firm) or by their certified or recognized union or other duly authorized representative with the Governor of the State in which such workers' firm or subdivision thereof is located.

(2) Findings and assistance

Upon receipt of a petition under paragraph (1), the Governor shall—

(A) notify the Secretary that the Governor has received the petition;

(B) within 10 days after receiving the petition—

(i) make a preliminary finding as to whether the petition meets the criteria described in subsection (a)(1) of this section (and for purposes of this clause the criteria described under subparagraph (A)(iii) of such subsection shall be disregarded), and

(ii) transmit the petition, together with a statement of the finding under clause (i) and reasons therefor, to the Secretary for action under subsection (c) of this section; and

(C) if the preliminary finding under subparagraph (B)(i) is affirmative, ensure that rapid response and basic readjustment services authorized under other Federal law are made available to the workers.

(c) Review of petitions by Secretary; certifications

(1) In general

The Secretary, within 30 days after receiving a petition under subsection (b) of this section, shall determine whether the petition meets the criteria described in subsection (a)(1) of this section. Upon a determination that the petition meets such criteria, the Secretary shall issue to workers covered by the petition a certification of eligibility to apply for assistance described in subsection (d) of this section.

(2) Denial of certification

Upon denial of certification with respect to a petition under paragraph (1), the Secretary shall review the petition in accordance with the requirements of subpart A of this part to determine if the workers may be certified under such subpart.

(d) Comprehensive assistance

Workers covered by certification issued by the Secretary under subsection (c) of this section shall be provided, in the same manner and to the same extent as workers covered under a certification under subpart A of this part, the following:

(1) Employment services described in section 2295 of this title.

(2) Training described in section 2296 of this title, except that notwithstanding the provisions of section 2296(a)(2)(A) of this title, the total amount of payments for training under this subpart for any fiscal year shall not exceed $30,000,000.

(3) Trade readjustment allowances described in sections 2291 through 2294 of this title, except that—

(A) the provisions of sections 2291(a)(5)(C) and 2291(c) of this title, authorizing the payment of trade readjustment allowances upon a finding that it is not feasible or appropriate to approve a training program for a worker, shall not be applicable to payment of such allowances under this subpart; and

(B) notwithstanding the provisions of section 2293(b) of this title, in order for a worker to qualify for trade readjustment allowances under this subpart, the worker shall be enrolled in a training program approved by the Secretary under section 2296(a) of this title by the later of—

(i) the last day of the 16th week of such worker's initial unemployment compensation benefit period, or

(ii) the last day of the 6th week after the week in which the Secretary issues a certification covering such worker.

In cases of extenuating circumstances relating to enrollment in a training program, the Secretary may extend the time for enrollment for a period not to exceed 30 days.

(4) Job search allowances described in section 2297 of this title.

(5) Relocation allowances described in section 2298 of this title.

(e) Administration

The provisions of subpart C of this part shall apply to the administration of the program under this subpart in the same manner and to the same extent as such provisions apply to the administration of the program under subparts A and B of this part, except that the agreement between the Secretary and the States described in section 2311 of this title shall specify the procedures that will be used to carry out the certification process under subsection (c) of this section and the procedures for providing relevant data by the Secretary to assist the States in making preliminary findings under subsection (b) of this section.

(Pub. L. 93–618, title II, § 250, as added Pub. L. 103–182, title V, § 502, Dec. 8, 1993, 107 Stat. 2149.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

PRIOR PROVISIONS

A prior section 250 of Pub. L. 93–618, title II, Jan. 3, 1975, 88 Stat. 2029, provided for judicial review for workers or groups aggrieved by a final determination by the Secretary under section 2273 of this title, and was classified to section 2322 of this title, prior to repeal by Pub. L. 96–417.

EFFECTIVE DATE

Section 506 of Pub. L. 103–182 provided that:

''(a) IN GENERAL.—The amendments made by sections 501, 502, 503, 504, and 505 [enacting this section and section 2322 of this title, and amending sections 2271 to 2273, 2275, 2317, and 2395 of this title and provisions set out as a note preceding section 2271 of this title] shall take effect on the date the Agreement [North American Free Trade Agreement] enters into force with respect to the United States [Jan. 1, 1994].

''(b) COVERED WORKERS.—

''(1) GENERAL RULE.—Except as provided in paragraph (2), no worker shall be certified as eligible to receive assistance under subchapter D of chapter 2 of title II of the Trade Act of 1974 [this subpart] (as added by this subtitle) whose last total or partial separation from a firm (or appropriate subdivision of a firm) occurred before such date of entry into force.

''(2) REACHBACK.—Notwithstanding paragraph (1), any worker—

''(A) whose last total or partial separation from a firm (or appropriate subdivision of a firm) occurs—

''(i) after the date of the enactment of this Act [Dec. 8, 1993], and

''(ii) before such date of entry into force, and

''(B) who would otherwise be eligible to receive assistance under subchapter D of chapter 2 of title II of the Trade Act of 1974,

shall be eligible to receive such assistance in the same manner as if such separation occurred on or after such date of entry into force.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2395 of this title.

PART 3—ADJUSTMENT ASSISTANCE FOR FIRMS

TERMINATION DATE

No technical assistance to be provided under this part after Sept. 30, 1998, see section 285 of Pub. L. 93–618, as amended, set out as a note preceding section 2271 of this title.

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in sections 1339, 2252, 2391, 2396, 2397 of this title.

§ 2341. Petitions and determinations

(a) Filing of petition; receipt of petition; initiation of investigation

A petition for a certification of eligibility to apply for adjustment assistance under this part may be filed with the Secretary of Commerce (hereinafter in this part referred to as the ''Secretary'') by a firm (including any agricultural firm) or its representative. Upon receipt of the petition, the Secretary shall promptly publish notice in the Federal Register that he has received the petition and initiated an investigation.

(b) Public hearing

If the petitioner, or any other person, organization, or group found by the Secretary to have a substantial interest in the proceedings, submits not later than 10 days after the date of the Secretary's publication under subsection (a) of this section a request for a hearing, the Secretary shall provide for a public hearing and afford such interested persons an opportunity to be present, to produce evidence, and to be heard.

(c) Certification

(1) The Secretary shall certify a firm (including any agricultural firm) as eligible to apply for adjustment assistance under this part if the Secretary determines—

(A) that a significant number or proportion of the workers in such firm have become totally or partially separated, or are threatened to become totally or partially separated,

(B) that—

(i) sales or production, or both, of such firm have decreased absolutely, or

(ii) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and

(C) increases of imports of articles like or directly competitive with articles which are produced by such firm contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production.

(2) For purposes of paragraph (1)(C)—

(A) The term ''contributed importantly'' means a cause which is important but not necessarily more important than any other cause.

(B)(i) Any firm which engages in exploration or drilling for oil or natural gas shall be considered to be a firm producing oil or natural gas.

(ii) Any firm that engages in exploration or drilling for oil or natural gas, or otherwise produces oil or natural gas, shall be considered to be producing articles directly competitive with imports of oil and with imports of natural gas.

(d) Allowable period for determination

A determination shall be made by the Secretary as soon as possible after the date on which the petition is filed under this section, but in any event not later than 60 days after that date.

(Pub. L. 93–618, title II, § 251, Jan. 3, 1975, 88 Stat. 2030; Pub. L. 99–272, title XIII, § 13002(b), Apr. 7, 1986, 100 Stat. 300; Pub. L. 100–418, title I, § 1421(a)(2), (b)(2), Aug. 23, 1988, 102 Stat. 1243, 1244.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1988—Subsec. (c). Pub. L. 100–418, § 1421(a)(2), amended subsec. (c) generally. Prior to amendment, subsec. (c) read as follows: ''The Secretary shall certify a firm (including any agricultural firm) as eligible to apply for adjustment assistance under this part if he determines—

''(1) that a significant number or proportion of the workers in such firm have become totally or partially separated, or are threatened to become totally or partially separated.

''(2) that—

''(A) sales or production, or both, of the firm have decreased absolutely, or

''(B) sales or production, or both, of an article that accounted for not less than 25 percent of the total production or sales of the firm during the 12-month period preceding the most recent 12-month period for which data are available have decreased absolutely, and

''(3) that increases of imports of articles like or directly competitive with articles produced by such firm contributed importantly to such total or partial separation, or threat thereof, and to such decline in sales or production.

For purposes of paragraph (3), the term 'contributed importantly' means a cause which is important but not necessarily more important than any other cause.''

Subsec. (c)(1)(C). Pub. L. 100–418, § 1421(b)(2), directed the general amendment of subpar. (C) adding provisions relating to provision of essential goods or services by such firm, which amendment did not become effective pursuant to section 1430(d) of Pub. L. 100–418, as amended, set out as an Effective Date note under section 2397 of this title.

1986—Subsecs. (a), (c). Pub. L. 99–272, § 13002(b)(1), inserted ''(including any agricultural firm)'' after ''firm''.

Subsec. (c)(2). Pub. L. 99–272, § 13002(b)(2), amended par. (2) generally, designating existing provisions as subpar. (A), substituting ''of the firm have decreased absolutely, or'' for ''of such firm have decreased absolutely, and'', and adding subpar. (B).

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2342, 2343, 2345, 2346, 2355, 2395 of this title; title 28 sections 1581, 2631, 2636, 2640, 2643.

§ 2342. Approval of adjustment proposals

(a) Application for adjustment assistance

A firm certified under section 2341 of this title as eligible to apply for adjustment assistance may, at any time within 2 years after the date of such certification, file an application with the Secretary for adjustment assistance under this part. Such application shall include a proposal for the economic adjustment of such firm.

(b) Technical assistance

(1) Adjustment assistance under this part consists of technical assistance. The Secretary shall approve a firm's application for adjustment assistance only if the Secretary determines that the firm's adjustment proposal—

(A) is reasonably calculated to materially contribute to the economic adjustment of the firm,

(B) gives adequate consideration to the interests of the workers of such firm, and

(C) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.

(2) The Secretary shall make a determination as soon as possible after the date on which an application is filed under this section, but in no event later than 60 days after such date.

(c) Termination of certification of eligibility

Whenever the Secretary determines that any firm no longer requires assistance under this part, he shall terminate the certification of eligibility of such firm and promptly have notice of such termination published in the Federal Register. Such termination shall take effect on the termination date specified by the Secretary.

(Pub. L. 93–618, title II, § 252, Jan. 3, 1975, 88 Stat. 2030; Pub. L. 99–272, title XIII, § 13006(a)(1), (2), Apr. 7, 1986, 100 Stat. 304.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1986—Subsec. (b)(1). Pub. L. 99–272, § 13006(a)(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''Adjustment assistance under this part consists of technical assistance and financial assistance, which may be furnished singly or in combination. The Secretary shall approve a firm's application for adjustment assistance only if he determines—

''(A) that the firm has no reasonable access to financing through the private capital market, and

''(B) that the firm's adjustment proposal—

''(i) is reasonably calculated materially to contribute to the economic adjustment of the firm,

''(ii) gives adequate consideration to the interests of the workers of such firm, and

''(iii) demonstrates that the firm will make all reasonable efforts to use its own resources for economic development.''

Subsecs. (c), (d). Pub. L. 99–272, § 13006(a)(2), redesignated subsec. (d) as (c) and struck out former subsec. (c) which authorized the Secretary to assist an eligible firm in the preparation of a viable adjustment proposal.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2346 of this title.

§ 2343. Technical assistance

(a) Discretion of Secretary; types of assistance

The Secretary may provide a firm, on terms and conditions as the Secretary determines to be appropriate, with such technical assistance as in his judgment will carry out the purposes of this part with respect to the firm. The technical assistance furnished under this part may consist of one or more of the following:

(1) Assistance to a firm in preparing its petition for certification of eligibility under section 2341 of this title.

(2) Assistance to a certified firm in developing a proposal for its economic adjustment.

(3) Assistance to a certified firm in the implementation of such a proposal.

(b) Utilization of existing agencies, private individuals, etc., in furnishing assistance; grants to intermediary organizations

(1) The Secretary shall furnish technical assistance under this part through existing agencies and through private individuals, firms, or institutions (including private consulting services), or by grants to intermediary organizations (including Trade Adjustment Assistance Centers).

(2) In the case of assistance furnished through private individuals, firms, or institutions (including private consulting services), the Secretary may share the cost thereof (but not more than 75 percent of such cost for assistance described in paragraph (2) or (3) of subsection (a) of this section may be borne by the United States).

(3) The Secretary may make grants to intermediary organizations in order to defray up to 100 percent of administrative expenses incurred in providing such technical assistance to a firm.

(Pub. L. 93–618, title II, § 253, Jan. 3, 1975, 88 Stat. 2031; Pub. L. 97–35, title XXV, § 2521, Aug. 13, 1981, 95 Stat. 890; Pub. L. 99–272, title XIII, § 13006(a)(3), Apr. 7, 1986, 100 Stat. 304.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1986—Subsec. (b)(2). Pub. L. 99–272 substituted ''such cost for assistance described in paragraph (2) or (3) of subsection (a) of this section'' for ''such cost''.

1981—Subsec. (a). Pub. L. 97–35 amended subsec. (a) generally, incorporating provisions formerly contained in subsec. (b) and, in those provisions, substituted discretionary language for non-discretionary language relating to the assistance furnished and allowed the giving of assistance to firms in the preparation of their petitions for certification of eligibility under section 2341 of this title.

Subsec. (b). Pub. L. 97–35 amended subsec. (b) generally, incorporating in pars. (1) and (2) provisions formerly contained in subsec. (c), inserted reference to grants to intermediary organizations (including Trade Adjustment Assistance Centers) in par. (1), and added par. (3). Provisions formerly contained in subsec. (b) were transferred to subsec. (a).

Subsec. (c). Pub. L. 97–35 struck out subsec. (c) and transferred the provisions to subsec. (b)(1) and (2).

EFFECTIVE DATE OF 1981 AMENDMENT

Section 2529 of Pub. L. 97–35 provided that:

''(a) Subject to subsection (b), the amendments made by this subtitle [subtitle B (§§ 2521–2529) of title XXV of Pub. L. 97–35, enacting section 2355 of this title, amending this section and sections 2344 to 2347 of this title, and repealing section 2353 of this title] shall take effect on the date of the enactment of this Act [Aug. 13, 1981].

''(b) Applications for adjustment assistance under chapter 3 of title II of the Trade Act of 1974 [this part] which the Secretary of Commerce accepted for processing before the date of the enactment of this Act [Aug. 13, 1981] shall continue to be processed in accordance with the requirements of such chapter as in effect before such date of enactment.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2350 of this title.

§ 2344. Financial assistance

(a) Direct loans and guarantees of loans

The Secretary may provide to a firm, on such terms and conditions as he determines to be appropriate, such financial assistance in the form of direct loans or guarantees of loans as in his judgment will materially contribute to the economic adjustment of the firm. The assumption of an outstanding indebtedness of the firm, with or without recourse, shall be considered to be the making of a loan for purposes of this section.

(b) Allowable purposes

Loans or guarantees of loans shall be made under this part only for the purpose of making funds available to the firm—

(1) for acquisition, construction, installation, modernization, development, conversion, or expansion of land, plant, buildings, equipment, facilities, or machinery, or

(2) to supply such working capital as may be necessary to enable the firm to implement its adjustment proposal.

(c) Limitation on direct loans

No direct loan may be provided to a firm under this part if the firm can obtain loan funds from private sources (with or without a guarantee) at a rate no higher than the maximum interest per annum that a participating financial institution may establish on guaranteed loans made pursuant to section 636(a) of title 15.

(d) Limitations on loans and guarantees

Notwithstanding any other provision of this part, no direct loans or guarantees of loans may be made under this part after April 7, 1986.

(Pub. L. 93–618, title II, § 254, Jan. 3, 1975, 88 Stat. 2031; Pub. L. 97–35, title XXV, § 2522, Aug. 13, 1981, 95 Stat. 891; Pub. L. 99–272, title XIII, § 13006(b), Apr. 7, 1986, 100 Stat. 304.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1986—Subsec. (d). Pub. L. 99–272 added subsec. (d).

1981—Subsec. (c). Pub. L. 97–35 substituted provisions relating to limitation on direct loans on the basis of interest rates on loans under section 636(a) of title 15 for provisions relating to limitation on direct loans on the basis of interest rates under section 2345(b) of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97–35 effective Aug. 13, 1981, except as otherwise provided with respect to applications for adjustment assistance, see section 2529 of Pub. L. 97–35, set out as a note under section 2343 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2345, 2347, 2350 of this title.

§ 2345. Conditions for financial assistance

(a) Unavailability of firm's resources; reasonable assurance of repayment

No financial assistance shall be provided under this part unless the Secretary determines—

(1) that the funds required are not available from the firm's own resources; and

(2) that there is reasonable assurance of repayment of the loan.

(b) Interest rates

(1) The rate of interest on direct loans made under this part shall be—

(A) a rate determined by the Secretary of the Treasury taking into consideration the current average market yield on outstanding marketable obligations of the United States with remaining periods of maturity that are comparable to the average maturities of such loans, adjusted to the nearest one-eighth of 1 percent, plus

(B) an amount adequate in the judgment of the Secretary of Commerce to cover administrative costs and probable losses under the program.

(2) The Secretary may not guarantee any loan under this part if—

(A) the rate of interest on either the portion to be guaranteed, or the portion not to be guaranteed, is determined by the Secretary to be excessive when compared with other loans bearing Federal guarantees and subject to similar terms and conditions, and

(B) the interest on the loan is exempt from Federal income taxation under section 103 of title 26.

(c) Maturity of loans

The Secretary shall make no loan or guarantee of a loan under section 2344(b)(1) of this title

having a maturity in excess of 25 years or the useful life of the fixed assets (whichever period is shorter), including renewals and extensions; and shall make no loan or guarantee of a loan under section 2344(b)(2) of this title having a maturity in excess of 10 years, including extensions and renewals. Such limitations on maturities shall not, however, apply—

(1) to securities or obligations received by the Secretary as claimant in bankruptcy or equitable reorganization, or as creditor in other proceedings attendant upon insolvency of the obligor, or

(2) to an extension or renewal for an additional period not exceeding 10 years, if the Secretary determines that such extension or renewal is reasonably necessary for the orderly liquidation or servicing of the loan.

(d) Priority for small firms; servicing of loans

(1) In making guarantees of loans, and in making direct loans, the Secretary shall give priority to firms which are small within the meaning of the Small Business Act [15 U.S.C. 631 et seq.] (and regulations promulgated thereunder).

(2) For any direct loan made, or any loan guaranteed, under the authority of this part, the Secretary may enter into arrangements for the servicing, including foreclosure, of such loans or evidences of indebtedness on terms which are reasonable and which protect the financial interests of the United States.

(e) Loan guarantee conditions

The following conditions apply with respect to any loan guaranteed under this part:

(1) No guarantee may be made for an amount which exceeds 90 percent of the outstanding balance of the unpaid principal and interest on the loan.

(2) The loan may be evidenced by multiple obligations for the guaranteed and nonguaranteed portions of the loan.

(3) The guarantee agreement shall be conclusive evidence of the eligibility of any obligation guaranteed thereunder for such guarantee, and the validity of any guarantee agreement shall be incontestable, except for fraud or misrepresentation by the holder.

(f) Operating reserves

The Secretary shall maintain operating reserves with respect to anticipated claims under guarantees made under this part. Such reserves shall be considered to constitute obligations for purposes of sections 1108(c) and (d), 1501, and 1502(a) of title 31.

(g) Fees to lenders which make loan guarantees

The Secretary may charge a fee to a lender which makes a loan guaranteed under this part in such amount as is necessary to cover the cost of administration of such guarantee.

(h) Maximum aggregate amount of outstanding guaranteed or direct loans

(1) The aggregate amount of loans made to any firm which are guaranteed under this part and which are outstanding at any time shall not exceed $3,000,000.

(2) The aggregate amount of direct loans made to any firm under this part which are outstanding at any time shall not exceed $1,000,000.

(i) Preference for firms having employee stock ownership plans

(1) When considering whether to grant a direct loan or to guarantee a loan to a corporation which is otherwise certified under section 2341 of this title, the Secretary shall give preference to a corporation which agrees with respect to such loan to fulfill the following requirements—

(A) 25 percent of the principal amount of the loan is paid by the lender to a qualified trust established under an employee stock ownership plan established and maintained by the recipient corporation, by a parent or subsidiary of such corporation, or by several corporations including the recipient corporation,

(B) the employee stock ownership plan meets the requirements of this subsection, and

(C) the agreement among the recipient corporation, the lender, and the qualified trust relating to the loan meets the requirements of this section.

(2) An employee stock ownership plan does not meet the requirements of this subsection unless the governing instrument of the plan provides that—

(A) the amount of the loan paid under paragraph (1)(A) to the qualified trust will be used to purchase qualified employer securities,

(B) the qualified trust will repay to the lender the amount of such loan, together with the interest thereon, out of amounts contributed to the trust by the recipient corporation, and

(C) from time to time, as the qualified trust repays such amount, the trust will allocate qualified employer securities among the individual accounts of participants and their beneficiaries in accordance with the provisions of paragraph (4).

(3) The agreement among the recipient corporation, the lender, and the qualified trust does not meet the requirements of this subsection unless—

(A) it is unconditionally enforceable by any party against the others, jointly and severally,

(B) it provides that the liability of the qualified trust to repay loan amounts paid to the qualified trust may not, at any time, exceed an amount equal to the amount of contributions required under paragraph (2)(B) which are actually received by such trust,

(C) it provides that amounts received by the recipient corporation from the qualified trust for qualified employer securities purchased for the purpose of this subsection will be used exclusively by the recipient corporation for those purposes for which it may use that portion of the loan paid directly to it by the lender,

(D) it provides that the recipient corporation may not reduce the amount of its equity capital during the one year period beginning on the date on which the qualified trust purchases qualified employer securities for purposes of this subsection, and

(E) it provides that the recipient corporation will make contributions to the qualified trust of not less than such amounts as are necessary for such trust to meet its obligation to make repayments of principal and interest on the amount of the loan received by the trust with-

out regard to whether such contributions are deductible by the corporation under section 404 of title 26 and without regard to any other amounts the recipient corporation is obligated under law to contribute to or under the employee stock ownership plan.

(4) At the close of each plan year, an employee stock ownership plan shall allocate to the accounts of participating employees that portion of the qualified employer securities the cost of which bears substantially the same ratio to the cost of all the qualified employer securities purchased under paragraph (2)(A) of this subsection as the amount of the loan principal and interest repaid by the qualified trust during that year bears to the total amount of the loan principal and interest payable by such trust during the term of such loan. Qualified employer securities allocated to the individual account of a participant during one plan year must bear substantially the same proportion to the amount of all such securities allocated to all participants in the plan as the amount of compensation paid to such participant bears to the total amount of compensation paid to all such participants during that year.

(5) For purposes of this subsection, the term—

(A) ''employee stock ownership plan'' means a plan described in section 4975(e)(7) of title 26,

(B) ''qualified trust'' means a trust established under an employee stock ownership plan and meeting the requirements of title I of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1001 et seq.] and section 401 of title 26,

(C) ''qualified employer securities'' means common stock issued by the recipient corporation or by a parent or subsidiary of such corporation with voting power and dividend rights no less favorable than the voting power and dividend rights on other common stock issued by the issuing corporation and with voting power being exercised by the participants in the employee stock ownership plan after it is allocated to their plan accounts, and

(D) ''equity capital'' means, with respect to the recipient corporation, the sum of its money and other property (in an amount equal to the adjusted basis of such property but disregarding adjustments made on account of depreciation or amortization made during the period described in paragraph (3)(D)), less the amount of its indebtedness.

(Pub. L. 93–618, title II, § 255, Jan. 3, 1975, 88 Stat. 2031; Pub. L. 97–35, title XXV, § 2523, Aug. 13, 1981, 95 Stat. 891; Pub. L. 98–120, § 4(a), Oct. 12, 1983, 97 Stat. 809; Pub. L. 99–514, § 2, Oct. 22, 1986, 100 Stat. 2095.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

REFERENCES IN TEXT

The Small Business Act, referred to in subsec. (d)(1), is Pub. L. 85–536, July 18, 1958, 72 Stat. 384, as amended, which is classified generally to chapter 14A (§ 631 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 631 of Title 15 and Tables.

The Employee Retirement Income Security Act of 1974, referred to in subsec. (i)(5)(B), is Pub. L. 93–406, Sept. 2, 1974, 88 Stat. 832, as amended. Title I of the Employee Retirement Income Security Act of 1974 is classified generally to subchapter I (§ 1001 et seq.) of chapter 18 of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 29 and Tables.

CODIFICATION

In subsec. (f), ''sections 1108(c) and (d), 1501, and 1502(a) of title 31'' substituted for ''section 1311 of the Supplemental Appropriation Act, 1955 (31 U.S.C. 200)'' on authority of Pub. L. 97–258, § 4(b), Sept. 13, 1982, 96 Stat. 1067, the first section of which enacted Title 31, Money and Finance.

AMENDMENTS

1986—Subsecs. (b)(2)(B), (i)(3)(E), (5)(A), (B). Pub. L. 99–514 substituted ''Internal Revenue Code of 1986'' for ''Internal Revenue Code of 1954'', which for purposes of codification was translated as ''title 26'' thus requiring no change in text.

1983—Subsec. (i). Pub. L. 98–120 added subsec. (i).

1981—Subsec. (b). Pub. L. 97–35, § 2523(1), amended subsec. (b) generally, substituting provisions limiting the maximum rate of interest on loans guaranteed under this part on the basis of comparison with other Federally guarantee loans for provisions limiting the maximum interest rate on the basis of 15 U.S.C. 636(a) and inserting provisions prohibiting the guarantee of loans if the interest is tax exempt.

Subsec. (c). Pub. L. 97–35, § 2523(2), inserted references to section 2344 of this title, alternative limitation of useful life of asset, and prohibition of guarantees in excess of 10 years in provisions preceding par. (1) and inserted ''or servicing'' in par. (2).

Subsec. (d). Pub. L. 97–35, § 2523(3), designated existing provisions as par. (1) and added par. (2).

Subsec. (e). Pub. L. 97–35, § 2523(4), substituted provisions respecting conditions applicable to loan guarantees for provisions relating to percentage maximum on loan guarantees which are covered in par. (1).

EFFECTIVE DATE OF 1983 AMENDMENT

Section 4(b) of Pub. L. 98–120 provided that: ''The amendment made by subsection (a) [amending this section] shall become effective on the date of the enactment of this Act [Oct. 12, 1983].''

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97–35 effective Aug. 13, 1981, except as otherwise provided with respect to applications for adjustment assistance, see section 2529 of Pub. L. 97–35, set out as a note under section 2343 of this title.

§ 2346. Delegation of functions to Small Business Administration

(a) Delegation of functions as to eligibility certification

In the case of any firm which is small (within the meaning of the Small Business Act [15 U.S.C. 631 et seq.] and regulations promulgated thereunder), the Secretary may delegate all of his functions under this part (other than the functions under sections 2341 and 2342(d)[1] of this title with respect to the certification of eligibility and section 2354 of this title) to the Administrator of the Small Business Administration.

(b) Authorization of appropriations

There are hereby authorized to be appropriated to the Secretary for fiscal years 1993,

[1] See References in Text note below.

1994, 1995, 1996, 1997, and 1998 such sums as may be necessary to carry out his functions under this part in connection with furnishing adjustment assistance to firms (including, but not limited to, the payment of principal, interest, and reasonable costs incident to default on loans guaranteed by the Secretary under the authority of this part), which sums are authorized to be appropriated to remain available until expended.

(c) Transfer of unexpended appropriations

The unexpended balances of appropriations authorized by section 1912(d)[1] of this title are transferred to the Secretary to carry out his functions under this part.

(Pub. L. 93–618, title II, § 256, Jan. 3, 1975, 88 Stat. 2032; Pub. L. 97–35, title XXV, § 2524, Aug. 13, 1981, 95 Stat. 892; Pub. L. 99–272, title XIII, § 13008(b), Apr. 7, 1986, 100 Stat. 305; Pub. L. 100–418, title I, § 1426(b)(2), Aug. 23, 1988, 102 Stat. 1251; Pub. L. 103–66, title XIII, § 13803(a)(2), Aug. 10, 1993, 107 Stat. 668.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

REFERENCES IN TEXT

The Small Business Act, referred to in subsec. (a), is Pub. L. 85–536, July 18, 1958, 72 Stat. 384, as amended, which is classified generally to chapter 14A (§ 631 et seq.) of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see Short Title note set out under section 631 of Title 15 and Tables.

Section 2342(d) of this title, referred to in subsec. (a), was redesignated section 2342(c) of this title by Pub. L. 99–272, title XIII, § 13006(a)(2), Apr. 7, 1986, 100 Stat. 304.

Section 1912 of this title, referred to in subsec. (c), was repealed by section 602(e) of Pub. L. 93–618. See section 2341 et seq. of this title for successor provisions.

AMENDMENTS

1993—Subsec. (b). Pub. L. 103–66 substituted ''1993, 1994, 1995, 1996, 1997, and 1998'' for ''1988, 1989, 1990, 1991, 1992, and 1993''.

1988—Subsec. (b). Pub. L. 100–418 substituted ''1988, 1989, 1990, 1991, 1992, and 1993'' for ''1986, 1987, 1988, 1989, 1990, and 1991''.

1986—Subsec. (b). Pub. L. 99–272 inserted ''for fiscal years 1986, 1987, 1988, 1989, 1990, and 1991'' after ''Secretary'', struck out ''from time to time'' after ''as may be necessary'', and struck out ''Direct loans and commitments to guarantee loans may be made under this part during any fiscal year only to such extent and in such amounts as are provided in advance in appropriations Acts.'' after ''available until expended.''

1981—Subsec. (b). Pub. L. 97–35 inserted provisions relating to payment of principal, interest, and reasonable costs, incident to defaults on guaranteed loans and provisions relating to direct loans and commitments to guarantee loans.

EFFECTIVE DATE OF 1986 AMENDMENT

Parts 2 and 3 of this subchapter applicable as if the amendment of this section by Pub. L. 99–272 had taken effect Dec. 18, 1985, see section 13009(c) of Pub. L. 99–272, set out as a note under section 2291 of this title.

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97–35 effective Aug. 13, 1981, except as otherwise provided with respect to applications for adjustment assistance, see section 2529 of Pub. L. 97–35, set out as a note under section 2343 of this title.

§ 2347. Administration of financial assistance

(a) Powers of Secretary

In making and administering guarantees and loans under section 2344 of this title, the Secretary may—

(1) require security for any such guarantee or loan, and enforce, waive, or subordinate such security;

(2) assign or sell at public or private sale, or otherwise dispose of, upon such terms and conditions and for such consideration as he shall determine to be reasonable, any evidence of debt, contract, claim, personal property, or security assigned to or held by him in connection with such guarantees or loans, and collect, compromise, and obtain deficiency judgments with respect to all obligations assigned to or held by him in connection with such guarantees or loans until such time as such obligations may be referred to the Attorney General for suit or collection;

(3) renovate, improve, modernize, complete, insure, rent, sell, or otherwise deal with, upon such terms and conditions and for such consideration as he shall determine to be reasonable, any real or personal property conveyed to or otherwise acquired by him in connection with such guarantees or loans;

(4) acquire, hold, transfer, release, or convey any real or personal property or any interest therein whenever deemed necessary or appropriate, and execute all legal documents for such purposes; and

(5) exercise all such other powers and take all such other acts as may be necessary or incidental to the carrying out of functions pursuant to section 2344 of this title.

(b) Recordation of mortgages

Any mortgage acquired as security under subsection (a) of this section shall be recorded under applicable State law.

(c) Availability of receipts for financing functions

All repayments of loans, payments of interest, and other receipts arising out of transactions entered into by the Secretary pursuant to this part, shall be available for financing functions performed under this part, including administrative expenses in connection with such functions.

(d) Privileged or confidential information

To the extent the Secretary deems it appropriate, and consistent with the provisions of section 552(b)(4) and section 552b(c)(4) of title 5, that portion of any record, material or data received by the Secretary in connection with any application for financial assistance under this part which contains trade secrets or commercial or financial information regarding the operation or competitive position of any business shall be deemed to be privileged or confidential within the meaning of those provisions.

(e) Capital assets secured by first lien; exceptions

Direct loans made, or loans guaranteed, under this part for the acquisition of development of real property or other capital assets shall ordinarily be secured by a first lien on the assets to

be financed and shall be fully amortized. To the extent that the Secretary finds that exceptions to these standards are necessary to achieve the objectives of this part, he shall develop appropriate criteria for the protection of the interests of the United States.

(Pub. L. 93–618, title II, § 257, Jan. 3, 1975, 88 Stat. 2033; Pub. L. 97–35, title XXV, § 2525, Aug. 13, 1981, 95 Stat. 892.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1981—Subsecs. (d), (e). Pub. L. 97–35 added subsecs. (d) and (e).

EFFECTIVE DATE OF 1981 AMENDMENT

Amendment by Pub. L. 97–35 effective Aug. 13, 1981, except as otherwise provided with respect to applications for adjustment assistance, see section 2529 of Pub. L. 97–35, set out as as a note under section 2343 of this title.

DEPOSIT OF RECEIPTS FROM TRANSACTIONS UNDER THIS PART INTO ECONOMIC DEVELOPMENT REVOLVING FUND

Pub. L. 100–202, § 101(a) [title I, § 106], Dec. 22, 1987, 101 Stat. 1329, 1329–7, provided that: ''Notwithstanding any other provision of law, including section 257(c) of the Trade Act of 1974, as amended [19 U.S.C. 2347(c)], and section 203 of the Public Works and Economic Development Act of 1965, as amended [42 U.S.C. 3143], principal and interest repayments from loans, proceeds from the sale of loan assets or collateral, and other receipts arising out of transactions entered into pursuant to title II, chapter 3 of the Trade Act of 1974 [19 U.S.C. 2341 et seq.] shall be deposited into the economic development revolving fund established under section 203 of the Public Works and Economic Development Act of 1965 beginning October 1, 1987: *Provided*, That payments of obligations in connection with loans guaranteed under the authority of the Trade Act of 1974 [19 U.S.C. 2101 et seq.] or the Public Works and Economic Development Act of 1965 [42 U.S.C. 3121 et seq.], and any related expenses, shall be made from funds available in the economic development revolving fund: *Provided further*, That deposits to the economic development revolving fund of amounts appropriated for, or received in connection with, activities authorized under the Trade Act of 1974, made prior to October 1, 1987, shall be deemed valid deposits.''

§ 2348. Protective provisions

(a) Recordkeeping

Each recipient of adjustment assistance under this part shall keep records which fully disclose the amount and disposition by such recipient of the proceeds, if any, of such adjustment assistance, and which will facilitate an effective audit. The recipient shall also keep such other records as the Secretary may prescribe.

(b) Audit and examination

The Secretary and the Comptroller General of the United States shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient pertaining to adjustment assistance under this part.

(c) Certifications

No adjustment assistance under this part shall be extended to any firm unless the owners, partners, or officers certify to the Secretary—

(1) the names of any attorneys, agents, and other persons engaged by or on behalf of the firm for the purpose of expediting applications for such adjustment assistance; and

(2) the fees paid or to be paid to any such person.

(d) Conflicts of interest

No financial assistance shall be provided to any firm under this part unless the owners, partners, or officers shall execute an agreement binding them and the firm for a period of 2 years after such financial assistance is provided, to refrain from employing, tendering any office or employment to, or retaining for professional services any person who, on the date such assistance or any part thereof was provided, or within 1 year prior thereto, shall have served as an officer, attorney, agent, or employee occupying a position or engaging in activities which the Secretary shall have determined involve discretion with respect to the provisions of such financial assistance.

(Pub. L. 93–618, title II, § 258, Jan. 3, 1975, 88 Stat. 2033.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

§ 2349. Penalties

Whoever makes a false statement of a material fact knowing it to be false, or knowingly fails to disclose a material fact, or whoever willfully overvalues any security, for the purpose of influencing in any way a determination under this part, or for the purpose of obtaining money, property, or anything of value under this part, shall be fined not more than $5,000 or imprisoned for not more than 2 years, or both.

(Pub. L. 93–618, title II, § 259, Jan. 3, 1975, 88 Stat. 2034.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

§ 2350. Civil actions

In providing technical and financial assistance under this part the Secretary may sue and be sued in any court of record of a State having general jurisdiction or in any United States district court, and jurisdiction is conferred upon such district court to determine such controversies without regard to the amount in controversy; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against him or his property. Nothing in this section shall be construed to except the activities pursuant to sections 2343 and 2344 of this title from the application of sections 516, 547, and 2679, of title 28.

(Pub. L. 93–618, title II, § 260, Jan. 3, 1975, 88 Stat. 2034.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

§ 2351. "Firm" defined

For purposes of this part, the term ''firm'' includes an individual proprietorship, partnership, joint venture, association, corporation (including a development corporation), business trust, cooperative, trustee in bankruptcy, and receiver under decree of any court. A firm, together with any predecessor or successor firm, or any affiliated firm controlled or substantially beneficially owned by substantially the same persons, may be considered a single firm where necessary to prevent unjustifiable benefits.

(Pub. L. 93–618, title II, § 261, Jan. 3, 1975, 88 Stat. 2034.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

§ 2352. Regulations

The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this part.

(Pub. L. 93–618, title II, § 262, Jan. 3, 1975, 88 Stat. 2034.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

§ 2353. Repealed. Pub. L. 97–35, title XXV, § 2526, Aug. 13, 1981, 95 Stat. 893

Section, Pub. L. 93–618, title II, § 263, Jan. 3, 1975, 88 Stat. 2034, contained transitional provisions for certain events occurring prior to the effective date of this part.

EFFECTIVE DATE OF REPEAL

Repeal effective Aug. 13, 1981, except as otherwise provided with respect to applications for adjustment assistance, see section 2529 of Pub. L. 97–35, set out as an Effective Date of 1981 Amendment note under section 2343 of this title.

§ 2354. Study by Secretary of Commerce when International Trade Commission begins investigation

(a) Subject matter of study

Whenever the Commission begins an investigation under section 2252 of this title with respect to an industry, the Commission shall immediately notify the Secretary of such investigation, and the Secretary shall immediately begin a study of—

(1) the number of firms in the domestic industry producing the like or directly competitive article which have been or are likely to be certified as eligible for adjustment assistance, and

(2) the extent to which the orderly adjustment of such firms to the import competition may be facilitated through the use of existing programs.

(b) Report; publication

The report of the Secretary of the study under subsection (a) of this section shall be made to the President not later than 15 days after the day on which the Commission makes its report under section 2252(f) of this title. Upon making its report to the President, the Secretary shall also promptly make it public (with the exception of information which the Secretary determines to be confidential) and shall have a summary of it published in the Federal Register.

(c) Information to firms

Whenever the Commission makes an affirmative finding under section 2252(b) of this title that increased imports are a substantial cause of serious injury or threat thereof with respect to an industry, the Secretary shall make available, to the extent feasible, full information to the firms in such industry about programs which may facilitate the orderly adjustment to import competition of such firms, and he shall provide assistance in the preparation and processing of petitions and applications of such firms for program benefits.

(Pub. L. 93–618, title II, § 264, Jan. 3, 1975, 88 Stat. 2035; Pub. L. 100–418, title I, § 1401(b)(1)(B), Aug. 23, 1988, 102 Stat. 1239.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1988—Subsec. (a). Pub. L. 100–418 substituted ''section 2252'' for ''section 2251''.

Subsec. (b). Pub. L. 100–418 substituted ''section 2252(f)'' for ''section 2251''.

Subsec. (c). Pub. L. 100–418 substituted ''section 2252(b)'' for ''section 2251(b)''.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective Aug. 23, 1988, and applicable with respect to investigations initiated under part 1 (§ 2251 et seq.) of this subchapter on or after that date, see section 1401(c) of Pub. L. 100–418, set out as a note under section 2251 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2346 of this title.

§ 2355. Assistance to industry; authorization of appropriations

(a) Technical assistance

The Secretary may provide technical assistance, on such terms and conditions as the Secretary deems appropriate, for the establishment of industrywide programs for new product development, new process development, export development, or other uses consistent with the purposes of this part. Such technical assistance may be provided through existing agencies, private individuals, firms, universities and institutions, and by grants, contracts, or cooperative agreements to associations, unions, or other nonprofit industry organizations in which a substantial number of firms or workers have been certified as eligible to apply for adjustment assistance under section 2273 or 2341 of this title.

(b) Expenditures

Expenditures for technical assistance under this section may be up to $10,000,000 annually per industry and shall be made under such terms and conditions as the Secretary deems appropriate.

(Pub. L. 93–618, title II, § 265, as added Pub. L. 97–35, title XXV, § 2527, Aug. 13, 1981, 95 Stat. 893; amended Pub. L. 98–369, div. B, title VI, § 2673, July 18, 1984, 98 Stat. 1172.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

AMENDMENTS

1984—Subsec. (a). Pub. L. 98–369, § 2673(1), inserted ''or workers'' after ''of firms'' and inserted reference to section 2273 of this title.

Subsec. (b). Pub. L. 98–369, § 2673(2), substituted ''$10,000,000'' for ''$2,000,000''.

EFFECTIVE DATE

Section effective Aug. 13, 1981, except as otherwise provided with respect to applications for adjustment assistance, see section 2529 of Pub. L. 97–35, set out as an Effective Date of 1981 Amendment note under section 2343 of this title.

PART 4—ADJUSTMENT ASSISTANCE FOR COMMUNITIES

TERMINATION DATE

This part to terminate Sept. 30, 1982, see section 285 of Pub. L. 93–618, as amended, set out as a note preceding section 2271 of this title.

PART REFERRED TO IN OTHER SECTIONS

This part is referred to in section 2391 of this title.

§ 2371. Petitions and determinations

(a) Filing of petition; receipt of petition; initiation of investigation

A petition for certification of eligibility for adjustment assistance under this part may be filed with the Secretary of Commerce (hereinafter in this part referred to as the ''Secretary'') by a political subdivision of a State (hereinafter in this part referred to as a ''community''), by a group of such communities, or by the Governor of a State on behalf of such communities. Upon receipt of the petition, the Secretary shall promptly publish notice in the Federal Register that he has received the petition and initiated an investigation.

(b) Public hearing

If the petitioner, or any other person found by the Secretary to have a substantial interest in the proceedings, submits not later than 10 days after the Secretary's publication of notice under subsection (a) of this section a request for a hearing the Secretary shall provide for a public hearing and afford such interested persons an opportunity to be present, to produce evidence, and to be heard.

(c) Certification

The Secretary shall certify a community as eligible for adjustment assistance under this part if he determines—

(1) that a significant number or portion of the workers in the trade impacted area in which such community is located have become totally or partially separated, or are threatened to become totally or partially separated,

(2) that sales or production, or both, of firms, or subdivisions of firms, located in the trade impacted area specified in paragraph (1) have decreased absolutely, and

(3) that increases of imports of articles like or directly competitive with articles produced by firms, or subdivisions of firms, located in the trade impacted area specified in paragraph (1) or that the transfer of firms or subdivisions of firms located in such area to foreign countries have contributed importantly to the total or partial separations, or threats thereof, described in paragraph (1) and to the decline in sales or production described in paragraph (2).

For purposes of paragraph (3), the term ''contributed importantly'' means a cause which is important but not necessarily more important than any other cause.

(d) Allowable period for determination

As soon as possible after the date on which a petition is filed under this section, but in any event not later than 60 days after that date, the Secretary shall determine whether the petitioning community, or group of communities, meets the requirements of subsection (c) of this section and shall issue a certification of eligibility for assistance under this part covering any community located in the same trade impacted area in which the petitioner is located which meets such requirements.

(e) Size and boundaries of trade impacted areas; criteria

The Secretary, after consulting the Secretary of Labor, shall establish the size and boundaries of each trade impacted area, considering the criteria in subsection (c) of this section and, to the extent they are relevant, the factors specified as criteria for redevelopment areas under section 3161 of title 42.

(f) Termination of certification of eligibility

If the Secretary determines that a community requires no additional assistance under this part, he shall terminate the certification of eligibility of such community and promptly have notice of such termination published in the Federal Register. Such termination shall take effect on the termination date specified by the Secretary.

(Pub. L. 93–618, title II, § 271, Jan. 3, 1975, 88 Stat. 2035.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2372, 2395 of this title; title 28 sections 1581, 2631, 2636, 2640, 2643.

§ 2372. Trade Impacted Area Councils for Adjustment Assistance

(a) Establishment

Within 60 days after a community is certified under section 2371 of this title, the Secretary shall send his representatives to the trade impacted area in which such community is located to inform officials of communities and other residents of such area about benefits available to them under this chapter and to assist such of-

ficials and residents in establishing a Trade Impacted Area Council for Adjustment Assistance (hereinafter in this part referred to as the ''Council'') for such area.

(b) Duty and function of Councils

(1) The Secretary shall establish, subject to the last sentence of this paragraph, a Council for each trade impacted area in which one or more communities are certified under section 2371 of this title. Such Council shall—

(A) develop a proposal for an adjustment assistance plan for the economic rejuvenation of certified communities in its trade impacted area, and

(B) coordinate community action under the adjustment assistance plan, as approved by the Secretary.

If an appropriate entity for purposes of performing the functions specified in subparagraphs (A) and (B) already exists in such area, then the Secretary may designate such entity as the Council for such area.

(2) Such Council shall include representatives of certified communities, industry, labor, and the general public located in the trade impacted area covered by the Council.

(c) Grants for staff

Upon application by a Council established under subsection (b) of this section, the Secretary is authorized to make grants to such Council for maintaining an appropriate professional and clerical staff. No grant shall be made to a Council to maintain staff after the period which ends 2 years after the date on which such Council is established or designated.

(d) Applications for adjustment assistance

A Council established under this section may file an application with the Secretary for adjustment assistance under this part. Such application shall include the Council's proposal for an adjustment assistance plan for the communities in its trade impacted area.

(Pub. L. 93–618, title II, § 272, Jan. 3, 1975, 88 Stat. 2036.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2373, 2374 of this title.

§ 2373. Program benefits

(a) Types of adjustment assistance

Adjustment assistance under this part consists of—

(1) all forms of assistance, other than loan guarantees, which are provided to a redevelopment area under the Public Works and Economic Development Act of 1965 [42 U.S.C. 3121 et seq.], and

(2) the loan guarantee program described in subsection (d) of this section.

(b) Approval of adjustment assistance plan

No adjustment assistance may be extended to any community or person in a trade impacted area under this part unless the Secretary approves the adjustment assistance plan submitted to him under section 2372(d) of this title.

(c) Public Works and Economic Development Act of 1965

For purposes of the Public Works and Economic Development Act of 1965 [42 U.S.C. 3121 et seq.]

(1) a trade impacted area for which an adjustment assistance plan has been approved under section 2372(d) of this title shall be treated as a redevelopment area, except that—

(A) no loan guarantees may be made to any person under such Act; and

(B) no loan or grant may be made to any recipient in such an area after September 30, 1980, and

(2) approval of an adjustment assistance plan submitted under section 2372(d) of this title shall be treated as approval of an overall economic development program under section 202(b)(10) of such Act [42 U.S.C. 3142(b)(10)].

(d) Loan guarantees

The Secretary is authorized to guarantee loans for—

(1) the acquisition, construction, installation, modernization, development, conversion, or expansion of land, plant, buildings, equipment, facilities, or machinery, and

(2) working capital,

made to private borrowers by private lending institutions in connection with projects in trade impacted areas subject to the same terms and conditions to which loan guarantees are subject under section 202 of the Public Works and Economic Development Act of 1965 [42 U.S.C. 3142], including record and audit requirements and penalties, except that—

(1) no new loan guarantee may be made under this subsection after September 30, 1982,

(2) a loan guarantee may be made for the entire amount of the outstanding unpaid balance of such loan, and

(3) no more than 20 percent of the amount of loan guarantees made under this subsection by the United States may be made in one State.

(e) Agreement of State or community to pay a portion of liability arising on loan guarantees

The Governor of the State, the authorized representative of the community, or the Governor of the State and the authorized representative of the community, in which an applicant for a loan guarantee under subsection (b) of this section is located may enter into an agreement with the Secretary which provides that such State or such community, or that such State and such community, will pay not to exceed one-half of the amount of any liability which arises on a loan guarantee made under subsection (d) of this section if the State in which the applicant for such guarantee is located has established by law a program approved by the Secretary for the purposes of this section.

(f) Preference to corporations with employee stock ownership plan; requisite features of plan

(1) When considering whether to guarantee a loan to a corporation which is otherwise quali-

fied for the purposes of subsection (d) of this section, the Secretary shall give preference to a corporation which agrees with respect to such loan to fulfill the following requirements—

(A) 25 percent of the principal amount of the loan is paid by the lender to a qualified trust established under an employee stock ownership plan established and maintained by the recipient corporation, by a parent or subsidiary of such corporation, or by several corporations including the recipient corporation.

(B) the employee stock ownership plan meets the requirements of this subsection, and

(C) the agreement among the recipient corporation, the lender, and the qualified trust relating to the loan meets the requirements of this section.

(2) An employee stock ownership plan does not meet the requirements of this subsection unless the governing instrument of the plan provides that—

(A) the amount of the loan paid under paragraph (1)(A) to the qualified trust will be used to purchase qualified employer securities,

(B) the qualified trust will repay to the lender the amount of such loan, together with the interest thereon, out of amounts contributed to the trust by the recipient corporation, and

(C) from time to time, as the qualified trust repays such amount, the trust will allocate qualified employer securities among the individual accounts of participants and their beneficiaries in accordance with the provisions of paragraph (4).

(3) The agreement among the recipient corporation, the lender, and the qualified trust does not meet the requirements of this subsection unless—

(A) it is unconditionally enforceable by any party against the others, jointly and severally,

(B) it provides that the liability of the qualified trust to repay loan amounts paid to the qualified trust may not, at any time, exceed an amount equal to the amount of contributions required under paragraph (2)(B) which are actually received by such trust,

(C) it provides that amounts received by the recipient corporation from the qualified trust for qualified employer securities purchased for the purpose of this subsection will be used exclusively by the recipient corporation for those purposes for which it may use that portion of the loan paid directly to it by the lender,

(D) it provides that the recipient corporation may not reduce the amount of its equity capital during the one year period beginning on the date on which the qualified trust purchases qualified employer securities for purposes of this subsection, and

(E) it provides that the recipient corporation will make contributions to the qualified trust of not less than such amounts as are necessary for such trust to meet its obligation to make repayments of principal and interest on the amount of the loan received by the trust without regard to whether such contributions are deductible by the corporation under section 404 of title 26 and with out regard to any other amounts the recipient corporation is obligated under law to contribute to or under the employee stock ownership plan.

(4) At the close of each plan year, an employee stock ownership plan shall allocate to the accounts of participating employees that portion of the qualified employer securities the cost of which bears substantially the same ratio to the cost of all the qualified employer securities purchased under paragraph (2)(A) of this subsection as the amount of the loan principal and interest repaid by the qualified trust during that year bears to the total amount of the loan principal and interest payable by such trust during the term of such loan. Qualified employer securities allocated to the individual account of a participant during one plan year must bear substantially the same proportion to the amount of all such securities allocated to all participants in the plan as the amount of compensation paid to such participant bears to the total amount of compensation paid to all such participants during that year.

(5) For purposes of this subsection, the term—

(A) ''employee stock ownership plan'' means a plan described in section 407(d)(6) of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1107(d)(6)], section 4975(e)(7) of title 26, and in section 702(5)[1] of title 45 which meets the requirements of title I of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1001 et seq.] and of part I of subchapter D of chapter 1 of title 26,

(B) ''qualified trust'' means a trust established under an employee stock ownership plan and meeting the requirements of title I of the Employee Retirement Income Security Act of 1974 [29 U.S.C. 1001 et seq.] and of part I of subchapter D of chapter 1 of title 26,

(C) ''qualified employer securities'' means common stock issued by the recipient corporation or by a parent or subsidiary of such corporation with voting power and dividend rights no less favorable than the voting power and dividend rights on other common stock issued by the issuing corporation and with voting power being exercised by the participants in the employee stock ownership plan after it is allocated to their plan accounts, and

(D) ''equity capital'' means, with respect to the recipient corporation, the sum of its money and other property (in an amount equal to the adjusted basis of such property but disregarding adjustments made on account of depreciation or amortization made during the period described in paragraph (3)(D)), less the amount of its indebtedness.

(g) Maximum United States share of loan guarantees

The United States share of loan guarantees made under subsection (d) of this section on loans which are outstanding at any time may not exceed $500,000,000.

(Pub. L. 93–618, title II, § 273, Jan. 3, 1975, 88 Stat. 2037; Pub. L. 99–514, § 2, Oct. 22, 1986, 100 Stat. 2095.)

[1] See References in Text note below.

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

REFERENCES IN TEXT

The Public Works and Economic Development Act of 1965, referred to in subsecs. (a) and (c), is Pub. L. 89–136, Aug. 26, 1965, 79 Stat. 552, as amended, which is classified generally to chapter 38 (§ 3121 et seq.) of Title 42, The Public Health and Welfare. For complete classification of this Act to the Code, see Short Title note set out under section 3121 of Title 42 and Tables.

The Employee Retirement Income Security Act of 1974, referred to in subsec. (f)(5)(A), (B), is Pub. L. 93–406, Sept. 2, 1974, 88 Stat. 832, as amended. Title I of the Employee Retirement Income Security Act of 1974 is classified generally to subchapter 1 (§ 1001 et seq.) of chapter 18 of Title 29, Labor. For complete classification of this Act to the Code, see Short Title note set out under section 1001 of Title 29 and Tables.

Section 702(5) of title 45, referred to in subsec. (f)(5)(A), was redesignated section 702(7) of title 45 by Pub. L. 97–35, title XI, § 1135(b), Aug. 13, 1981, 95 Stat. 646.

AMENDMENTS

1986—Subsec. (f)(3)(E), (5)(A). Pub. L. 99–514 substituted ''Internal Revenue Code of 1986'' for ''Internal Revenue Code of 1954'', which for purposes of codification was translated as ''title 26'' thus requiring no change in text.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2374 of this title.

§ 2374. Community Adjustment Assistance Fund

(a) Establishment

There is established on the books of the Treasury of the United States a revolving fund to be known as the Community Adjustment Assistance Fund. The fund shall consist of such amounts as may be deposited in it pursuant to the authorization in subsection (b) of this section and any collections, repayments of loans, or other receipts received under the program established in section 2373(a) of this title. Amounts in the fund may be used only to carry out the provisions of sections 2372 and 2373(b) of this title, including administrative costs. Amounts appropriated to the fund shall be available to the Secretary without fiscal year limitation. Upon liquidation of all remaining obligations, any balances remaining in the fund after September 30, 1980, shall be transferred to the general fund of the Treasury.

(b) Authorization of appropriations

There are authorized to be appropriated to the Community Adjustment Assistance Fund, for the purpose of carrying out the provisions of sections 2372 and 2373(a) of this title, $100,000,000 for the fiscal year ending June 30, 1975, and such sums as may be necessary for the succeeding 7 fiscal years.

(c) Authorization for loan guarantees

There are authorized to be appropriated to the Secretary such sums as may be necessary for carrying out the loan guarantee program under section 2373(d) of this title.

(Pub. L. 93–618, title II, § 274, Jan. 3, 1975, 88 Stat. 2040.)

TERMINATION OF SECTION

For termination of section by section 285 of Pub. L. 93–618, see Termination Date note set out preceding section 2271 of this title.

PART 5—MISCELLANEOUS PROVISIONS

§ 2391. General Accounting Office study and report

(a) Adjustment assistance programs

The Comptroller General of the United States shall conduct a study of the adjustment assistance programs established under parts 2, 3, and 4 of this subchapter and shall report the results of such study to the Congress no later than January 31, 1980. Such report shall include an evaluation of—

(1) the effectiveness of such programs in aiding workers, firms, and communities to adjust to changed economic conditions resulting from changes in the patterns of international trade; and

(2) the coordination of the administration of such programs and other Government programs which provide unemployment compensation and relief to depressed areas.

(b) Assistance from Labor and Commerce Departments

In carrying out his responsibilities under this section, the Comptroller General shall, to the extent practical, avail himself of the assistance of the Departments of Labor and Commerce. The Secretaries of Labor and Commerce shall make available to the Comptroller General any assistance necessary for an effective evaluation of the adjustment assistance programs established under this subchapter.

(Pub. L. 93–618, title II, § 280, Jan. 3, 1975, 88 Stat. 2040.)

§ 2392. Adjustment Assistance Coordinating Committee

There is established the Adjustment Assistance Coordinating Committee to consist of a Deputy United States Trade Representative as Chairman, and the officials charged with adjustment assistance responsibilities of the Departments of Labor and Commerce and the Small Business Administration. It shall be the function of the Committee to coordinate the adjustment assistance policies, studies, and programs of the various agencies involved and to promote the efficient and effective delivery of adjustment assistance benefits.

(Pub. L. 93–618, title II, § 281, Jan. 3, 1975, 88 Stat. 2040; 1979 Reorg. Plan No. 3, § 1(c), eff. Jan. 2, 1980, 44 F.R. 69274, 93 Stat. 1381.)

CHANGE OF NAME

''Deputy United States Trade Representative'' substituted in text for ''Deputy Special Trade Representative'', meaning Deputy Special Representative for Trade Negotiations, pursuant to Reorg. Plan No. 3 of 1979, § 1(c), 44 F.R. 69274, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title. See, also, section 2171 of this title as amended by Pub. L. 97–456.

§ 2393. Trade monitoring system

The Secretary of Commerce and the Secretary of Labor shall establish and maintain a program to monitor imports of articles into the United States which will reflect changes in the volume of such imports, the relation of such imports to changes in domestic production, changes in employment within domestic industries producing articles like or directly competitive with such imports, and the extent to which such changes in production and employment are concentrated in specific geographic regions of the United States. A summary of the information gathered under this section shall be published regularly and provided to the Adjustment Assistance Coordinating Committee, the International Trade Commission, and to the Congress.

(Pub. L. 93–618, title II, § 282, Jan. 3, 1975, 88 Stat. 2040.)

§ 2394. Firms relocating in foreign countries

Before moving productive facilities from the United States to a foreign country, every firm should—

(1) provide notice of the move to its employees who are likely to be totally or partially separated as a result of the move at least 60 days before the date of such move, and

(2) provide notice of the move to the Secretary of Labor and the Secretary of Commerce on the same day it notifies employees under paragraph (1).

(b)[1] It is the sense of the Congress that every such firm should—

(1) apply for and use all adjustment assistance for which it is eligible under this subchapter,

(2) offer employment opportunities in the United States, if any exist, to its employees who are totally or partially separated workers as a result of the move, and

(3) assist in relocating employees to other locations in the United States where employment opportunities exist.

(Pub. L. 93–618, title II, § 283, Jan. 3, 1975, 88 Stat. 2041.)

§ 2395. Judicial review

(a) Petition for review; time and place of filing

A worker, group of workers, certified or recognized union, or authorized representative of such worker or group aggrieved by a final determination of the Secretary of Labor under section 2273 of this title or section 2331(c) of this title, a firm or its representative or any other interested domestic party aggrieved by a final determination of the Secretary of Commerce under section 2341 of this title, or a community or any other interested domestic party aggrieved by a final determination of the Secretary of Commerce under section 2371 of this title may, within sixty days after notice of such determination commence a civil action in the United States Court of International Trade for review of such determination. The clerk of such court shall send a copy of the summons and the complaint in such action to the Secretary of Labor or the Secretary of Commerce, as the case may be. Upon receiving a copy of such summons and complaint, such Secretary shall promptly certify and file in such court the record on which he based such determination.

(b) Findings of fact by Secretary; conclusiveness; new or modified findings

The findings of fact by the Secretary of Labor or the Secretary of Commerce, as the case may be, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to such Secretary to take further evidence, and such Secretary may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) Determination; review by Supreme Court

The Court of International Trade shall have jurisdiction to affirm the action of the Secretary of Labor or the Secretary of Commerce, as the case may be, or to set such action aside, in whole or in part. The judgment of the Court of International Trade shall be subject to review by the United States Court of Appeals for the Federal Circuit as prescribed by the rules of such court. The judgment of the Court of Appeals for the Federal Circuit shall be subject to review by the Supreme Court of the United States upon certiorari as provided in section 1256[1] of title 28.

(Pub. L. 93–618, title II, § 284, as added Pub. L. 96–417, title VI, § 613(a), Oct. 10, 1980, 94 Stat. 1746; amended Apr. 2, 1982, Pub. L. 97–164, title I, § 163(a)(5), 96 Stat. 49; Pub. L. 103–182, title V, § 503(d), Dec. 8, 1993, 107 Stat. 2151.)

REFERENCES IN TEXT

Section 1256 of title 28, referred to in subsec. (c), was repealed by Pub. L. 97–164, title I, § 123, Apr. 2, 1982, 96 Stat. 36.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182 inserted reference to section 2331(c) of this title.

1982—Subsec. (c). Pub. L. 97–164 substituted ''Court of Appeals for the Federal Circuit'' for ''Court of Customs and Patent Appeals''.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 506(a) of Pub. L. 103–182, set out as an Effective Date note under section 2331 of this title.

EFFECTIVE DATE OF 1982 AMENDMENT

Amendment by Pub. L. 97–164 effective Oct. 1, 1982, see section 402 of Pub. L. 97–164, set out as a note under section 171 of Title 28, Judiciary and Judicial Procedure.

EFFECTIVE DATE

Section applicable with respect to civil actions commenced on or after Nov. 1, 1980, see section 701(b)(3) of

[1] So in original. The first paragraph was not designated subsec. (a).

[1] See References in Text note below.

Pub. L. 96–417 set out as an Effective Date of 1980 Amendment note under section 251 of Title 28, Judiciary and Judicial Procedure.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 16 section 79*l*; title 28 section 2640.

§ 2396. Omitted

Section, Pub. L. 93–618, title II, § 286, as added Pub. L. 100–418, title I, § 1427(a), Aug. 23, 1988, 102 Stat. 1251, which established the Trade Adjustment Assistance Trust Fund, did not become effective pursuant to section 1430(c) of Pub. L. 100–418, as amended, set out as an Effective Date note under section 2397 of this title.

§ 2397. Omitted

Section, Pub. L. 93–618, title II, § 287, as added Pub. L. 100–418, title I, § 1428(b), Aug. 23, 1988, 102 Stat. 1255, which imposed an additional fee, did not become effective pursuant to section 1430(b) of Pub. L. 100–418, as amended, set out below.

EFFECTIVE DATE

Section 1430 of Pub. L. 100–418, as amended by Pub. L. 100–647, title IX, § 9001(a)(21), Nov. 10, 1988, 102 Stat. 3808, provided that:

''(a) IN GENERAL.—Except as otherwise provided by this section, the amendments made by this part [part 3 (§§ 1421–1430) of subtitle D of title I of Pub. L. 100–418, enacting this section and sections 2318 and 2396 of this title, amending sections 2272, 2275, 2291 to 2293, 2295, 2296, 2311, 2317, 2341, and 2346 of this title, and amending provisions set out as a note preceding section 2271 of this title] shall take effect on the date of enactment of this Act [Aug. 23, 1988].

''(b) ADDITIONAL FEE.—

''(1) Except as otherwise provided in this subsection, the amendment made by section 1428(b) [enacting this section] shall apply (if at all) to any article entered, or withdrawn from warehouse for consumption, after the date that is 30 days after the earlier of—

''(A) the date on which the President submits to the Congress the written statement described in section 1428(a)(3)(A) [set out as a note below],

''(B) the date that is 2 years after the date of enactment of this Act [Aug. 23, 1988], or

''(C) the date of the enactment of a disapproval resolution that passes both Houses of the Congress within the 90-day period beginning on the date that is 2 years after the date of enactment of this Act.

''(2) If the President determines on the date that is 2 years after the date of enactment of this Act that the fee imposed by the amendment made by section 1428(b) is not in the national economic interest, subparagraph (B) of paragraph (1) shall not be taken into account in applying the provisions of paragraph (1). [See Determination of President of the United States, No. 90–34, set out below.]

''(3) The amendment made by section 1428(b) shall apply (if at all) to the products of any foreign country described in section 1428(a)(1)(B) [set out as a note below] that are entered, or withdrawn from warehouse for consumption, after the later of—

''(A) the first date on which the fee imposed by such amendment applies with respect to products of foreign countries that are not described in section 1428(a)(1)(B), or

''(B) the date on which the President submits to the Congress the written statement described in section 1428(a)(3)(B) [set out as a note below] certifying the consent of such foreign country to the imposition of the fee.

''(c) TRUST FUND.—The amendments made by section 1427 [enacting section 2396 of this title] shall take effect on the first date on which the amendment made by section 1428(b) [enacting this section] applies with respect to any articles.

''(d) ELIGIBILITY OF WORKERS AND FIRMS.—The amendments made by sections 1421(b) and 1424(b) [amending sections 2272, 2296, and 2341 of this title] shall take effect on the date that is 1 year after the first date on which the amendment made by section 1428(b) [enacting this section] applies with respect to any articles.

''(e) NOTIFICATION REQUIREMENTS.—The amendments made by section 1422 [amending section 2275 of this title] shall take effect on the date that is 30 days after the date of enactment of this Act [Aug. 23, 1988].

''(f) TRAINING REQUIREMENT.—The amendments made by subsections (a), (b)(2), and (c)(2) of section 1423 and by paragraphs (2) and (3) of section 1424(c) [amending sections 2291 to 2293, 2296, and 2311 of this title] shall take effect on the date that is 90 days after the date of enactment of this Act [Aug. 23, 1988].

''(g) LIMITATION ON PERIOD FOR WHICH TRADE READJUSTMENT ALLOWANCES MAY BE MADE.—The amendment made by section 1425(a) [amending section 2293 of this title] shall not apply with respect to any total separation of a worker from adversely affected employment (within the meaning of section 247 of such Act [19 U.S.C. 2319]) that occurs before the date of enactment of this Act [Aug. 23, 1988] if the application of such amendment with respect to such total separation would reduce the period for which such worker would (but for such amendment) be allowed to receive trade readjustment allowances under part I of subchapter B of chapter 2 of title II of the Trade Act of 1974 [19 U.S.C. 2291 to 2294].''

IMPOSITION OF SMALL UNIFORM FEE ON ALL IMPORTS

Section 1428(a) of Pub. L. 100–418 provided that:

''(1) The President shall—

''(A) undertake negotiations necessary to achieve changes in the General Agreement on Tariffs and Trade that would allow any country to impose a small uniform fee of not more than 0.15 percent on all imports to such country for the purpose of using the revenue from such fee to fund programs which directly assist adjustment to import competition, and

''(B) undertake negotiations with any foreign country that has entered into a free trade agreement with the United States under subtitle A [§§ 1101 to 1125, of title I of Pub. L. 100–418, see Tables for classification] or under section 102 of the Trade Act of 1974 [19 U.S.C. 2112] to obtain the consent of such country to the imposition of such a fee by the United States.

''(2) In the report that is submitted under section 163 of the Trade Act of 1974 [19 U.S.C. 2213] for 1989 and 1990, the President shall include a statement on the progress of negotiations conducted under paragraph (1).

''(3)(A) On the first day after the date of enactment of this Act [Aug. 23, 1988] on which the General Agreement on Tariffs and Trade allows any country to impose a fee described in paragraph (1), the President shall submit to the Congress, and publish in the Federal Register, a written statement certifying such allowance.

''(B) On the first day after the date of enactment of this Act on which any foreign country described in paragraph (1)(B) consents to the imposition of such a fee by the United States, the President shall submit to the Congress, and publish in the Federal Register, a written statement certifying such consent.

''(4) If—

''(A) the President does not submit to the Congress the written statement described in paragraph (3)(A) before the date that is 2 years after the date of enactment of this Act [Aug. 23, 1988], and

''(B) the President determines on such date that the fee imposed by the amendment made by subsection (b) [enacting this section] is not in the national economic interest,

the President shall submit to the Congress, and publish in the Federal Register, written notice of such determination on such date. [See Determination of President of the United States, No. 90–34, set out below.]

''(5)(A) Any disapproval resolution that is introduced in the Senate or House of Representatives within the

90-day period beginning on the date that is 2 years after the date of enactment of this Act [Aug. 23, 1988] shall, for purposes of section 152 of the Trade Act of 1974 (19 U.S.C. 2192), be treated as a joint resolution described in section 152(a)(1)(A) of such Act.

''(B) For purposes of this part [see Effective Date note above], the term 'disapproval resolution' means a joint resolution of the two Houses of the Congress, the matter after the resolving clause of which is as follows: 'That the Congress disapproves of the determination made by the President under section 1428(a)(4)(A) of the Omnibus Trade and Competitiveness Act of 1988 [subsec. (a)(4)(A) of this note].' ''

TERMINATION OF DUTIES

No duty may be imposed under this section after Sept. 30, 1993, see section 285(b) of Pub. L. 93–618, as amended, set out as a note preceding section 2271 of this title.

DETERMINATION THAT CERTAIN IMPORT FEES ARE NOT IN THE NATIONAL ECONOMIC INTEREST

Determination of President of the United States, No. 90–34, Aug. 23, 1990, 55 F.R. 34889, provided:

Pursuant to section 1428(a)(4)(B) of the Omnibus Trade and Competitiveness Act of 1988 [Pub. L. 100–418, set out above], I determine that it is not in the national economic interest to impose the fee described under subsection (b) of that section [enacting this section].

I hereby authorize and direct the United States Trade Representative to submit to the Congress and publish in the Federal Register written notice of this determination.

GEORGE BUSH.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2396 of this title.

SUBCHAPTER III—ENFORCEMENT OF UNITED STATES RIGHTS UNDER TRADE AGREEMENTS AND RESPONSE TO CERTAIN FOREIGN TRADE PRACTICES

SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in sections 1339, 2133, 2171, 3106, 3571 of this title.

§ 2411. Actions by United States Trade Representative

(a) Mandatory action

(1) If the United States Trade Representative determines under section 2414(a)(1) of this title that—

(A) the rights of the United States under any trade agreement are being denied; or

(B) an act, policy, or practice of a foreign country—

(i) violates, or is inconsistent with, the provisions of, or otherwise denies benefits to the United States under, any trade agreement, or

(ii) is unjustifiable and burdens or restricts United States commerce;

the Trade Representative shall take action authorized in subsection (c) of this section, subject to the specific direction, if any, of the President regarding any such action, and shall take all other appropriate and feasible action within the power of the President that the President may direct the Trade Representative to take under this subsection, to enforce such rights or to obtain the elimination of such act, policy, or practice. Actions may be taken that are within the power of the President with respect to trade in any goods or services, or with respect to any other area of pertinent relations with the foreign country.

(2) The Trade Representative is not required to take action under paragraph (1) in any case in which—

(A) the Dispute Settlement Body (as defined in section 3531(5) of this title) has adopted a report, or a ruling issued under the formal dispute settlement proceeding provided under any other trade agreement finds, that—

(i) the rights of the United States under a trade agreement are not being denied, or

(ii) the act, policy, or practice—

(I) is not a violation of, or inconsistent with, the rights of the United States, or

(II) does not deny, nullify, or impair benefits to the United States under any trade agreement; or

(B) the Trade Representative finds that—

(i) the foreign country is taking satisfactory measures to grant the rights of the United States under a trade agreement,

(ii) the foreign country has—

(I) agreed to eliminate or phase out the act, policy, or practice, or

(II) agreed to an imminent solution to the burden or restriction on United States commerce that is satisfactory to the Trade Representative,

(iii) it is impossible for the foreign country to achieve the results described in clause (i) or (ii), as appropriate, but the foreign country agrees to provide to the United States compensatory trade benefits that are satisfactory to the Trade Representative,

(iv) in extraordinary cases, where the taking of action under this subsection would have an adverse impact on the United States economy substantially out of proportion to the benefits of such action, taking into account the impact of not taking such action on the credibility of the provisions of this subchapter, or

(v) the taking of action under this subsection would cause serious harm to the national security of the United States.

(3) Any action taken under paragraph (1) to eliminate an act, policy, or practice shall be devised so as to affect goods or services of the foreign country in an amount that is equivalent in value to the burden or restriction being imposed by that country on United States commerce.

(b) Discretionary action

If the Trade Representative determines under section 2414(a)(1) of this title that—

(1) an act, policy, or practice of a foreign country is unreasonable or discriminatory and burdens or restricts United States commerce, and

(2) action by the United States is appropriate, the Trade Representative shall take all appropriate and feasible action authorized under subsection (c) of this section, subject to the specific direction, if any, of the President regarding any such action, and all other appropriate and feasible action within the power of the President that the President may direct

the Trade Representative to take under this subsection, to obtain the elimination of that act, policy, or practice. Actions may be taken that are within the power of the President with respect to trade in any goods or services, or with respect to any other area of pertinent relations with the foreign country.

(c) Scope of authority

(1) For purposes of carrying out the provisions of subsection (a) or (b) of this section, the Trade Representative is authorized to—

(A) suspend, withdraw, or prevent the application of, benefits of trade agreement concessions to carry out a trade agreement with the foreign country referred to in such subsection;

(B) impose duties or other import restrictions on the goods of, and, notwithstanding any other provision of law, fees or restrictions on the services of, such foreign country for such time as the Trade Representative determines appropriate;

(C) in a case in which the act, policy, or practice also fails to meet the eligibility criteria for receiving duty-free treatment under subsections (b) and (c) of section 2462 of this title, subsections (b) and (c) of section 2702 of this title, or subsections (c) and (d) of section 3202 of this title, withdraw, limit, or suspend such treatment under such provisions, notwithstanding the provisions of subsection (a)(3) of this section; or

(D) enter into binding agreements with such foreign country that commit such foreign country to—

(i) eliminate, or phase out, the act, policy, or practice that is the subject of the action to be taken under subsection (a) or (b) of this section,

(ii) eliminate any burden or restriction on United States commerce resulting from such act, policy, or practice, or

(iii) provide the United States with compensatory trade benefits that—

(I) are satisfactory to the Trade Representative, and

(II) meet the requirements of paragraph (4).

(2)(A) Notwithstanding any other provision of law governing any service sector access authorization, and in addition to the authority conferred in paragraph (1), the Trade Representative may, for purposes of carrying out the provisions of subsection (a) or (b) of this section—

(i) restrict, in the manner and to the extent the Trade Representative determines appropriate, the terms and conditions of any such authorization, or

(ii) deny the issuance of any such authorization.

(B) Actions described in subparagraph (A) may only be taken under this section with respect to service sector access authorizations granted, or applications therefor pending, on or after the date on which—

(i) a petition is filed under section 2412(a) of this title, or

(ii) a determination to initiate an investigation is made by the Trade Representative under section 2412(b) of this title.

(C) Before the Trade Representative takes any action under this section involving the imposition of fees or other restrictions on the services of a foreign country, the Trade Representative shall, if the services involved are subject to regulation by any agency of the Federal Government or of any State, consult, as appropriate, with the head of the agency concerned.

(3) The actions the Trade Representative is authorized to take under subsection (a) or (b) of this section may be taken against any goods or economic sector—

(A) on a nondiscriminatory basis or solely against the foreign country described in such subsection, and

(B) without regard to whether or not such goods or economic sector were involved in the act, policy, or practice that is the subject of such action.

(4) Any trade agreement described in paragraph (1)(C)(iii)[1] shall provide compensatory trade benefits that benefit the economic sector which includes the domestic industry that would benefit from the elimination of the act, policy, or practice that is the subject of the action to be taken under subsection (a) or (b) of this section, or benefit the economic sector as closely related as possible to such economic sector, unless—

(A) the provision of such trade benefits is not feasible, or

(B) trade benefits that benefit any other economic sector would be more satisfactory than such trade benefits.

(5) If the Trade Representative determines that actions to be taken under subsection (a) or (b) of this section are to be in the form of import restrictions, the Trade Representative shall—

(A) give preference to the imposition of duties over the imposition of other import restrictions, and

(B) if an import restriction other than a duty is imposed, consider substituting, on an incremental basis, an equivalent duty for such other import restriction.

(6) Any action taken by the Trade Representative under this section with respect to export targeting shall, to the extent possible, reflect the full benefit level of the export targeting to the beneficiary over the period during which the action taken has an effect.

(d) Definitions and special rules

For purposes of this subchapter—

(1) The term ''commerce'' includes, but is not limited to—

(A) services (including transfers of information) associated with international trade, whether or not such services are related to specific goods, and

(B) foreign direct investment by United States persons with implications for trade in goods or services.

(2) An act, policy, or practice of a foreign country that burdens or restricts United States commerce may include the provision, directly or indirectly, by that foreign country of subsidies for the construction of vessels

[1] So in original. Probably should be paragraph ''(1)(D)(iii)''.

used in the commercial transportation by water of goods between foreign countries and the United States.

(3)(A) An act, policy, or practice is unreasonable if the act, policy, or practice, while not necessarily in violation of, or inconsistent with, the international legal rights of the United States, is otherwise unfair and inequitable.

(B) Acts, policies, and practices that are unreasonable include, but are not limited to, any act, policy, or practice, or any combination of acts, policies, or practices, which—

(i) denies fair and equitable—

(I) opportunities for the establishment of an enterprise,

(II) provision of adequate and effective protection of intellectual property rights notwithstanding the fact that the foreign country may be in compliance with the specific obligations of the Agreement on Trade-Related Aspects of Intellectual Property Rights referred to in section 3511(d)(15) of this title,

(III) nondiscriminatory market access opportunities for United States persons that rely upon intellectual property protection, or

(IV) market opportunities, including the toleration by a foreign government of systematic anticompetitive activities by enterprises or among enterprises in the foreign country that have the effect of restricting, on a basis that is inconsistent with commercial considerations, access of United States goods or services to a foreign market,

(ii) constitutes export targeting, or

(iii) constitutes a persistent pattern of conduct that—

(I) denies workers the right of association,

(II) denies workers the right to organize and bargain collectively,

(III) permits any form of forced or compulsory labor,

(IV) fails to provide a minimum age for the employment of children, or

(V) fails to provide standards for minimum wages, hours of work, and occupational safety and health of workers.

(C)(i) Acts, policies, and practices of a foreign country described in subparagraph (B)(iii) shall not be treated as being unreasonable if the Trade Representative determines that—

(I) the foreign country has taken, or is taking, actions that demonstrate a significant and tangible overall advancement in providing throughout the foreign country (including any designated zone within the foreign country) the rights and other standards described in the subclauses of subparagraph (B)(iii), or

(II) such acts, policies, and practices are not inconsistent with the level of economic development of the foreign country.

(ii) The Trade Representative shall publish in the Federal Register any determination made under clause (i), together with a description of the facts on which such determination is based.

(D) For purposes of determining whether any act, policy, or practice is unreasonable, reciprocal opportunities in the United States for foreign nationals and firms shall be taken into account, to the extent appropriate.

(E) The term ''export targeting'' means any government plan or scheme consisting of a combination of coordinated actions (whether carried out severally or jointly) that are bestowed on a specific enterprise, industry, or group thereof, the effect of which is to assist the enterprise, industry, or group to become more competitive in the export of a class or kind of merchandise.

(F)(i) For the purposes of subparagraph (B)(i)(II), adequate and effective protection of intellectual property rights includes adequate and effective means under the laws of the foreign country for persons who are not citizens or nationals of such country to secure, exercise, and enforce rights and enjoy commercial benefits relating to patents, trademarks, copyrights and related rights, mask works, trade secrets, and plant breeder's rights.

(ii) For purposes of subparagraph (B)(i)(IV), the denial of fair and equitable nondiscriminatory market access opportunities includes restrictions on market access related to the use, exploitation, or enjoyment of commercial benefits derived from exercising intellectual property rights in protected works or fixations or products embodying protected works.

(4)(A) An act, policy, or practice is unjustifiable if the act, policy, or practice is in violation of, or inconsistent with, the international legal rights of the United States.

(B) Acts, policies, and practices that are unjustifiable include, but are not limited to, any act, policy, or practice described in subparagraph (A) which denies national or most-favored-nation treatment or the right of establishment or protection of intellectual property rights.

(5) Acts, policies, and practices that are discriminatory include, when appropriate, any act, policy, and practice which denies national or most-favored-nation treatment to United States goods, services, or investment.

(6) The term ''service sector access authorization'' means any license, permit, order, or other authorization, issued under the authority of Federal law, that permits a foreign supplier of services access to the United States market in a service sector concerned.

(7) The term ''foreign country'' includes any foreign instrumentality. Any possession or territory of a foreign country that is administered separately for customs purposes shall be treated as a separate foreign country.

(8) The term ''Trade Representative'' means the United States Trade Representative.

(9) The term ''interested persons'', only for purposes of sections 2412(a)(4)(B), 2414(b)(1)(A), 2416(c)(2), and 2417(a)(2) of this title, includes, but is not limited to, domestic firms and workers, representatives of consumer interests, United States product exporters, and any industrial user of any goods or services that may be affected by actions taken under subsection (a) or (b) of this section.

(Pub. L. 93–618, title III, § 301, as added Pub. L. 96–39, title IX, § 901, July 26, 1979, 93 Stat. 295;

amended Pub. L. 98–573, title III, § 304(a)–(c), (f), Oct. 30, 1984, 98 Stat. 3002, 3005; Pub. L. 100–418, title I, § 1301(a), Aug. 23, 1988, 102 Stat. 1164; Pub. L. 103–465, title III, § 314(a)–(c), title VI, § 621(a)(9), Dec. 8, 1994, 108 Stat. 4939, 4940, 4993.)

PRIOR PROVISIONS

A prior section 301 of Pub. L. 93–618, title III, Jan. 3, 1975, 88 Stat. 2041, which related to Presidential responses to foreign import restrictions and export subsidies and which was classified to this section, was omitted in the general revision of title III of Pub. L. 93–618 by Pub. L. 96–39, title IX, § 901, July 26, 1979, 93 Stat. 295.

AMENDMENTS

1994—Subsec. (a)(1). Pub. L. 103–465, § 314(a)(1), inserted at end of concluding provisions ''Actions may be taken that are within the power of the President with respect to trade in any goods or services, or with respect to any other area of pertinent relations with the foreign country.''

Subsec. (a)(2)(A). Pub. L. 103–465, § 621(a)(9), substituted ''the Dispute Settlement Body (as defined in section 3531(5) of this title) has adopted a report,'' for ''the Contracting Parties to the General Agreement on Tariffs and Trade have determined, a panel of experts has reported to the Contracting Parties,''.

Subsec. (b)(2). Pub. L. 103–465, § 314(a)(1), inserted at end ''Actions may be taken that are within the power of the President with respect to trade in any goods or services, or with respect to any other area of pertinent relations with the foreign country.''

Subsec. (c)(1)(B) to (D). Pub. L. 103–465, § 314(b)(1), struck out ''or'' at end of subpar. (B), added subpar. (C), and redesignated former subpar. (C) as (D).

Subsec. (c)(5). Pub. L. 103–465, § 314(a)(2), added introductory provisions, reenacted subpar. (A) without change, and struck out former introductory provisions which read as follows: ''In taking actions under subsection (a) or (b) of this section, the Trade Representative shall—''.

Subsec. (d)(3)(B)(i)(II) to (IV). Pub. L. 103–465, § 314(c)(1), added subcls. (II) to (IV) and struck out former subcls. (II) and (III) which read as follows:

''(II) provision of adequate and effective protection of intellectual property rights, or

''(III) market opportunities, including the toleration by a foreign government of systematic anticompetitive activities by private firms or among private firms in the foreign country that have the effect of restricting, on a basis that is inconsistent with commercial considerations, access of United States goods to purchasing by such firms,''.

Subsec. (d)(3)(F). Pub. L. 103–465, § 314(c)(2), added subpar. (F).

1988—Pub. L. 100–418 amended section generally, substituting provisions relating to actions by United States Trade Representative for provisions relating to determinations and action by President.

1984—Subsec. (a). Pub. L. 98–573, § 304(a), amended subsec. (a) generally, which prior to amendment provided that if the President determines that action by the United States is appropriate (1) to enforce the rights of the United States under any trade agreement; or (2) to respond to any act, policy, or practice of a foreign country or instrumentality that (A) is inconsistent with the provisions of, or otherwise denies benefits to the United States under, any trade agreement, or (B) is unjustifiable, unreasonable, or discriminatory and burdens or restricts United States commerce; the President shall take all appropriate and feasible action within his power to enforce such rights or to obtain the elimination of such act, policy, or practice and that action under this section may be taken on a nondiscriminatory basis or solely against the products or services of the foreign country or instrumentality involved.

Subsec. (b)(1). Pub. L. 98–573, § 304(b)(1), struck out ''and'' at end.

Subsec. (b)(2). Pub. L. 98–573, § 304(b)(2), (3), inserted '', notwithstanding any other provision of law,'' and substituted ''goods'' for ''products''.

Subsecs. (c), (d). Pub. L. 98–573, § 304(c), added subsec. (c) and redesignated existing subsecs. (c) and (d) as (d) and (e), respectively.

Subsec. (e). Pub. L. 98–573, § 304(c), (f), redesignated subsec. (d) as (e), inserted ''For purposes of this section—'' before par. (1), in par. (1) substituted provisions defining ''commerce'' as including, but not limited to services (including transfers of information) associated with international trade, whether or not such services are related to specific goods, and foreign direct investment by United States persons with implications for trade in goods or services for provision defining ''commerce'' as including, but not limited to, services associated with international trade, whether or not such services are related to specific products, and added pars. (3) to (6).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by section 314(a)–(c) of Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 316(a) of Pub. L. 103–465, set out as an Effective Date note under section 3581 of this title.

Amendment by section 621(a)(9) of Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 621(b) of Pub. L. 103–465, set out as a note under section 1677k of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Section 1301(c) of Pub. L. 100–418 provided that: ''The amendments made by this section [enacting sections 2417 to 2419 of this title and amending this section and sections 2412 to 2416 of this title] shall apply to—

''(1) petitions filed, and investigations initiated, under section 302 of the Trade Act of 1974 [19 U.S.C. 2412] on or after the date of the enactment of this Act [Aug. 23, 1988]; and

''(2) petitions filed, and investigations initiated, before the date of enactment of this Act, if by that date no decision had been made under section 304 [19 U.S.C. 2414] regarding the petition or investigation.''

EFFECTIVE DATE

Section 903 of Pub. L. 96–39 provided that: ''The amendments made by sections 901 and 902 [enacting this subchapter and amending sections 1872, 2192, and 2194 of this title] shall take effect on the date of the enactment of this Act [July 26, 1979]. Any petition for review filed with the Special Representative for Trade Negotiations under section 301 of the Trade Act of 1974 (as in effect on the day before such date of enactment) [former section 2411 of this title] and pending on such date of enactment shall be treated as an investigation initiated on such date of enactment under section 302(b)(2) of the Trade Act of 1974 (as added by section 901 of this Act) [section 2412(b)(2) of this title] and any information developed by, or submitted to, the Special Representative before such date of enactment under the review shall be treated as part of the information developed during such investigation.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2112, 2241, 2412, 2414, 2415, 2416, 2417, 2419, 2554, 2581, 3105, 3106, 3312, 3437, 3512, 3571 of this title; title 7 sections 1736m, 5602, 5623.

§ 2412. Initiation of investigations

(a) Petitions

(1) Any interested person may file a petition with the Trade Representative requesting that action be taken under section 2411 of this title and setting forth the allegations in support of the request.

(2) The Trade Representative shall review the allegations in any petition filed under paragraph (1) and, not later than 45 days after the date on which the Trade Representative received the petition, shall determine whether to initiate an investigation.

(3) If the Trade Representative determines not to initiate an investigation with respect to a petition, the Trade Representative shall inform the petitioner of the reasons therefor and shall publish notice of the determination, together with a summary of such reasons, in the Federal Register.

(4) If the Trade Representative makes an affirmative determination under paragraph (2) with respect to a petition, the Trade Representative shall initiate an investigation regarding the issues raised in the petition. The Trade Representative shall publish a summary of the petition in the Federal Register and shall, as soon as possible, provide opportunity for the presentation of views concerning the issues, including a public hearing—

(A) within the 30-day period beginning on the date of the affirmative determination (or on a date after such period if agreed to by the petitioner) if a public hearing within such period is requested in the petition, or

(B) at such other time if a timely request therefor is made by the petitioner or by any interested person.

(b) Initiation of investigation by means other than petition

(1)(A) If the Trade Representative determines that an investigation should be initiated under this subchapter with respect to any matter in order to determine whether the matter is actionable under section 2411 of this title, the Trade Representative shall publish such determination in the Federal Register and shall initiate such investigation.

(B) The Trade Representative shall, before making any determination under subparagraph (A), consult with appropriate committees established pursuant to section 2155 of this title.

(2)(A) By no later than the date that is 30 days after the date on which a country is identified under section 2242(a)(2) of this title, the Trade Representative shall initiate an investigation under this subchapter with respect to any act, policy, or practice of that country that—

(i) was the basis for such identification, and

(ii) is not at that time the subject of any other investigation or action under this subchapter.

(B) The Trade Representative is not required under subparagraph (A) to initiate an investigation under this subchapter with respect to any act, policy, or practice of a foreign country if the Trade Representative determines that the initiation of the investigation would be detrimental to United States economic interests.

(C) If the Trade Representative makes a determination under subparagraph (B) not to initiate an investigation, the Trade Representative shall submit to the Congress a written report setting forth, in detail—

(i) the reasons for the determination, and

(ii) the United States economic interests that would be adversely affected by the investigation.

(D) The Trade Representative shall, from time to time, consult with the Register of Copyrights, the Commissioner of Patents and Trademarks, and other appropriate officers of the Federal Government, during any investigation initiated under this subchapter by reason of subparagraph (A).

(c) Discretion

In determining whether to initiate an investigation under subsection (a) or (b) of this section of any act, policy, or practice that is enumerated in any provision of section 2411(d) of this title, the Trade Representative shall have discretion to determine whether action under section 2411 of this title would be effective in addressing such act, policy, or practice.

(Pub. L. 93–618, title III, § 302, as added Pub. L. 96–39, title IX, § 901, July 26, 1979, 93 Stat. 296; amended Pub. L. 98–573, title III, § 304(d)(1), Oct. 30, 1984, 98 Stat. 3003; Pub. L. 100–418, title I, § 1301(a), Aug. 23, 1988, 102 Stat. 1168.)

PRIOR PROVISIONS

A prior section 302 of Pub. L. 93–618, title III, Jan. 3, 1975, 88 Stat. 2043, which related to the procedure for Congressional disapproval of certain actions taken by the President to eliminate foreign import restrictions and export subsidies and which was classified to this section, was omitted in the general revision of title III of Pub. L. 93–618 by Pub. L. 96–39, title IX, § 901, July 26, 1979, 93 Stat. 295.

AMENDMENTS

1988—Pub. L. 100–418 amended section generally, substituting provisions relating to initiating investigations with or without petitions and discretion of Trade Representative for provisions relating to filing and determinations on petitions for investigations and investigations initiated by Trade Representative.

1984—Pub. L. 98–573 amended section generally, substituting ''United States Trade Representative'' and ''Trade Representative'' for ''Special Representative for Trade Negotiations'' and ''Special Representative'', respectively, substituting ''the reasons'' for ''his reasons'' in subsec. (b)(1), substituting ''a summary'' for ''the text'' in subsec. (b)(2), striking out the comma after ''petitioner)'' in subsec. (b)(2)(A), and inserting ''or by any interested person'' after ''petitioner'' in subsec. (b)(2)(B).

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 applicable to petitions filed, and investigations initiated, under this section on or after Aug. 23, 1988, and petitions filed, and investigations initiated, before Aug. 23, 1988, if by such date no decision had been made under section 2414 of this title regarding the petition or investigation, see section 1301(c) of Pub. L. 100–418, set out as a note under section 2411 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1872, 2241, 2242, 2411, 2413, 2414, 2415, 2419, 2420, 3437, 3537, 3571 of this title.

§ 2413. Consultation upon initiation of investigation

(a) In general

(1) On the date on which an investigation is initiated under section 2412 of this title, the Trade Representative, on behalf of the United States, shall request consultations with the foreign country concerned regarding the issues involved in such investigation.

(2) If the investigation initiated under section 2412 of this title involves a trade agreement and a mutually acceptable resolution is not reached before the earlier of—

(A) the close of the consultation period, if any, specified in the trade agreement, or

(B) the 150th day after the day on which consultation was commenced,

the Trade Representative shall promptly request proceedings on the matter under the formal dispute settlement procedures provided under such agreement.

(3) The Trade Representative shall seek information and advice from the petitioner (if any) and the appropriate committees established pursuant to section 2155 of this title in preparing United States presentations for consultations and dispute settlement proceedings.

(b) Delay of request for consultations

(1) Notwithstanding the provisions of subsection (a) of this section—

(A) the United States Trade Representative may, after consulting with the petitioner (if any), delay for up to 90 days any request for consultations under subsection (a) of this section for the purpose of verifying or improving the petition to ensure an adequate basis for consultation, and

(B) if such consultations are delayed by reason of subparagraph (A), each time limitation under section 2414 of this title shall be extended for the period of such delay.

(2) The Trade Representative shall—

(A) publish notice of any delay under paragraph (1) in the Federal Register, and

(B) report to Congress on the reasons for such delay in the report required under section 2419(a)(3) of this title.

(Pub. L. 93–618, title III, § 303, as added Pub. L. 96–39, title IX, § 901, July 26, 1979, 93 Stat. 297; amended Pub. L. 98–573, title III, §§ 304(d)(2)(B), (e), 306(c)(2)(C)(ii), Oct. 30, 1984, 98 Stat. 3004, 3005, 3012; Pub. L. 100–418, title I, § 1301(a), Aug. 23, 1988, 102 Stat. 1170.)

AMENDMENTS

1988—Pub. L. 100–418 amended section generally, revising and restating substantially similar provisions.

1984—Subsec. (a). Pub. L. 98–573, §§ 304(d)(2)(B), (e)(1), 306(c)(2)(C)(ii), designated existing provisions as subsec. (a), struck out ''with respect to a petition'' after ''section 2412(b) of this title'', inserted ''or the determination of the Trade Representative under section 2412(c)(1) of this title'' after ''in the petition'', and ''(if any)'' after ''petitioner'', and struck out ''private sector'' after ''appropriate''.

Subsec. (b). Pub. L. 98–573, § 304(e)(2), added subsec. (b).

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 applicable to petitions filed, and investigations initiated, under section 2412 of this title on or after Aug. 23, 1988, and petitions filed, and investigations initiated, before Aug. 23, 1988, if by such date no decision had been made under section 2414 of this title regarding the petition or investigation, see section 1301(c) of Pub. L. 100–418, set out as a note under section 2411 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2414, 2420 of this title.

§ 2414. Determinations by Trade Representative

(a) In general

(1) On the basis of the investigation initiated under section 2412 of this title and the consultations (and the proceedings, if applicable) under section 2413 of this title, the Trade Representative shall—

(A) determine whether—

(i) the rights to which the United States is entitled under any trade agreement are being denied, or

(ii) any act, policy, or practice described in subsection (a)(1)(B) or (b)(1) of section 2411 of this title exists, and

(B) if the determination made under subparagraph (A) is affirmative, determine what action, if any, the Trade Representative should take under subsection (a) or (b) of section 2411 of this title.

(2) The Trade Representative shall make the determinations required under paragraph (1) on or before—

(A) in the case of an investigation involving a trade agreement, the earlier of—

(i) the date that is 30 days after the date on which the dispute settlement procedure is concluded, or

(ii) the date that is 18 months after the date on which the investigation is initiated, or

(B) in all cases not described in subparagraph (A) or paragraph (3), the date that is 12 months after the date on which the investigation is initiated.

(3)(A) If an investigation is initiated under this subchapter by reason of section 2412(b)(2) of this title and the Trade Representative does not consider that a trade agreement, including the Agreement on Trade-Related Aspects of Intellectual Property[1] (referred to in section 3511(d)(15) of this title), is involved or does not make a determination described in subparagraph (B) with respect to such investigation, the Trade Representative shall make the determinations required under paragraph (1) with respect to such investigation by no later than the date that is 6 months after the date on which such investigation is initiated.

(B) If the Trade Representative determines with respect to an investigation initiated by reason of section 2412(b)(2) of this title (other than an investigation involving a trade agreement) that—

(i) complex or complicated issues are involved in the investigation that require additional time,

(ii) the foreign country involved in the investigation is making substantial progress in drafting or implementing legislative or administrative measures that will provide adequate and effective protection of intellectual property rights, or

(iii) such foreign country is undertaking enforcement measures to provide adequate and effective protection of intellectual property rights,

[1] So in original. Probably should be ''Property Rights''.

the Trade Representative shall publish in the Federal Register notice of such determination and shall make the determinations required under paragraph (1) with respect to such investigation by no later than the date that is 9 months after the date on which such investigation is initiated.

(4) In any case in which a dispute is not resolved before the close of the minimum dispute settlement period provided for in a trade agreement, the Trade Representative, within 15 days after the close of such dispute settlement period, shall submit a report to Congress setting forth the reasons why the dispute was not resolved within the minimum dispute settlement period, the status of the case at the close of the period, and the prospects for resolution. For purposes of this paragraph, the minimum dispute settlement period provided for under any such trade agreement is the total period of time that results if all stages of the formal dispute settlement procedures are carried out within the time limitations specified in the agreement, but computed without regard to any extension authorized under the agreement at any stage.

(b) Consultation before determinations

(1) Before making the determinations required under subsection (a)(1) of this section, the Trade Representative, unless expeditious action is required—

(A) shall provide an opportunity (after giving not less than 30 days notice thereof) for the presentation of views by interested persons, including a public hearing if requested by any interested person,

(B) shall obtain advice from the appropriate committees established pursuant to section 2155 of this title, and

(C) may request the views of the United States International Trade Commission regarding the probable impact on the economy of the United States of the taking of action with respect to any goods or service.

(2) If the Trade Representative does not comply with the requirements of subparagraphs (A) and (B) of paragraph (1) because expeditious action is required, the Trade Representative shall, after making the determinations under subsection (a)(1) of this section, comply with such subparagraphs.

(c) Publication

The Trade Representative shall publish in the Federal Register any determination made under subsection (a)(1) of this section, together with a description of the facts on which such determination is based.

(Pub. L. 93–618, title III, § 304, as added Pub. L. 96–39, title IX, § 901, July 26, 1979, 93 Stat. 297; amended Pub. L. 98–573, title III, §§ 304(d)(2)(C), 306(c)(2)(C)(ii), Oct. 30, 1984, 98 Stat. 3005, 3012; Pub. L. 100–418, title I, § 1301(a), Aug. 23, 1988, 102 Stat. 1170; Pub. L. 103–465, title III, § 314(d), Dec. 8, 1994, 108 Stat. 4940.)

AMENDMENTS

1994—Subsec. (a)(2)(A). Pub. L. 103–465, § 314(d)(1), struck out ''(other than the agreement on subsidies and countervailing measures described in section 2503(c)(5) of this title)'' after ''trade agreement''.

Subsec. (a)(3)(A). Pub. L. 103–465, § 314(d)(2)(A), inserted ''does not consider that a trade agreement, including the Agreement on Trade-Related Aspects of Intellectual Property (referred to in section 3511(d)(15) of this title), is involved or'' after ''Trade Representative'' the first place appearing.

Subsec. (a)(3)(B). Pub. L. 103–465, § 314(d)(2)(B), in introductory provisions, substituted ''an investigation initiated by reason of section 2412(b)(2) of this title (other than an investigation involving a trade agreement)'' for ''any investigation initiated by reason of section 2412(b)(2) of this title''.

Subsec. (a)(4). Pub. L. 103–465, § 314(d)(3), struck out ''(other than the agreement on subsidies and countervailing measures described in section 2503(c)(5) of this title)'' after ''in a trade agreement''.

1988—Pub. L. 100–418 amended section generally, substituting provisions relating to determinations by Trade Representative for provisions relating to recommendations by Trade Representative.

1984—Subsec. (a)(1). Pub. L. 98–573, § 304(d)(2)(C), substituted ''matters under investigation'' for ''issues raised in the petition'' in first sentence.

Subsec. (b)(2). Pub. L. 98–573, § 306(c)(2)(C)(ii), struck out ''private sector'' after ''appropriate''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 316(a) of Pub. L. 103–465, set out as an Effective Date note under section 3581 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 applicable to petitions filed, and investigations initiated, under section 2412 of this title on or after Aug. 23, 1988, and petitions filed, and investigations initiated, before Aug. 23, 1988, if by such date no decision had been made under this section regarding the petition or investigation, see section 1301(c) of Pub. L. 100–418, set out as a note under section 2411 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2411, 2413, 2415, 2416, 3106, 3571 of this title.

§ 2415. Implementation of actions

(a) Actions to be taken under section 2411

(1) Except as provided in paragraph (2), the Trade Representative shall implement the action the Trade Representative determines under section 2414(a)(1)(B) of this title to take under section 2411 of this title, subject to the specific direction, if any, of the President regarding any such action, by no later than the date that is 30 days after the date on which such determination is made.

(2)(A) Except as otherwise provided in this paragraph, the Trade Representative may delay, by not more than 180 days, the implementation of any action that is to be taken under section 2411 of this title—

(i) if—

(I) in the case of an investigation initiated under section 2412(a) of this title, the petitioner requests a delay, or

(II) in the case of an investigation initiated under section 2412(b)(1) of this title or to which section 2414(a)(3)(B) of this title applies, a delay is requested by a majority of the representatives of the domestic industry that would benefit from the action, or

(ii) if the Trade Representative determines that substantial progress is being made, or

that a delay is necessary or desirable, to obtain United States rights or a satisfactory solution with respect to the acts, policies, or practices that are the subject of the action.

(B) The Trade Representative may not delay under subparagraph (A) the implementation of any action that is to be taken under section 2411 of this title with respect to any investigation to which section 2414(a)(3)(A) of this title applies.

(C) The Trade Representative may not delay under subparagraph (A) the implementation of any action that is to be taken under section 2411 of this title with respect to any investigation to which section 2414(a)(3)(B) of this title applies by more than 90 days.

(b) Alternative actions in certain cases of export targeting

(1) If the Trade Representative makes an affirmative determination under section 2414(a)(1)(A) of this title involving export targeting by a foreign country and determines to take no action under section 2411 of this title with respect to such affirmation determination, the Trade Representative—

(A) shall establish an advisory panel to recommend measures which will promote the competitiveness of the domestic industry affected by the export targeting,

(B) on the basis of the report of such panel submitted under paragraph (2)(B) and subject to the specific direction, if any, of the President, may take any administrative actions authorized under any other provision of law, and, if necessary, propose legislation to implement any other actions, that would restore or improve the international competitiveness of the domestic industry affected by the export targeting, and

(C) shall, by no later than the date that is 30 days after the date on which the report of such panel is submitted under paragraph (2)(B), submit a report to the Congress on the administrative actions taken, and legislative proposals made, under subparagraph (B) with respect to the domestic industry affected by the export targeting.

(2)(A) The advisory panels established under paragraph (1)(A) shall consist of individuals appointed by the Trade Representative who—

(i) earn their livelihood in the private sector of the economy, including individuals who represent management and labor in the domestic industry affected by the export targeting that is the subject of the affirmative determination made under section 2414(a)(1)(A) of this title, and

(ii) by education or experience, are qualified to serve on the advisory panel.

(B) By no later than the date that is 6 months after the date on which an advisory panel is established under paragraph (1)(A), the advisory panel shall submit to the Trade Representative and to the Congress a report on measures that the advisory panel recommends be taken by the United States to promote the competitiveness of the domestic industry affected by the export targeting that is the subject of the affirmative determination made under section 2414(a)(1)(A) of this title.

(Pub. L. 93–618, title III, § 305, as added Pub. L. 96–39, title IX, § 901, July 26, 1979, 93 Stat. 299; amended Pub. L. 98–573, title III, § 304(g), Oct. 30, 1984, 98 Stat. 3006; Pub. L. 100–418, title I, § 1301(a), Aug. 23, 1988, 102 Stat. 1172.)

AMENDMENTS

1988—Pub. L. 100–418 amended section generally, substituting provisions relating to implementation of actions for provisions relating to requests for information. See section 2418 of this title.

1984—Subsec. (c). Pub. L. 98–573 added subsec. (c).

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 applicable to petitions filed, and investigations initiated, under section 2412 of this title on or after Aug. 23, 1988, and petitions filed, and investigations initiated, before Aug. 23, 1988, if by such date no decision had been made under section 2414 of this title regarding the petition or investigation, see section 1301(c) of Pub. L. 100–418, set out as a note under section 2411 of this title.

§ 2416. Monitoring of foreign compliance

(a) In general

The Trade Representative shall monitor the implementation of each measure undertaken, or agreement that is entered into, by a foreign country to provide a satisfactory resolution of a matter subject to investigation under this subchapter or subject to dispute settlement proceedings to enforce the rights of the United States under a trade agreement providing for such proceedings.

(b) Further action

(1) In general

If, on the basis of the monitoring carried out under subsection (a) of this section, the Trade Representative considers that a foreign country is not satisfactorily implementing a measure or agreement referred to in subsection (a) of this section, the Trade Representative shall determine what further action the Trade Representative shall take under section 2411(a) of this title. For purposes of section 2411 of this title, any such determination shall be treated as a determination made under section 2414(a)(1) of this title.

(2) WTO dispute settlement recommendations

If the measure or agreement referred to in subsection (a) of this section concerns the implementation of a recommendation made pursuant to dispute settlement proceedings under the World Trade Organization, and the Trade Representative considers that the foreign country has failed to implement it, the Trade Representative shall make the determination in paragraph (1) no later than 30 days after the expiration of the reasonable period of time provided for such implementation under paragraph 21 of the Understanding on Rules and Procedures Governing the Settlement of Disputes that is referred to in section 3511(d)(16) of this title.

(c) Consultations

Before making any determination under subsection (b) of this section, the Trade Representative shall—

(1) consult with the petitioner, if any, involved in the initial investigation under this

subchapter and with representatives of the domestic industry concerned; and

(2) provide an opportunity for the presentation of views by interested persons.

(Pub. L. 93–618, title III, § 306, as added Pub. L. 96–39, title IX, § 901, July 26, 1979, 93 Stat. 299; amended Pub. L. 100–418, title I, § 1301(a), Aug. 23, 1988, 102 Stat. 1173; Pub. L. 103–465, title III, § 314(e), Dec. 8, 1994, 108 Stat. 4941.)

AMENDMENTS

1994—Subsecs. (a), (b). Pub. L. 103–465 amended subsecs. (a) and (b) generally. Prior to amendment, subsecs. (a) and (b) read as follows:

''(a) IN GENERAL.—The Trade Representative shall monitor the implementation of each measure undertaken, or agreement of a kind described in clause (i), (ii), or (iii) of section 2411(a)(2)(B) of this title that is entered into under subsection (a) or (b) of section 2411 of this title, by a foreign country—

''(1) to enforce the rights of the United States under any trade agreement, or

''(2) to eliminate any act, policy, or practice described in subsection (a)(1)(B) or (b)(1) of section 2411 of this title.

''(b) FURTHER ACTION.—If, on the basis of the monitoring carried out under subsection (a) of this section, the Trade Representative considers that a foreign country is not satisfactorily implementing a measure or agreement referred to in subsection (a) of this section, the Trade Representative shall determine what further action the Trade Representative shall take under section 2411(a) of this title. For purposes of section 2411 of this title, any such determination shall be treated as a determination made under section 2414(a)(1) of this title.''

1988—Pub. L. 100–418 amended section generally, substituting provisions relating to monitoring of foreign compliance for provisions relating to administration. See section 2419 of this title.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 316(a) of Pub. L. 103–465, set out as an Effective Date note under section 3581 of this title.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 applicable to petitions filed, and investigations initiated, under section 2412 of this title on or after Aug. 23, 1988, and petitions filed, and investigations initiated, before Aug. 23, 1988, if by such date no decision had been made under section 2414 of this title regarding the petition or investigation, see section 1301(c) of Pub. L. 100–418, set out as a note under section 2411 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2411 of this title.

§ 2417. Modification and termination of actions

(a) In general

(1) The Trade Representative may modify or terminate any action, subject to the specific direction, if any, of the President with respect to such action, that is being taken under section 2411 of this title if—

(A) any of the conditions described in section 2411(a)(2) of this title exist,

(B) the burden or restriction on United States commerce of the denial rights, or of the acts, policies, and practices, that are the subject of such action has increased or decreased, or

(C) such action is being taken under section 2411(b) of this title and is no longer appropriate.

(2) Before taking any action under paragraph (1) to modify or terminate any action taken under section 2411 of this title, the Trade Representative shall consult with the petitioner, if any, and with representatives of the domestic industry concerned, and shall provide opportunity for the presentation of views by other interested persons affected by the proposed modification or termination concerning the effects of the modification or termination and whether any modification or termination of the action is appropriate.

(b) Notice; report to Congress

The Trade Representative shall promptly publish in the Federal Register notice of, and report in writing to the Congress with respect to, any modification or termination of any action taken under section 2411 of this title and the reasons therefor.

(c) Review of necessity

(1) If—

(A) a particular action has been taken under section 2411 of this title during any 4-year period, and

(B) neither the petitioner nor any representative of the domestic industry which benefits from such action has submitted to the Trade Representative during the last 60 days of such 4-year period a written request for the continuation of such action,

such action shall terminate at the close of such 4-year period.

(2) The Trade Representative shall notify by mail the petitioner and representatives of the domestic industry described in paragraph (1)(B) of any termination of action by reason of paragraph (1) at least 60 days before the date of such termination.

(3) If a request is submitted to the Trade Representative under paragraph (1)(B) to continue taking a particular action under section 2411 of this title, the Trade Representative shall conduct a review of—

(A) the effectiveness in achieving the objectives of section 2411 of this title of—

(i) such action, and

(ii) other actions that could be taken (including actions against other products or services), and

(B) the effects of such actions on the United States economy, including consumers.

(Pub. L. 93–618, title III, § 307, as added Pub. L. 100–418, title I, § 1301(a), Aug. 23, 1988, 102 Stat. 1174.)

EFFECTIVE DATE

Section applicable to petitions filed, and investigations initiated, under section 2412 of this title on or after Aug. 23, 1988, and petitions filed, and investigations initiated, before Aug. 23, 1988, if by such date no decision had been made under section 2414 of this title regarding the petition or investigation, see section 1301(c) of Pub. L. 100–418, set out as an Effective Date of 1988 Amendment note under section 2411 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2411 of this title.

§ 2418. Request for information

(a) In general

Upon receipt of written request therefor from any person, the Trade Representative shall make available to that person information (other than that to which confidentiality applies) concerning—

(1) the nature and extent of a specific trade policy or practice of a foreign country with respect to particular goods, services, investment, or intellectual property rights, to the extent that such information is available to the Trade Representative or other Federal agencies;

(2) United States rights under any trade agreement and the remedies which may be available under that agreement and under the laws of the United States; and

(3) past and present domestic and international proceedings or actions with respect to the policy or practice concerned.

(b) If information not available

If information that is requested by a person under subsection (a) of this section is not available to the Trade Representative or other Federal agencies, the Trade Representative shall, within 30 days after receipt of the request—

(1) request the information from the foreign government; or

(2) decline to request the information and inform the person in writing of the reasons for refusal.

(c) Certain business information not made available

(1) Except as provided in paragraph (2), and notwithstanding any other provision of law (including section 552 of title 5), no information requested and received by the Trade Representative in aid of any investigation under this subchapter shall be made available to any person if—

(A) the person providing such information certifies that—

(i) such information is business confidential,

(ii) the disclosure of such information would endanger trade secrets or profitability, and

(iii) such information is not generally available;

(B) the Trade Representative determines that such certification is well-founded; and

(C) to the extent required in regulations prescribed by the Trade Representative, the person providing such information provides an adequate nonconfidential summary of such information.

(2) The Trade Representative may—

(A) use such information, or make such information available (in his own discretion) to any employee of the Federal Government for use, in any investigation under this subchapter, or

(B) may make such information available to any other person in a form which cannot be associated with, or otherwise identify, the person providing the information.

(Pub. L. 93–618, title III, § 308, as added Pub. L. 100–418, title I, § 1301(a), Aug. 23, 1988, 102 Stat. 1175.)

EFFECTIVE DATE

Section applicable to petitions filed, and investigations initiated, under section 2412 of this title on or after Aug. 23, 1988, and petitions filed, and investigations initiated, before Aug. 23, 1988, if by such date no decision had been made under section 2414 of this title regarding the petition or investigation, see section 1301(c) of Pub. L. 100–418, set out as an Effective Date of 1988 Amendment note under section 2411 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 3437 of this title.

§ 2419. Administration

The Trade Representative shall—

(1) issue regulations concerning the filing of petitions and the conduct of investigations and hearings under this subchapter,

(2) keep the petitioner regularly informed of all determinations and developments regarding the investigation conducted with respect to the petition under this subchapter, including the reasons for any undue delays, and

(3) submit a report to the House of Representatives and the Senate semiannually describing—

(A) the petitions filed and the determinations made (and reasons therefor) under section 2412 of this title,

(B) developments in, and the current status of, each investigation or proceeding under this subchapter,

(C) the actions taken, or the reasons for no action, by the Trade Representative under section 2411 of this title with respect to investigations conducted under this subchapter, and

(D) the commercial effects of actions taken under section 2411 of this title.

(Pub. L. 93–618, title III, § 309, as added Pub. L. 100–418, title I, § 1301(a), Aug. 23, 1988, 102 Stat. 1175.)

EFFECTIVE DATE

Section applicable to petitions filed, and investigations initiated, under section 2412 of this title on or after Aug. 23, 1988, and petitions filed, and investigations initiated, before Aug. 23, 1988, if by such date no decision had been made under section 2414 of this title regarding the petition or investigation, see section 1301(c) of Pub. L. 100–418, set out as an Effective Date of 1988 Amendment note under section 2411 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2242, 2413, 2420, 3103 of this title.

§ 2420. Identification of trade expansion priorities

(a) Identification

(1) Within 180 days after the submission in calendar year 1995 of the report required by section 2241(b) of this title, the Trade Representative shall—

(A) review United States trade expansion priorities,

(B) identify priority foreign country practices, the elimination of which is likely to have the most significant potential to increase United States exports, either directly or through the establishment of a beneficial precedent, and

(C) submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives and publish in the Federal Register a report on the priority foreign country practices identified.

(2) In identifying priority foreign country practices under paragraph (1) of this section, the Trade Representative shall take into account all relevant factors, including—

(A) the major barriers and trade distorting practices described in the National Trade Estimate Report required under section 2241(b) of this title;

(B) the trade agreements to which a foreign country is a party and its compliance with those agreements;

(C) the medium- and long-term implications of foreign government procurement plans; and

(D) the international competitive position and export potential of United States products and services.

(3) The Trade Representative may include in the report, if appropriate—

(A) a description of foreign country practices that may in the future warrant identification as priority foreign country practices; and

(B) a statement about other foreign country practices that were not identified because they are already being addressed by provisions of United States trade law, by existing bilateral trade agreements, or as part of trade negotiations with other countries and progress is being made toward the elimination of such practices.

(b) Initiation of investigations

By no later than the date which is 21 days after the date on which a report is submitted to the appropriate congressional committees under subsection (a)(1) of this section, the Trade Representative shall initiate under section 2412(b)(1) of this title investigations under this subchapter with respect to all of the priority foreign country practices identified.

(c) Agreements for elimination of barriers

In the consultations with a foreign country that the Trade Representative is required to request under section 2413(a) of this title with respect to an investigation initiated by reason of subsection (b) of this section, the Trade Representative shall seek to negotiate an agreement that provides for the elimination of the practices that are the subject of the investigation as quickly as possible or, if elimination of the practices is not feasible, an agreement that provides for compensatory trade benefits.

(d) Reports

The Trade Representative shall include in the semiannual report required by section 2419 of this title a report on the status of any investigations initiated pursuant to subsection (b) of this section and, where appropriate, the extent to which such investigations have led to increased opportunities for the export of products and services of the United States.

(Pub. L. 93–618, title III, § 310, as added Pub. L. 100–418, title I, § 1302(a), Aug. 23, 1988, 102 Stat. 1176; amended Pub. L. 103–465, title III, § 314(f), Dec. 8, 1994, 108 Stat. 4941.)

AMENDMENTS

1994—Pub. L. 103–465 amended section generally, changing dates and criteria for submission of certain reports and revising and restructuring provisions relating to identification of trade liberalization priorities, initiation of investigations, and agreements for elimination of barriers.

EX. ORD. NO. 12901. IDENTIFICATION OF TRADE EXPANSION PRIORITIES

Ex. Ord. No. 12901, Mar. 3, 1994, 59 F.R. 10727, provided:

By the authority vested in me as President by the Constitution and the laws of the United States of America, including sections 141 and 301–310 of the Trade Act of 1974, as amended (the ''Act'') (19 U.S.C. 2171, 2411–2420), and section 301 of title 3, United States Code, and to ensure that the trade policies of the United States advance, to the greatest extent possible, the export of the products and services of the United States and that trade policy resources are used efficiently, it is hereby ordered as follows:

SECTION 1. *Identification*. (a) Within 6 months of the submission of the National Trade Estimate Report (required by section 181(b) of the Act (19 U.S.C. 2241)) for 1994 and 1995, the United States Trade Representative (''Trade Representative'') shall review United States trade expansion priorities and identify priority foreign country practices, the elimination of which is likely to have the most significant potential to increase United States exports, either directly or through the establishment of a beneficial precedent. The Trade Representative shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives, and shall publish in the Federal Register, a report on the priority foreign country practices identified.

(b) In identifying priority foreign country practices under paragraph (a) of this section, the Trade Representative shall take into account all relevant factors, including:

(1) the major barriers and trade distorting practices described in the National Trade Estimate Report;

(2) the trade agreements to which a foreign country is a party and its compliance with those agreements;

(3) the medium-term and long-term implications of foreign government procurement plans; and

(4) the international competitive position and export potential of United States products and services.

(c) The Trade Representative may include in the report, if appropriate, a description of the foreign country practices that may in the future warrant identification as priority foreign country practices. The Trade Representative also may include a statement about other foreign country practices that were not identified because they are already being addressed by provisions of United States trade law, existing bilateral trade agreements, or in trade negotiations with other countries and progress is being made toward their elimination.

SEC. 2. *Initiation of Investigation*. Within 21 days of the submission of the report required by paragraph (a) of section 1, the Trade Representative shall initiate under section 302(b)(1) of the Act (19 U.S.C. 2412(b)(1)) investigations under title III, chapter 1, of the Act [19 U.S.C. 2411 et seq.] with respect to all of the priority foreign country practices identified.

SEC. 3. *Agreements for the Elimination of Barriers*. In the consultations with a foreign country that the Trade Representative is required to request under section 303(a) of the Act (19 U.S.C. 2413(a)) with respect to an investigation initiated by reason of section 2 of this order, the Trade Representative shall seek to negotiate an agreement that provides for the elimination of the practices that are the subject of the investigation as quickly as possible or, if that is not feasible, provides for compensatory trade benefits. The Trade Representative shall monitor any agreement entered into under this section pursuant to the provisions of section 306 of the Act (19 U.S.C. 2416).

SEC. 4. *Reports*. The Trade Representative shall include in the semiannual report required by section 309 of the Act (19 U.S.C. 2419) a report on the status of any investigation initiated pursuant to section 2 of this order and, where appropriate, the extent to which such investigations have led to increased opportunities for the export of products and services of the United States.

SEC. 5. *Presidential Direction*. The authorities delegated pursuant to this order shall be exercised subject to any subsequent direction by the President in a particular matter.

WILLIAM J. CLINTON.

SUBCHAPTER IV—TRADE RELATIONS WITH COUNTRIES NOT CURRENTLY RECEIVING NONDISCRIMINATORY TREATMENT

SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in section 2191 of this title.

§ 2431. Exception of products of certain countries or areas

Except as otherwise provided in this subchapter, the President shall continue to deny nondiscriminatory treatment to the products of any country, the products of which were not eligible for the rates set forth in rate column numbered 1 of the Tariff Schedules of the United States on January 3, 1975.

(Pub. L. 93–618, title IV, § 401, Jan. 3, 1975, 88 Stat. 2056.)

REFERENCES IN TEXT

The Tariff Schedules of the United States, referred to in text, to be treated as a reference to the Harmonized Tariff Schedule pursuant to section 3012 of this title. The Harmonized Tariff Schedule is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

REPORT ON EFFECT OF SUBCHAPTER; RECOMMENDATIONS

Pub. L. 95–501, title VI, § 604, Oct. 21, 1978, 92 Stat. 1692, which provided that within six months after Oct. 21, 1978, the Secretary of Agriculture submit to Congress a report detailing the effect on United States agriculture of this subchapter, including a recommendation as to whether the provisions of this subchapter should be repealed or amended, was omitted in the general revision of Pub. L. 95–501 by Pub. L. 101–624, title XV, § 1531, Nov. 28, 1990, 104 Stat. 3668. See chapter 87 (§ 5601 et seq.) of Title 7, Agriculture.

§ 2432. Freedom of emigration in East-West trade

(a) Actions of nonmarket economy countries making them ineligible for most-favored-nation treatment, programs of credits, credit guarantees, or investment guarantees, or commercial agreements

To assure the continued dedication of the United States to fundamental human rights, and notwithstanding any other provision of law, on or after January 3, 1975, products from any nonmarket economy country shall not be eligible to receive nondiscriminatory treatment (most-favored-nation treatment), such country shall not participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, directly or indirectly, and the President of the United States shall not conclude any commercial agreement with any such country, during the period beginning with the date on which the President determines that such country—

(1) denies its citizens the right or opportunity to emigrate;

(2) imposes more than a nominal tax on emigration or on the visas or other documents required for emigration, for any purpose or cause whatsoever; or

(3) imposes more than a nominal tax, levy, fine, fee, or other charge on any citizen as a consequence of the desire of such citizen to emigrate to the country of his choice,

and ending on the date on which the President determines that such country is no longer in violation of paragraph (1), (2), or (3).

(b) Presidential determination and report to Congress that nation is not violating freedom of emigration

After January 3, 1975, (A) products of a nonmarket economy country may be eligible to receive nondiscriminatory treatment (most-favored-nation treatment), (B) such country may participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, and (C) the President may conclude a commercial agreement with such country, only after the President has submitted to the Congress a report indicating that such country is not in violation of paragraph (1), (2), or (3) of subsection (a) of this section. Such report with respect to such country shall include information as to the nature and implementation of emigration laws and policies and restrictions or discrimination applied to or against persons wishing to emigrate. The report required by this subsection shall be submitted initially as provided herein and, with current information, on or before each June 30 and December 31 thereafter so long as such treatment is received, such credits or guarantees are extended, or such agreement is in effect.

(c) Waiver authority of President

(1) During the 18-month period beginning on January 3, 1975, the President is authorized to waive by Executive order the application of subsections (a) and (b) of this section with respect to any country, if he reports to the Congress that—

(A) he has determined that such waiver will substantially promote the objectives of this section; and

(B) he has received assurances that the emigration practices of that country will henceforth lead substantially to the achievement of the objectives of this section.

(2) During any period subsequent to the 18-month period referred to in paragraph (1), the President is authorized to waive by Executive order the application of subsections (a) and (b) of this section with respect to any country, if the waiver authority granted by this subsection continues to apply to such country pursuant to subsection (d) of this section, and if he reports to the Congress that—

(A) he has determined that such waiver will substantially promote the objectives of this section; and

(B) he has received assurances that the emigration practices of that country will henceforth lead substantially to the achievement of the objectives of this section.

(3) A waiver with respect to any country shall terminate on the day after the waiver authority granted by this subsection ceases to be effective with respect to such country pursuant to subsection (d) of this section. The President may, at any time, terminate by Executive order any waiver granted under this subsection.

(d) Extension of waiver authority

(1) If the President determines that the further extension of the waiver authority granted under subsection (c) of this section will substantially promote the objectives of this section, he may recommend further extensions of such authority for successive 12-month periods. Any such recommendations shall—

(A) be made no later than 30 days before the expiration of such authority;

(B) be made in a document transmitted to the House of Representatives and the Senate setting forth his reasons for recommending the extension of such authority; and

(C) include, for each country with respect to which a waiver granted under subsection (c) of this section is in effect, a determination that continuation of the waiver applicable to that country will substantially promote the objectives of this section, and a statement setting forth his reasons for such determination.

If the President recommends the further extension of such authority, such authority shall continue in effect until the end of the 12-month period following the end of the previous 12-month extension with respect to any country (except for any country with respect to which such authority has not been extended under this subsection), unless a joint resolution described in section 2193(a) of this title is enacted into law pursuant to the provisions of paragraph (2).

(2)(A) The requirements of this paragraph are met if the joint resolution is enacted under the procedures set forth in section 2193 of this title, and—

(i) the Congress adopts and transmits the joint resolution to the President before the end of the 60-day period beginning on the date the waiver authority would expire but for an extension under paragraph (1), and

(ii) if the President vetoes the joint resolution, each House of Congress votes to override such veto on or before the later of the last day of the 60-day period referred to in clause (i) or the last day of the 15-day period (excluding any day described in section 2194(b) of this title) beginning on the date the Congress receives the veto message from the President.

(B) If a joint resolution is enacted into law under the provisions of this paragraph, the waiver authority applicable to any country with respect to which the joint resolution disapproves of the extension of such authority shall cease to be effective as of the day after the 60-day period beginning on the date of the enactment of the joint resolution.

(C) A joint resolution to which this subsection and section 2193 of this title apply may be introduced at any time on or after the date the President transmits to the Congress the document described in paragraph (1)(B).

(e) Countries not covered

This section shall not apply to any country the products of which are eligible for the rates set forth in rate column numbered 1 of the Tariff Schedules of the United States on January 3, 1975.

(Pub. L. 93–618, title IV, § 402, Jan. 3, 1975, 88 Stat. 2056; Pub. L. 96–39, title XI, § 1106(f)(1), July 26, 1979, 93 Stat. 312; Pub. L. 101–382, title I, § 132(a)(1), (2), Aug. 20, 1990, 104 Stat. 643, 644.)

REFERENCES IN TEXT

The Tariff Schedules of the United States, referred to in subsec. (e), to be treated as a reference to the Harmonized Tariff Schedule, see Pub. L. 100–418, title I, § 1212, Aug. 23, 1988, 102 Stat. 1155, classified to section 3012 of this title. The Harmonized Tariff Schedule is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

AMENDMENTS

1990—Subsec. (d)(1). Pub. L. 101–382, § 132(a)(1), (2)(A), (B), redesignated par. (5) as (1), and substituted ''If the President determines that the further extension of the waiver authority granted under subsection (c) of this section will'' for ''If the waiver authority granted by subsection (c) of this section has been extended under paragraph (3) or (4) for any country for the 12-month period referred to in such paragraphs, and the President determines that the further extension of such authority will'' in introductory provisions, substituted '', unless a joint resolution described in section 2193(a) of this title is enacted into law pursuant to the provisions of paragraph (2).'' for '', unless before the end of the 60-day period following such previous 12-month extension, either the House of Representatives or the Senate adopts, by an affirmative vote of a majority of the Members present and voting in that House and under the procedures set forth in section 2193 of this title, a resolution disapproving the extension of such authority generally or with respect to such country specifically. Such authority shall cease to be effective with respect to all countries on the date of the adoption by either House before the end of such 60-day period of a resolution disapproving the extension of such authority, and shall cease to be effective with respect to any country on the date of the adoption by either House before the end of such 60-day period of a resolution disapproving the extension of such authority with respect to such country.'' in concluding provisions, and struck out former par. (1) which read as follows: ''If the President determines that the extension of the waiver authority granted by subsection (c)(1) of this section will substantially promote the objectives of this section, he may recommend to the Congress that such authority be extended for a period of 12 months. Any such recommendation shall—

''(A) be made not later than 30 days before the expiration of such authority;

''(B) be made in the document transmitted to the House of Representatives and the Senate setting forth his reasons for recommending the extension of such authority; and

''(C) include, for each country with respect to which a waiver granted under subsection (c)(1) of this section is in effect, a determination that continuation of the waiver applicable to that country will substantially promote the objectives of this section, and a statement setting forth his reasons for such determination.''

Subsec. (d)(2). Pub. L. 101–382, § 132(a)(2)(A), (C), added par. (2) and struck out former par. (2) which authorized

extension of waiver authority for 12-month period upon recommendation of President and adoption of concurrent resolution approving extension of authority and not excluding country, and provided procedures if such resolution was not adopted.

Subsec. (d)(3), (4). Pub. L. 101–382, § 132(a)(2)(A), struck out par. (3) which authorized extension of waiver authority upon recommendation of President for 60 days, and for 12 months if before end of 60-day period concurrent resolution was adopted approving extension of authority and failing to exclude particular country, and provided procedures if such resolution was not adopted, and struck out par. (4) which authorized extension of waiver authority for 12 months upon recommendation of President if Congress failed to adopt concurrent resolution approving extension under par. (3) and also failed to adopt, in 45-day period following 60-day period, concurrent resolution disapproving extension generally or with respect to particular country.

Subsec. (d)(5). Pub. L. 101–382, § 132(a)(2)(B), redesignated par. (5) as (1).

1979—Subsec. (c)(1). Pub. L. 96–39 substituted ''subsections (a) and (b) of this section'' for ''subsection (a) and (b) of this section'' in provisions preceding subpar. (A).

EFFECTIVE DATE OF 1990 AMENDMENT

Section 132(d) of Pub. L. 101–382 provided that:

''(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section [amending this section and sections 2191 to 2194, 2435, and 2437 of this title] take effect on the date of the enactment of this Act [Aug. 20, 1990].

''(2) EXTENSION OF WAIVER AUTHORITY.—

''(A) The amendments made by subsections (a) and (c)(4) and (5) [amending this section and sections 2192 and 2193 of this title] apply with respect to recommendations made under section 402(d) of the Trade Act of 1974 [subsec. (d) of this section] by the President after May 23, 1990.

''(B) Solely for purposes of applying the applicable provisions of the Trade Act of 1974 [this chapter] with respect to the recommendations made by the President to the House of Representatives and the Senate under subsection (d) of section 402 of the Trade Act of 1974 after May 23, 1990, and on or before the date of the enactment of this Act—

''(i) in paragraph (2)(A)(i) of subsection (d) of such section 402 (as amended by subsection (a)), the date on which the waiver authority granted under subsection (c) of such section 402 would expire but for an extension under paragraph (1) of such subsection (d) is the date of the enactment of this Act;

''(ii) paragraph (2)(A)(ii) of subsection (d) of such section 402 (as amended by subsection (a)) shall be treated as reading as follows:

'' '(ii) if the President vetoes the joint resolution, each House of Congress votes to override such veto on or before the last day of the 60-day period referred to in clause (i).';

''(iii) if the waiver authority granted under such subsection (c) is extended after application of clauses (i) and (ii), the expiration date for such authority is July 3, 1991; and

''(iv) only joint resolutions described in section 153(a) of the Trade Act of 1974 [section 2193(a) of this title] (as amended by subsection (a)) that are introduced in the House of Representatives or the Senate on or after the date of the enactment of this Act may be considered by either body.''

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

WAIVER OF SUBSECTIONS (a) AND (b) BY EXECUTIVE ORDER

The following Executive orders waived the application of subsections (a) and (b) of this section for the countries listed:

Ex. Ord. No. 11854, Apr. 24, 1975, 40 F.R. 18391.—Socialist Republic of Romania.

Ex. Ord. No. 12051, Apr. 7, 1978, 43 F.R. 15131.—Hungarian People's Republic.

Ex. Ord. No. 12167, Oct. 23, 1979, 44 F.R. 61167.—People's Republic of China.

Ex. Ord. No. 12702, Feb. 20, 1990, 55 F.R. 6231.—Czechoslovakia.

Ex. Ord. No. 12726, Aug. 15, 1990, 55 F.R. 33637.—German Democratic Republic.

Ex. Ord. No. 12740, Dec. 29, 1990, 56 F.R. 355.—Soviet Union.

Ex. Ord. No. 12745, Jan. 22, 1991, 56 F.R. 2835.—Bulgaria.

Ex. Ord. No. 12746, Jan. 23, 1991, 56 F.R. 2837.—Mongolia.

Ex. Ord. No. 12772, Aug. 17, 1991, 56 F.R. 41621.—Romania.

Ex. Ord. No. 12798, Apr. 6, 1992, 57 F.R. 12175.—Armenia.

Ex. Ord. No. 12802, Apr. 16, 1992, 57 F.R. 14321.—Republic of Byelarus, Republic of Kyrgyzstan, and Russian Federation.

Ex. Ord. No. 12809, June 3, 1992, 57 F.R. 23925.—Albania, Azerbaijan, Georgia, Kazakhstan, Moldova, Ukraine, and Uzbekistan.

Ex. Ord. No. 12811, June 24, 1992, 57 F.R. 28585.—Tajikistan and Turkmenistan.

PRESIDENTIAL DETERMINATIONS RELATING TO WAIVERS

The following Presidential Determinations related to waivers or continuation of waivers for the countries listed:

Determination No. 81–8, June 2, 1981, 46 F.R. 30797.—Hungarian People's Republic, People's Republic of China, and Socialist Republic of Romania.

Determination No. 83–7, June 3, 1983, 48 F.R. 26585.—Hungarian People's Republic, People's Republic of China, and Socialist Republic of Romania.

Determination No. 84–9, May 31, 1984, 49 F.R. 24107.—Hungarian People's Republic, People's Republic of China, and Socialist Republic of Romania.

Determination No. 86–10, June 3, 1986, 51 F.R. 22057.—Hungarian People's Republic, People's Republic of China, and Socialist Republic of Romania.

Determination No. 87–14, June 2, 1987, 52 F.R. 22431.—Hungarian People's Republic, People's Republic of China, and Socialist Republic of Romania.

Determination No. 88–18, June 3, 1988, 53 F.R. 21407.—Hungarian People's Republic and People's Republic of China.

Determination No. 89–14, May 31, 1989, 54 F.R. 26943.—Hungarian People's Republic and People's Republic of China.

Determination No. 90–10, Feb. 20, 1990, 55 F.R. 8899.—Czechoslovakia.

Determination No. 90–21, May 24, 1990, 55 F.R. 23183.—People's Republic of China.

Determination No. 90–22, June 3, 1990, 55 F.R. 42831.—Czech and Slovak Federal Republic.

Determination No. 90–30, Aug. 15, 1990, 55 F.R. 35421.—German Democratic Republic.

Determination No. 91–11, Dec. 29, 1990, 56 F.R. 1561.—Soviet Union.

Determination No. 91–18, Jan. 22, 1991, 56 F.R. 4169.—Bulgaria.

Determination No. 91–19, Jan. 23, 1991, 56 F.R. 4171.—Mongolia.

Determination No. 91–36, May 29, 1991, 56 F.R. 26757.—People's Republic of China.

Determination No. 91–39, June 3, 1991, 56 F.R. 27187.—Republic of Bulgaria, Czech and Slovak Federal Republic, Soviet Union, and Mongolian People's Republic.

Determination No. 91–48, Aug. 17, 1991, 56 F.R. 43861.—Romania.

Determination No. 92–3, Oct. 16, 1991, 56 F.R. 55203.—Czech and Slovak Federal Republic.

Determination No. 92–20, Apr. 3, 1992, 57 F.R. 13623.—Armenia, Belarus, Kyrgyzstan, and Russia.

Determination No. 92–25, May 6, 1992, 57 F.R. 22147.—Azerbaijan, Georgia, Kazakhstan, Moldova, Ukraine, and Uzbekistan.

Determination No. 92–26, May 20, 1992, 57 F.R. 48711.—Albania.

Determination No. 92–29, June 2, 1992, 57 F.R. 24539.—People's Republic of China.

Determination No. 92–30, June 3, 1992, 57 F.R. 24929.—Albania, Armenia, Azerbaijan, Bulgaria, Byelarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Mongolia, Romania, Russia, Ukraine, and Uzbekistan.

Determination No. 92–31, June 3, 1992, 57 F.R. 24931.—Tajikistan and Turkmenistan.

Determination No. 93–23, May 28, 1993, 58 F.R. 31329.—People's Republic of China.

Determination No. 93–25, June 2, 1993, 58 F.R. 33005.—Albania, Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Mongolia, Romania, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

Determination No. 94–26, June 2, 1994, 59 F.R. 31103.—People's Republic of China.

Determination No. 94–27, June 2, 1994, 59 F.R. 31105.—Albania, Armenia, Azerbaijan, Belarus, Georgia, Kazakhstan, Kyrgyzstan, Moldova, Mongolia, Romania, Russia, Tajikistan, Turkmenistan, Ukraine, and Uzbekistan.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2192, 2193, 2437, 2439 of this title; title 22 section 5401.

§ 2433. United States personnel missing in action in Southeast Asia

(a) Penalty for noncooperating countries

Notwithstanding any other provision of law, if the President determines that a nonmarket economy country is not cooperating with the United States—

(1) to achieve a complete accounting of all United States military and civilian personnel who are missing in action in Southeast Asia,

(2) to repatriate such personnel who are alive, and

(3) to return the remains of such personnel who are dead to the United States,

then, during the period beginning with the date of such determination and ending on the date on which the President determines such country is cooperating with the United States, he may provide that—

(A) the products of such country may not receive nondiscriminatory treatment,

(B) such country may not participate, directly or indirectly, in any program under which the United States extends credit, credit guarantees, or investment guarantees, and

(C) no commercial agreement entered into under this subchapter between such country and the United States will take effect.

(b) Exception

This section shall not apply to any country the products of which are eligible for the rates set forth in rate column numbered 1 of the Tariff Schedules of the United States on January 3, 1975.

(Pub. L. 93–618, title IV, § 403, Jan. 3, 1975, 88 Stat. 2060.)

REFERENCES IN TEXT

The Tariff Schedules of the United States, referred to in subsec. (b), to be treated as a reference to the Harmonized Tariff Schedule, pursuant to section 3012 of this title. The Harmonized Tariff Schedule is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

§ 2434. Extension of nondiscriminatory treatment

(a) Presidential proclamation

Subject to the provisions of section 2435(c) of this title, the President may by proclamation extend nondiscriminatory treatment to the products of a foreign country which has entered into a bilateral commercial agreement referred to in section 2435 of this title.

(b) Limitation on period of effectiveness

The application of nondiscriminatory treatment shall be limited to the period of effectiveness of the obligations of the United States to such country under such bilateral commercial agreement. In addition, in the case of any foreign country receiving nondiscriminatory treatment pursuant to this subchapter which has entered into an agreement with the United States regarding the settlement of lendlease reciprocal aid and claims, the application of such nondiscriminatory treatment shall be limited to periods during which such country is not in arrears on its obligations under such agreement.

(c) Suspension or withdrawal of extensions of nondiscriminatory treatment

The President may at any time suspend or withdraw any extension of nondiscriminatory treatment to any country pursuant to subsection (a) of this section and thereby cause all products of such country to be dutiable at the rates set forth in rate column numbered 2 of the Harmonized Tariff Schedule of the United States.

(Pub. L. 93–618, title IV, § 404, Jan. 3, 1975, 88 Stat. 2060; Pub. L. 96–39, title XI, § 1106(f)(2), July 26, 1979, 93 Stat. 312; Pub. L. 100–418, title I, § 1214(j)(3), Aug. 23, 1988, 102 Stat. 1158.)

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States, referred to in subsec. (c), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

AMENDMENTS

1988—Subsec. (c). Pub. L. 100–418 substituted ''Harmonized Tariff Schedule of the United States'' for ''Tariff Schedules for the United States''.

1979—Subsec. (c). Pub. L. 96–39 struck out the comma after ''subsection (a) of this section''.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

EXTENSION OF NONDISCRIMINATORY TREATMENT OF PRODUCTS OF ROMANIA

Pub. L. 103–133, Nov. 2, 1993, 107 Stat. 1373, provided: ''That the Congress approves the extension of nondiscriminatory treatment with respect to the products of Romania transmitted by the President to the Congress on July 2, 1993.''

WITHDRAWAL OF MOST FAVORED NATION STATUS FROM SERBIA AND MONTENEGRO

Pub. L. 102–420, Oct. 16, 1992, 106 Stat. 2149, provided that:

''(a) FINDINGS.—The Congress finds that Serbia or Montenegro are not complying with the provisions of the Final Act of the Conference on Security and Cooperation in Europe (also known as the 'Helsinki Final Act'), particularly the provisions regarding human rights and humanitarian affairs and are not respecting minority rights in Kosovo and Vojvodina.

''(b) WITHDRAWAL OF MFN STATUS.—Except as provided in subsection (c), nondiscriminatory treatment shall not apply with respect to any goods that—

''(1) are the product of Serbia or Montenegro; and

''(2) are entered into the customs territory of the United States on or after the 15th day after the date of the enactment of this Act [Oct. 16, 1992].

''(c) RESTORATION OF NONDISCRIMINATORY TREATMENT.—Notwithstanding subsection (b), the President may restore nondiscriminatory treatment to goods that are the product of Serbia or Montenegro, as the case may be, 30 days after he certifies to the Congress that Serbia or Montenegro, as the case may be—

''(1) has ceased its armed conflict with the other ethnic peoples of the region formerly comprising the Socialist Federal Republic of Yugoslavia;

''(2) has agreed to respect the borders of the 6 republics that comprised the Socialist Federal Republic of Yugoslavia under the 1974 Yugoslav Constitution; and

''(3) has ceased all support of Serbian forces inside Bosnia-Hercegovina.''

EXTENSION OF NONDISCRIMINATORY TREATMENT OF PRODUCTS OF REPUBLIC OF ALBANIA

Pub. L. 102–363, Aug. 26, 1992, 106 Stat. 969, provided: ''That the Congress approves the extension of nondiscriminatory treatment with respect to the products of the Republic of Albania transmitted by the President to the Congress on June 16, 1992.''

EXTENSION OF NONDISCRIMINATORY TREATMENT OF PRODUCTS OF UNION OF SOVIET SOCIALIST REPUBLICS

Pub. L. 102–197, Dec. 9, 1991, 105 Stat. 1622, provided: ''That the Congress approves the extension of nondiscriminatory treatment to the products of the Union of Soviet Socialist Republics transmitted by the President to the Congress on October 9, 1991.''

CONGRESSIONAL FINDINGS, PREPARATORY PRESIDENTIAL ACTION, AND AUTHORIZATION OF EXTENSION OF MOST-FAVORED-NATION TREATMENT TO CZECHOSLOVAKIA AND HUNGARY

Pub. L. 102–182, §§1, 2, Dec. 4, 1991, 105 Stat. 1233, provided that:

''SECTION 1. CONGRESSIONAL FINDINGS AND PREPARATORY PRESIDENTIAL ACTION.

''(a) CONGRESSIONAL FINDINGS.—The Congress finds that the Czech and Slovak Federal Republic and the Republic of Hungary both have—

''(1) dedicated themselves to respect for fundamental human rights;

''(2) accorded to their citizens the right to emigrate and to travel freely;

''(3) reversed over 40 years of communist dictatorship and embraced the establishment of political pluralism, free and fair elections, and multi-party political systems;

''(4) introduced far-reaching economic reforms based on market-oriented principles and have decentralized economic decisionmaking; and

''(5) demonstrated a strong desire to build friendly relationships with the United States.

''(b) PREPARATORY PRESIDENTIAL ACTION.—The Congress notes that the President in anticipation of the enactment of section 2, has directed the United States Trade Representative to negotiate with the Czech and Slovak Federal Republic and the Republic of Hungary, respectively, in order to—

''(1) preserve the commitments of that country under the bilateral commercial agreement in effect between that country and the United States that are consistent with the General Agreement on Tariffs and Trade; and

''(2) obtain other appropriate commitments.

''SEC. 2. TERMINATION OF APPLICATION OF TITLE IV OF THE TRADE ACT OF 1974 TO CZECHOSLOVAKIA AND HUNGARY.

''(a) PRESIDENTIAL DETERMINATIONS AND EXTENSION OF NONDISCRIMINATORY TREATMENT.—Notwithstanding any provision of title IV of the Trade Act of 1974 (19 U.S.C. 2431 et seq.), the President may—

''(1) determine that such title should no longer apply to the Czech and Slovak Federal Republic or to the Republic of Hungary, or to both; and

''(2) after making a determination under paragraph (1) with respect to a country, proclaim the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of that country.

''(b) TERMINATION OF APPLICATION OF TITLE IV.—On and after the effective date of the extension under subsection (a)(2) of nondiscriminatory treatment to the products of a country, title IV of the Trade Act of 1974 shall cease to apply to that country.''

EXTENSION OF NONDISCRIMINATORY TREATMENT TO ESTONIA, LATVIA, AND LITHUANIA

Pub. L. 102–182, title I, Dec. 4, 1991, 105 Stat. 1235, provided that:

''SEC. 101. CONGRESSIONAL FINDINGS.

''The Congress finds the following:

''(1) The Government of the United States extended full diplomatic recognition to Estonia, Latvia, and Lithuania in 1922.

''(2) The Government of the United States entered into agreements extending most-favored-nation treatment with the Government of Estonia on August 1, 1925, the Government of Latvia on April 30, 1926, and the Government of Lithuania on July 10, 1926.

''(3) The Union of Soviet Socialist Republics incorporated Estonia, Latvia, and Lithuania involuntarily into the Union as a result of a secret protocol to a German-Soviet agreement in 1939 which assigned those three states to the Soviet sphere of influence; and the Government of the United States has at no time recognized the forcible incorporation of those states into the Union of Soviet Socialist Republics.

''(4) The Trade Agreements Extension Act of 1951 [see Short Title of 1951 Amendment note set out under section 1654 of this title] required the President to suspend, withdraw, or prevent the application of trade benefits, including most-favored-nation treatment, to countries under the domination or control of the world Communist movement.

''(5) In 1951, responsible representatives of Estonia, Latvia, and Lithuania stated that they did not object to the imposition of 'such controls as the Government of the United States may consider to be appropriate' to the products of those countries, for such time as those countries remained under Soviet domination or control.

''(6) In 1990, the democratically elected governments of Estonia, Latvia, and Lithuania declared the restoration of their independence from the Union of Soviet Socialist Republics.

''(7) The Government of the United States established diplomatic relations with Estonia, Latvia, and Lithuania on September 2, 1991, and on September 6, 1991, the State Council of the transitional government of the Union of Soviet Socialist Republics recognized the independence of Estonia, Latvia, and Lithuania, thereby ending the involuntary incorporation of those countries into, and the domination of those countries by, the Soviet Union.

''(8) Immediate action should be taken to remove the impediments, imposed in response to the circumstances referred to in paragraph (5), in United States trade laws to the extension of nondiscriminatory treatment (most-favored-nation treatment) to the products of those countries.

''(9) As a consequence of establishment of United States diplomatic relations with Estonia, Latvia, and Lithuania, these independent countries are eligible to receive the benefits of the Generalized System of Preferences provided for in title V of the Trade Act of 1974 [19 U.S.C. 2461 et seq.].

''SEC. 102. EXTENSION OF NONDISCRIMINATORY TREATMENT TO THE PRODUCTS OF ESTONIA, LATVIA, AND LITHUANIA.

''(a) IN GENERAL.—Notwithstanding any provision of title IV of the Trade Act of 1974 (19 U.S.C. 2431 et seq.) or any other provision of law, nondiscriminatory treatment (most-favored-nation treatment) applies to the products of Estonia, Latvia, and Lithuania.

''(b) CONFORMING TARIFF SCHEDULE AMENDMENTS.—General Note 3(b) of the Harmonized Tariff Schedule of the United States is amended by striking out 'Estonia', 'Latvia', and 'Lithuania'.

''(c) EFFECTIVE DATE.—Subsection (a) and the amendments made by subsection (b) apply with respect to goods entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act [Dec. 4, 1991].

''SEC. 103. TERMINATION OF APPLICATION OF TITLE IV OF THE TRADE ACT OF 1974 TO THE BALTICS.

''Title IV of the Trade Act of 1974 (19 U.S.C. 2431 et seq.) shall cease to apply to Estonia, Latvia, and Lithuania effective as of the 15th day after the date of the enactment of this Act [Dec. 4, 1991].

''SEC. 104. SENSE OF THE CONGRESS REGARDING PROMPT PROVISION OF GSP TREATMENT TO THE PRODUCTS OF ESTONIA, LATVIA, AND LITHUANIA.

''It is the sense of the Congress that the President should take prompt action under title V of the Trade Act of 1974 [19 U.S.C. 2461 et seq.] to provide preferential tariff treatment to the products of Estonia, Latvia, and Lithuania pursuant to the Generalized System of Preferences.''

APPROVAL OF NONDISCRIMINATORY TREATMENT WITH RESPECT TO PRODUCTS OF PEOPLE'S REPUBLIC OF BULGARIA

Pub. L. 102–158, Nov. 13, 1991, 105 Stat. 1041, provided: ''That the Congress approves the extension of nondiscriminatory treatment to the products of the People's Republic of Bulgaria transmitted by the President to the Congress on June 25, 1991.''

APPROVAL OF NONDISCRIMINATORY TREATMENT WITH RESPECT TO PRODUCTS OF MONGOLIAN PEOPLE'S REPUBLIC

Pub. L. 102–157, Nov. 13, 1991, 105 Stat. 1040, provided: ''That the Congress approves the extension of nondiscriminatory treatment to the products of the Mongolian People's Republic transmitted by the President to the Congress on June 25, 1991.''

APPROVAL OF NONDISCRIMINATORY TREATMENT WITH RESPECT TO PRODUCTS OF CZECHOSLOVAKIA

Pub. L. 101–541, Nov. 8, 1990, 104 Stat. 2380, provided: ''That the Congress approves the extension of nondiscriminatory treatment with respect to the products of Czechoslovakia transmitted by the President to the Congress on September 6, 1990.''

AUTHORITY OF PRESIDENT TO DENY NONDISCRIMINATORY TRADE TREATMENT TO PRODUCTS OF AFGHANISTAN OR TO DENY CREDITS, ETC., TO AFGHANISTAN

Pub. L. 99–190, § 118, Dec. 19, 1985, 99 Stat. 1319, authorized President to deny nondiscriminatory (most-favored-nation) trade treatment to the products of Afghanistan and to deny credit, credit guarantees, and investment guarantees to, or for the benefit of, Afghanistan under any Federal program, directed President, if such treatment was not denied, to submit to Congress, 45 days after Dec. 19, 1985, a report with the reasons for not denying such treatment, and authorized President, if such treatment was denied to restore nondiscriminatory trade treatment, and to extend credit, credit guarantees, and investment guarantees. Similar provisions were contained in Pub. L. 99–190, § 101(i) [title V, § 552], Dec. 19, 1985, 99 Stat. 1291, 1314. Nondiscriminatory trade treatment to products of Afghanistan was denied under section 118(a)(1) of Pub. L. 99–190 by Proc. No. 5437, Jan. 31, 1986, 51 F.R. 4287, and nondiscriminatory trade treatment was restored under section 118(c)(1) of Pub. L. 99–190 by Determination of the President of the United States, No. 93–3, Oct. 7, 1992, 57 F.R. 47557, set out as a note under section 2374 of Title 22, Foreign Relations and Intercourse.

PROC. NO. 4369. AGREEMENT WITH SOCIALIST REPUBLIC OF ROMANIA

Proc. No. 4369, Apr. 24, 1975, 40 F.R. 18389, provided:

Pursuant to the authority vested in me by the United States Constitution, I, as President of the United States of America, acting through duly empowered representatives, entered into negotiation with duly empowered representatives of the Socialist Republic of Romania looking toward the conclusion of an agreement governing trade relations between the United States of America and the Socialist Republic of Romania;

The aforesaid negotiations were conducted in accordance with the requirements of the Trade Act of 1974 (P.L. 93–618, January 3, 1975; 88 Stat. 1978) [this chapter];

An ''Agreement on Trade Relations between the United States of America and the Socialist Republic of Romania,'' including the annexes thereto, in the English and Romanian languages, was signed on April 2, 1975, by duly empowered representatives of the Governments of the United States of America and the Socialist Republic of Romania, respectively, and is hereto annexed [not set out in the Code];

The said Agreement is in conformity with the requirements relating to bilateral commercial agreements as specified in section 405(b) of the Trade Act of 1974 (88 Stat. 1978, 2061) [section 2435(b) of this title];

It is provided in Article XII of the said Agreement that it shall enter into force on the date of exchange of written notices of acceptance by the Governments of the United States of America and the Socialist Republic of Romania; and

It is provided in section 405(c) of the Trade Act of 1974 (88 Stat. 1978, 2061) [section 2435(c) of this title] that a bilateral commercial agreement providing nondiscriminatory treatment to the products of countries heretofore denied such treatment, and a proclamation implementing such agreement, shall take effect only if approved by the Congress by the adoption of a concurrent resolution of approval, referred to in section 151 of the Trade Act of 1974 (88 Stat. 1978, 2001) [section 2191 of this title], of the extension of nondiscriminatory treatment to the products of the country concerned;

NOW, THEREFORE, I, GERALD R. FORD, President of the United States of America, acting under the authority vested in me by the Constitution and the statutes, including section 404(a) of the Trade Act of 1974 [subsec. (a) of this section], do hereby proclaim as follows:

(1) This Proclamation shall become effective and said agreement shall enter into force according to its terms, and nondiscriminatory treatment shall be extended to the products of the Socialist Republic of Romania in accordance with the terms of the said Agreement, on the date of exchange of written notices of acceptance in accordance with Article XII of the said Agreement, all of the foregoing to follow the adoption by the House of Representatives and the Senate, in accordance with the procedures set forth in section 151 of the said Act [section 2191 of this title], of a concurrent resolution of approval of the extension of nondiscriminatory treatment to the products of the Socialist Republic of Romania,

to the end that the same and every part of the said Agreement may be observed and fulfilled with good faith by the United States of America and the citizens thereof and all other persons subject to the jurisdiction thereof as of the date of its entry into force; and

(2) General Headnote 3(e) of the Tariff Schedules of the United States [section 1202 of this title] is amended by deleting therefrom ''Rumania'' as of the effective date of this proclamation and a notice thereof shall be published in the Federal Register promptly thereafter.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-fourth day of April, in the year of our Lord one thousand nine hundred seventy-five, and of the Independence of the United States of America the one hundred ninety-ninth.

GERALD R. FORD.

APPROVAL OF NONDISCRIMINATORY TREATMENT WITH RESPECT TO PRODUCTS OF SOCIALIST REPUBLIC OF ROMANIA

S. Con. Res. 35, July 28, 1975, 89 Stat. 1202, provided: ''That the Congress approves the extension of nondiscriminatory treatment with respect to the products of the Socialist Republic of Romania transmitted by the President to the Congress on April 25, 1975.''

FINDING FOR RENEWAL OF TRADE AGREEMENT WITH ROMANIA

Determination of the President of the United States, No. 90–28, July 3, 1990, 55 F.R. 27797, provided:

Pursuant to my authority under subsection 405(b)(1) of the Trade Act of 1974 (19 U.S.C. 2435(b)(1)), I have determined that actual or foreseeable reductions in United States tariffs and nontariff trade barriers resulting from multilateral negotiations are satisfactorily reciprocated by Romania. I have further found that a satisfactory balance of concessions in trade and services has been maintained during the life of the Agreement on Trade Relations between the United States of America and Romania.

These determinations and findings shall be published in the Federal Register.

GEORGE BUSH.

Prior findings and determinations for Romania were contained in the following:

Determination of the President of the United States, No. 87–16, June 24, 1987, 52 F.R. 23931.

Determination of the President of the United States, No. 84–10, May 31, 1984.

Determination of the President of the United States, No. 81–9, June 2, 1981.

PROC. NO. 4560. AGREEMENT WITH HUNGARIAN PEOPLE'S REPUBLIC

Proc. No. 4560, Apr. 7, 1978, 43 F.R. 15125, provided:

As President of the United States of America, acting through my representatives, I entered into the negotiation of an agreement on trade relations between the United States of America and the Hungarian People's Republic with representatives of the Hungarian People's Republic;

The negotiations were conducted in accordance with the requirements of the Trade Act of 1974 (P.L. 93–618, January 3, 1975; 88 Stat. 1978) (''the Act'') [this chapter];

An ''Agreement on Trade Relations between the United States of America and the Hungarian People's Republic,'' in English and Hungarian, was signed on March 17, 1978, by representatives of the two Governments, and is annexed to this Proclamation [not set out in the Code];

The Agreement conforms to the requirements relating to bilateral commercial agreements specified in Section 405(b) of the Act [section 2435(b) of this title];

Article XI of the Agreement provides that it shall enter into force on the date of exchange of written notices of acceptance by the Governments of the United States of America and the Hungarian People's Republic; and

Section 405(c) of the Act [section 2435(c) of this title] provides that a bilateral commercial agreement and a proclamation implementing such agreement shall take effect only if approved by the Congress;

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, proclaim as follows:

(1) This Proclamation shall become effective, said Agreement shall enter into force according to its terms, and nondiscriminatory treatment shall be extended to the products of the Hungarian People's Republic in accordance with the terms of the said Agreement, on the date of exchange of written notices of acceptance in accordance with Article XI of the said Agreement; and

(2) General Headnote 3(e) of the Tariff Schedules of the United States [section 1202 of this title] is amended by deleting therefrom ''Hungary'' as of the effective date of this proclamation and a notice thereof shall be published in the FEDERAL REGISTER promptly thereafter.

IN WITNESS WHEREOF, I have signed this Proclamation this seventh day of April, in the year of our Lord one thousand nine hundred seventy-eight, and of the Independence of the United States of America the two hundred second.

JIMMY CARTER.

FINDING FOR RENEWAL OF TRADE AGREEMENT WITH HUNGARY

Determination of the President of the United States, No. 90–27, June 22, 1990, 55 F.R. 25945, provided:

Pursuant to my authority under subsection 405(b)(1) of the Trade Act of 1974 (19 U.S.C. 2435(b)(1)), I have determined that actual or foreseeable reductions in U.S. tariffs and non-tariff trade barriers resulting from multilateral negotiations are satisfactorily reciprocated by the Republic of Hungary. I have further found that a satisfactory balance of concessions in trade and services has been maintained during the life of the Agreement on Trade Relations between the United States of America and the Republic of Hungary.

These determinations and findings shall be published in the Federal Register.

GEORGE BUSH.

Prior findings and determinations for Hungarian People's Republic and Socialist Republic of Romania were contained in the following:

Determination of the President of the United States, No. 87–15, June 23, 1987, 52 F.R. 23785.

Determination of the President of the United States, No. 84–10, May 31, 1984, 49 F.R. 23025.

Determination of the President of the United States, No. 81–9, June 2, 1981, 46 F.R. 29921.

PROC. NO. 4697. AGREEMENT WITH PEOPLE'S REPUBLIC OF CHINA

Proc. No. 4697, Oct. 23, 1979, 44 F.R. 61161, provided:

As President of the United States of America, acting through my representatives, I entered into the negotiation of an agreement on trade relations between the United States of America and the People's Republic of China with representatives of the People's Republic of China;

The negotiations were conducted in accordance with the requirements of the Trade Act of 1974 (P.L. 93–618, January 3, 1975; 88 Stat. 1978) (''the Act'') [this chapter];

An ''Agreement on Trade Relations between the United States of America and the People's Republic of China'', in English and Chinese, was signed on July 7, 1979, by representatives of the two Governments, and is annexed to this Proclamation [not set out in the Code];

The Agreement conforms to the requirements relating to bilateral commercial agreements specified in section 405(b) of the Act [19 U.S.C. 2435(b)];

Article X of the Agreement provides that it shall come into force on the date on which the Contracting Parties have exchanged notifications that each has completed the legal procedures necessary for this purpose; and

Section 405(c) of the Act [19 U.S.C. 2435(c)] provides that a bilateral commercial agreement and a proclamation implementing such agreement shall take effect only if approved by the Congress;

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, proclaim as follows:

(1) This Proclamation shall become effective, said Agreement shall enter into force according to its terms, and nondiscriminatory treatment shall be extended to the products of the People's Republic of China in accordance with the terms of the said Agreement, on the date on which the Contracting Parties have exchanged notifications that each has completed the legal procedures necessary for this purpose in accordance with Article X of the said Agreement.

(2) General Headnote 3(e) of the Tariff Schedules of the United States [section 1202 of this title] is amended by deleting therefrom ''China (any part of which may be under Communist domination or control)'' and ''Tibet'' as of the effective date of this proclamation and a notice thereof shall be published in the Federal Register promptly thereafter.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-third day of October, in the year of our Lord nineteen hundred and seventy-nine, and of the Independence of the United States of America the two hundred and fourth.

JIMMY CARTER.

FINDING FOR RENEWAL OF TRADE AGREEMENT WITH CHINA

Determination of President of the United States, No. 92–12, Jan. 31, 1992, 57 F.R. 19077, provided:

Pursuant to my authority under subsection 405(b)(1) of the Trade Act of 1974 (19 U.S.C. 2435(b)(1)), I have determined that actual or foreseeable reductions in United States tariffs and nontariff barriers to trade resulting from multilateral negotiations are satisfactorily reciprocated by the People's Republic of China. I have further found that a satisfactory balance of concessions in trade and services has been maintained during the life of the Agreement on Trade Relations between the United States of America and the People's Republic of China.

You are authorized and directed to publish this memorandum in the Federal Register.

GEORGE BUSH.

Prior findings and determinations for the People's Republic of China were contained in the following:

Memorandum of the President of the United States, Dec. 19, 1988, 53 F.R. 51217.

Memorandum of the President of the United States, Dec. 23, 1982, 47 F.R. 57653.

PROC. NO. 6175. AGREEMENT WITH CZECH AND SLOVAK FEDERAL REPUBLIC

Proc. No. 6175, Sept. 6, 1990, 55 F.R. 37643, provided:

1. Pursuant to the authority vested in me by the Constitution and the laws of the United States, as President of the United States of America, I, acting through duly empowered representatives, entered into negotiations with representatives of the Czech and Slovak Federal Republic to conclude an agreement on trade relations between the United States of America and the Czech and Slovak Federal Republic.

2. These negotiations were conducted in accordance with the requirements of the Trade Act of 1974 (P.L. 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter].

3. As a result of these negotiations, an ''Agreement on Trade Relations Between the Government of the United States of America and the Government of the Czechoslovak Federative Republic,'' including exchanges of letters which form an integral part of the Agreement, the foregoing in English and Czech, was signed on April 12, 1990, by duly empowered representatives of the two Governments and is set forth as an annex to this proclamation [not set out in the Code].

4. This Agreement conforms to the requirements relating to bilateral commercial agreements set forth in section 405(b) of the Trade Act (19 U.S.C. 2435(b)).

5. Article XVIII of the Agreement provides that the Agreement shall enter into force on the date of exchange of written notices of acceptance by the two Governments.

6. Section 405(c) of the Trade Act (19 U.S.C. 2435(c)) provides that a bilateral commercial agreement providing nondiscriminatory treatment to the products of a country heretofore denied such treatment, and a proclamation implementing such agreement, shall take effect only if approved by the Congress under the provisions of that Act [this chapter].

7. Section 604 of the Trade Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule of the United States [see 19 U.S.C. 1202] the substance of the provisions of that Act, of other acts affecting import treatment, and actions taken thereunder.

NOW, THEREFORE, I, GEORGE BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to sections 404, 405 and 604 of the Trade Act of 1974, as amended [19 U.S.C. 2434, 2435, 2483], do proclaim that:

(1) This proclamation shall become effective, said Agreement shall enter into force, and nondiscriminatory treatment shall be extended to the products of the Czech and Slovak Federal Republic, in accordance with the terms of said Agreement, on the date of exchange of written notices of acceptance in accordance with Article XVIII of said Agreement. The United States Trade Representative shall publish notice of the effective date in the Federal Register.

(2) Effective with respect to articles entered, or withdrawn from warehouse for consumption, into the customs territory of the United States on or after the date provided in paragraph (1) of this proclamation, general note 3(b) of the Harmonized Tariff Schedule of the United States, enumerating those countries whose products are subject to duty at the rates set forth in rate of duty column 2 of the tariff schedule, is modified by striking out ''Czechoslovakia''.

IN WITNESS WHEREOF, I have hereunto set my hand this sixth day of September, in the year of our Lord nineteen hundred and ninety, and of the Independence of the United States of America the two hundred and fifteenth.

GEORGE BUSH.

FINDING REGARDING TRADE AGREEMENT WITH CZECHOSLOVAKIA

Memorandum of the President of the United States, Sept. 6, 1990, 55 F.R. 39259, provided:

Memorandum for the Secretary of State

Pursuant to the authority vested in me under the Trade Act of 1974 (P.L. 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter], I determine, pursuant to section 405(a) of the Trade Act [19 U.S.C. 2435(a)], that the ''Agreement on Trade Relations Between the Government of the United States of America and the Government of the Czechoslovak Federative Republic'' will promote the purposes of the Trade Act and is in the national interest.

You are authorized and directed to transmit copies of this determination to appropriate members [sic] of Congress and to publish it in the Federal Register.

GEORGE BUSH.

PROC. NO. 6307. AGREEMENT WITH REPUBLIC OF BULGARIA

Proc. No. 6307, June 24, 1991, 56 F.R. 29787, provided:

1. Pursuant to the authority vested in me by the Constitution and the laws of the United States, as President of the United States of America, I, acting through duly empowered representatives, entered into negotiations with representatives of the Republic of Bulgaria to conclude an agreement on trade relations between the United States of America and the Republic of Bulgaria.

2. These negotiations were conducted in accordance with the requirements of the Trade Act of 1974 (Public Law 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter].

3. As a result of these negotiations, an ''Agreement on Trade Relations Between the Government of the United States of America and the Government of the Republic of Bulgaria,'' including exchanges of letters which form an integral part of the Agreement, the foregoing in English and Bulgarian, was signed on April 22, 1991, by duly empowered representatives of the two Governments and is set forth as an annex to this proclamation [not set out in the Code].

4. This Agreement conforms to the requirements relating to bilateral commercial agreements set forth in section 405(b) of the Trade Act (19 U.S.C. 2435(b)).

5. Article XVII of the Agreement provides that the Agreement shall enter into force on the date of exchange of written notices of acceptance by the two Governments.

6. Section 405(c) of the Trade Act (19 U.S.C. 2435(c)) provides that a bilateral commercial agreement providing nondiscriminatory treatment to the products of a country heretofore denied such treatment, and a proclamation implementing such agreement, shall take effect only if approved by the Congress under the provisions of that Act.

7. Section 604 of the Trade Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule of the United States [see 19 U.S.C. 1202] the substance of the provisions of that Act, of other acts affecting import treatment, and actions taken thereunder.

NOW, THEREFORE, I, GEORGE BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to sections 404, 405, and 604 of the Trade Act of 1974, as amended [19 U.S.C. 2434, 2435, 2483], do proclaim that:

(1) This proclamation shall become effective, said Agreement shall enter into force, and nondiscriminatory treatment shall be extended to the products of the Republic of Bulgaria, in accordance with the terms of said Agreement, on the date of exchange of written notices of acceptance in accordance with Article XVII of said Agreement. The United States Trade Representative shall publish notice of the effective date in the Federal Register.

(2) Effective with respect to articles entered, or withdrawn from warehouse for consumption, into the customs territory of the United States on or after the date provided in paragraph (1) of this proclamation, general note 3(b) of the Harmonized Tariff Schedule of the United States, enumerating those countries whose products are subject to duty at the rates set forth in rate of duty column 2 of the tariff schedule, is modified by striking out ''Bulgaria''.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-fourth day of June, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and fifteenth.

GEORGE BUSH.

FINDING REGARDING TRADE AGREEMENT WITH BULGARIA

Determination of President of the United States, No. 91–43, June 24, 1991, 56 F.R. 31037, provided:

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter], I determine, pursuant to section 405(a) of the Trade Act [19 U.S.C. 2435(a)], that the ''Agreement on Trade Relations Between the Government of the United States of America and the Government of the Republic of Bulgaria'' will promote the purposes of the Trade Act and is in the national interest.

You are authorized and directed to transmit copies of this determination to the appropriate Members of Congress and to publish it in the Federal Register.

GEORGE BUSH.

PROC. NO. 6308. AGREEMENT WITH MONGOLIAN PEOPLE'S REPUBLIC

Proc. No. 6308, June 24, 1991, 56 F.R. 29834, provided:

1. Pursuant to the authority vested in me by the Constitution and the laws of the United States, as President of the United States of America, I, acting through duly empowered representatives, entered into negotiations with representatives of the Mongolian People's Republic to conclude an agreement on trade relations between the United States of America and the Mongolian People's Republic.

2. These negotiations were conducted in accordance with the requirements of the Trade Act of 1974 (Public Law 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter].

3. As a result of these negotiations, an ''Agreement on Trade Relations Between the Government of the United States of America and the Government of the Mongolian People's Republic,'' including exchanges of letters which form an integral part of the Agreement, the foregoing in English and Mongolian, was signed on January 23, 1991, by duly empowered representatives of the two Governments and is set forth as an annex to this proclamation [not set out in the Code].

4. This Agreement conforms to the requirements relating to bilateral commercial agreements set forth in section 405(b) of the Trade Act (19 U.S.C. 2435(b)).

5. Article XVII of the Agreement provides that the Agreement shall enter into force on the date of exchange of written notices of acceptance by the two Governments.

6. Section 405(c) of the Trade Act (19 U.S.C. 2435(c)) provides that a bilateral commercial agreement providing nondiscriminatory treatment to the products of a country heretofore denied such treatment, and a proclamation implementing such agreement, shall take effect only if approved by the Congress under the provisions of that Act.

7. Section 604 of the Trade Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule of the United States [see 19 U.S.C. 1202] the substance of the provisions of that Act, of other acts affecting import treatment, and actions taken thereunder.

NOW, THEREFORE, I, GEORGE BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to sections 404, 405, and 604 of the Trade Act of 1974, as amended [19 U.S.C. 2434, 2435, 2483], do proclaim that:

(1) This proclamation shall become effective, said Agreement shall enter into force, and nondiscriminatory treatment shall be extended to the products of the Mongolian People's Republic, in accordance with the terms of said Agreement, on the date of exchange of written notices of acceptance in accordance with Article XVII of said Agreement. The United States Trade Representative shall publish notice of the effective date in the Federal Register.

(2) Effective with respect to articles entered, or withdrawn from warehouse for consumption, into the customs territory of the United States on or after the date provided in paragraph (1) of this proclamation, general note 3(b) of the Harmonized Tariff Schedule of the United States, enumerating those countries whose products are subject to duty at the rates set forth in rate of duty column 2 of the tariff schedule, is modified by striking out ''Mongolia''.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-fourth day of June, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and fifteenth.

GEORGE BUSH.

FINDING REGARDING TRADE AGREEMENT WITH MONGOLIAN PEOPLE'S REPUBLIC

Determination of President of the United States, No. 91–44, June 24, 1991, 56 F.R. 31039, provided:

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter], I determine, pursuant to section 405(a) of the Trade Act [19 U.S.C. 2435(a)], that the ''Agreement on Trade Relations Between the Government of the United States of America and the Government of the Mongolian People's Republic'' will promote the purposes of the Trade Act and is in the national interest.

You are authorized and directed to transmit copies of this determination to the appropriate Members of Congress and to publish it in the Federal Register.

GEORGE BUSH.

PROC. NO. 6320. AGREEMENT WITH UNION OF SOVIET SOCIALIST REPUBLICS

Proc. No. 6320, Aug. 2, 1991, 56 F.R. 37407, provided:

1. Pursuant to the authority vested in me by the Constitution and the laws of the United States, as President of the United States of America, I, acting through duly empowered representatives, entered into negotiations with representatives of the Union of Soviet Socialist Republics to conclude an agreement on trade relations between the United States of America and the Union of Soviet Socialist Republics.

2. These negotiations were conducted in accordance with the requirements of the Trade Act of 1974 (Public Law 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter].

3. As a result of these negotiations, an ''Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics,'' including annexes and exchanges of letters which form an integral part of the Agreement, the foregoing in English and Russian, was signed on June 1, 1990, by duly empowered representatives of the two Governments and is set forth as an annex to this proclamation [not set out in the Code].

4. This Agreement conforms to the requirements relating to bilateral commercial agreements set forth in section 405(b) of the Trade Act (19 U.S.C. 2435(b)).

5. Article XVII of the Agreement provides that the Agreement shall enter into force on the date of exchange of written notices of acceptance by the two Governments.

6. Section 405(c) of the Trade Act (19 U.S.C. 2435(c)) provides that a bilateral commercial agreement providing nondiscriminatory treatment to the products of a country heretofore denied such treatment, and a proclamation implementing such agreement, shall take effect only if approved by the Congress under the provisions of that Act.

7. Section 604 of the Trade Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule of the United States [see 19 U.S.C. 1202] the substance of the provisions of that Act, of other acts affecting import treatment, and actions taken thereunder.

NOW, THEREFORE, I, GEORGE BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to sections 404, 405, and 604 of the Trade Act of 1974, as amended [19 U.S.C. 2434, 2435, 2483], do proclaim that:

(1) This proclamation shall become effective, said Agreement shall enter into force, and nondiscriminatory treatment shall be extended to the products of the Union of Soviet Socialist Republics, in accordance with the terms of said Agreement, on the date of exchange of written notices of acceptance in accordance with Article XVII of said Agreement. The United States Trade Representative shall publish notice of the effective date in the Federal Register. On such date, and without prejudice to the long-standing U.S. policy of not recognizing the forcible incorporation of Estonia, Latvia, and Lithuania into the Soviet Union, nondiscriminatory tariff treatment shall also be extended to the products of Estonia, Latvia, and Lithuania.

(2) Effective with respect to articles entered, or withdrawn from warehouse for consumption, into the customs territory of the United States on or after the date provided in paragraph (1) of this proclamation, general note 3(b) to the Harmonized Tariff Schedule of the United States, enumerating those countries whose products are subject to duty at the rates set forth in Rates of Duty Column 2 of the tariff schedule, is modified by striking out ''Estonia'', ''Latvia'', ''Lithuania'', and ''Union of Soviet Socialist Republics''.

IN WITNESS WHEREOF, I have hereunto set my hand this second day of August, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

GEORGE BUSH.

FINDING REGARDING TRADE AGREEMENT WITH UNION OF SOVIET SOCIALIST REPUBLICS

Determination of President of the United States, No. 91–47, Aug. 2, 1991, 56 F.R. 40741, provided:

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter], I determine, pursuant to section 405(a) of the Trade Act [19 U.S.C. 2435(a)], that the ''Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics'' will promote the purposes of the Trade Act and is in the national interest.

You are authorized and directed to transmit copies of this determination to the appropriate Members of Congress and to publish it in the Federal Register.

GEORGE BUSH.

PROC. NO. 6352. AGREEMENT WITH UNION OF SOVIET SOCIALIST REPUBLICS

Proc. No. 6352, Oct. 9, 1991, 56 F.R. 51317, provided:

1. Pursuant to the authority vested in me by the Constitution and the laws of the United States, as President of the United States of America, I, acting through duly empowered representatives, entered into negotiations with representatives of the Union of Soviet Socialist Republics to conclude an agreement on trade relations between the United States of America and the Union of Soviet Socialist Republics.

2. These negotiations were conducted in accordance with the requirements of the Trade Act of 1974 (Public Law 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter].

3. As a result of these negotiations, an ''Agreement on Trade Relations Between the United States of America and the Union of Soviet Socialist Republics,'' including annexes and exchanges of letters which form an integral part of the Agreement, the foregoing in English and Russian, was signed on June 1, 1990, by duly empowered representatives of the two Governments and is set forth as an annex to this proclamation [not set out in the Code].

4. This Agreement conforms to the requirements relating to bilateral commercial agreements set forth in section 405(b) of the Trade Act (19 U.S.C. 2435(b)).

5. Article XVII of the Agreement provides that the Agreement shall enter into force on the date of exchange of written notices of acceptance by the two Governments.

6. Section 405(c) of the Trade Act (19 U.S.C. 2435(c)) provides that a bilateral commercial agreement providing nondiscriminatory treatment to the products of a country heretofore denied such treatment, and a proclamation implementing such agreement, shall take effect only if approved by the Congress under the provisions of that Act.

7. Section 604 of the Trade Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule of the United States [see 19 U.S.C. 1202] the substance of the provisions of that Act, of other acts affecting import treatment, and actions taken thereunder.

NOW, THEREFORE, I, GEORGE BUSH, President of the United States of America, acting under the author-

ity vested in me by the Constitution and the laws of the United States, including but not limited to sections 404, 405, and 604 of the Trade Act of 1974, as amended [19 U.S.C. 2434, 2435, 2483], do proclaim that:

(1) This proclamation shall become effective, said Agreement shall enter into force, and nondiscriminatory treatment shall be extended to the products of the Union of Soviet Socialist Republics, in accordance with the terms of said Agreement, on the date of exchange of written notices of acceptance in accordance with Article XVII of said Agreement. The United States Trade Representative shall publish notice of the effective date in the Federal Register.

(2) Effective with respect to articles entered, or withdrawn from warehouse for consumption, into the customs territory of the United States on or after the date provided in paragraph (1) of this proclamation, general note 3(b) to the Harmonized Tariff Schedule of the United States, enumerating those countries whose products are subject to duty at the rates set forth in Rates of Duty Column 2 of the tariff schedule, is modified by striking out ''Union of Soviet Socialist Republics''.

IN WITNESS WHEREOF, I have hereunto set my hand this ninth day of October, in the year of our Lord nineteen hundred and ninety-one, and of the Independence of the United States of America the two hundred and sixteenth.

GEORGE BUSH.

PROC. NO. 6419. EXTENSION OF NONDISCRIMINATORY TREATMENT (MOST-FAVORED-NATION TREATMENT) TO PRODUCTS OF CZECH AND SLOVAK FEDERAL REPUBLIC AND REPUBLIC OF HUNGARY

Proc. No. 6419, Apr. 10, 1992, 57 F.R. 12865, provided:

Pursuant to section 2 of Public Law 102–182, 105 Stat. 1233 [set out as a note above], and having due regard for the findings of the Congress in section 1 of said law, I have determined that title IV of the Trade Act of 1974 (19 U.S.C. 2431–2441) should no longer apply to the Czech and Slovak Federal Republic or to the Republic of Hungary.

NOW, THEREFORE, I, GEORGE BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to section 2 of Public Law 102–182, do proclaim that:

(1) Nondiscriminatory treatment (most-favored-nation treatment) shall be extended to the products of the Czech and Slovak Federal Republic and to the products of the Republic of Hungary.

(2) Any provisions of previous proclamations and Executive orders inconsistent with the provisions of this proclamation are hereby superseded to the extent of such inconsistency.

(3) The extension of nondiscriminatory treatment to the products of the Czech and Slovak Federal Republic and the Republic of Hungary shall be effective on the date of publication of this proclamation in the Federal Register [Apr. 14, 1992].

IN WITNESS WHEREOF, I have hereunto set my hand this tenth day of April, in the year of our Lord nineteen hundred and ninety-two, and of the Independence of the United States of America the two hundred and sixteenth.

GEORGE BUSH.

DETERMINATION REGARDING APPLICATION OF TITLE IV OF TRADE ACT OF 1974 TO CZECH AND SLOVAK FEDERAL REPUBLIC OR TO REPUBLIC OF HUNGARY

Determination of President of the United States, No. 92–21, Apr. 10, 1992, 57 F.R. 12863, provided:

Pursuant to section 2(a)(1) of Public Law 102–182, 105 Stat. 1233 [set out as a note above], and having due regard for the findings of the Congress in section 1 of said law, I hereby determine that title IV of the Trade Act of 1974 (19 U.S.C. 2431–2441) should no longer apply to the Czech and Slovak Federal Republic or to the Republic of Hungary.

This determination shall be published in the Federal Register.

GEORGE BUSH.

PROC. NO. 6445. AGREEMENT WITH REPUBLIC OF ALBANIA

Proc. No. 6445, June 15, 1992, 57 F.R. 26921, provided:

1. Pursuant to the authority vested in me by the Constitution and the laws of the United States, as President of the United States of America, I, acting through duly empowered representatives, entered into negotiations with representatives of Albania to conclude an agreement on trade relations between the United States of America and Albania.

2. These negotiations were conducted in accordance with the requirements of the Trade Act of 1974 (Public Law 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter].

3. As a result of these negotiations, an ''Agreement on Trade Relations Between the United States of America and the Republic of Albania,'' including exchanges of letters which form an integral part of the Agreement, the foregoing in English and Albanian, was signed on May 14, 1992, by duly empowered representatives of the two Governments and is set forth as an annex to this proclamation [not set out in the Code].

4. This Agreement conforms to the requirements relating to bilateral commercial agreements set forth in section 405(b) of the Trade Act (19 U.S.C. 2435(b)).

5. Article XVII of the Agreement provides that the Agreement shall enter into force on the date of exchange of written notices of acceptance by the two Governments.

6. Section 405(c) of the Trade Act (19 U.S.C. 2435(c)) provides that a bilateral commercial agreement providing nondiscriminatory treatment to the products of a country heretofore denied such treatment, and a proclamation implementing such agreement, shall take effect only if approved by the Congress under the provisions of that Act.

7. Section 604 of the Trade Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule of the United States [see 19 U.S.C. 1202] the substance of the provisions of that Act, of other acts affecting import treatment, and actions taken thereunder.

NOW, THEREFORE, I, GEORGE BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to sections 404, 405, and 604 of the Trade Act of 1974, as amended [19 U.S.C. 2434, 2435, 2483], do proclaim that:

(1) This proclamation shall become effective, said Agreement shall enter into force, and nondiscriminatory treatment shall be extended to the products of Albania, in accordance with the terms of said Agreement, on the date of exchange of written notices of acceptance in accordance with Article XVII of said Agreement. The United States Trade Representative shall publish notice of the effective date in the Federal Register.

(2) Effective with respect to articles entered, or withdrawn from warehouse for consumption, into the customs territory of the United States on or after the date provided in paragraph (1) of this proclamation, general note 3(b) of the Harmonized Tariff Schedule of the United States, enumerating those countries whose products are subject to duty at the rates set forth in rate of duty column 2 of the tariff schedule, is modified by striking out ''Albania''.

IN WITNESS WHEREOF, I have hereunto set my hand this fifteenth day of June, in the year of our Lord nineteen hundred and ninety-two, and of the Independence of the United States of America the two hundred and sixteenth.

GEORGE BUSH.

FINDING REGARDING TRADE AGREEMENT WITH ALBANIA

Determination of President of the United States, No. 92–33, June 15, 1992, 57 F.R. 28583, provided:

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter], I determine, pursuant to section 405(a) of the Trade Act (19 U.S.C. 2435(a)), that the ''Agreement on Trade Relations Between the United States of America and the Republic of Albania'' will promote the purposes of the Trade Act and is in the national interest.

You are authorized and directed to transmit copies of this determination to the appropriate Members of Congress and to publish it in the Federal Register.

GEORGE BUSH.

PROC. NO. 6449. AGREEMENT WITH REPUBLIC OF ROMANIA

Proc. No. 6449, June 22, 1992, 57 F.R. 28033, provided:

1. Pursuant to the authority vested in me by the Constitution and the laws of the United States, as President of the United States of America, I, acting through duly empowered representatives, entered into negotiations with representatives of Romania to conclude an agreement on trade relations between the United States of America and Romania.

2. These negotiations were conducted in accordance with the requirements of the Trade Act of 1974 (Public Law 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter].

3. As a result of these negotiations, an ''Agreement on Trade Relations Between the Government of the United States of America and the Government of Romania,'' including exchanges of letters which form an integral part of the Agreement, the foregoing in English and Romanian, was signed on April 3, 1992, by duly empowered representatives of the two Governments and is set forth as an annex to this proclamation [not set out in the Code].

4. This Agreement conforms to the requirements relating to bilateral commercial agreements set forth in section 405(b) of the Trade Act (19 U.S.C. 2435(b)).

5. Article XVI of the Agreement provides that the Agreement shall enter into force on the date of exchange of written notices of acceptance by the two Governments.

6. Section 405(c) of the Trade Act (19 U.S.C. 2435(c)) provides that a bilateral commercial agreement providing nondiscriminatory treatment to the products of a country heretofore denied such treatment, and a proclamation implementing such agreement, shall take effect only if approved by the Congress under the provisions of that Act.

7. Section 604 of the Trade Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule of the United States [see 19 U.S.C. 1202] the substance of the provisions of that Act, of other acts affecting import treatment, and actions taken thereunder.

NOW, THEREFORE, I, GEORGE BUSH, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to sections 404, 405, and 604 of the Trade Act of 1974, as amended [19 U.S.C. 2434, 2435, 2483], do proclaim that:

(1) This proclamation shall become effective, said Agreement shall enter into force, and nondiscriminatory treatment shall be extended to the products of Romania, in accordance with the terms of said Agreement, on the date of exchange of written notices of acceptance in accordance with Article XVI of said Agreement. The United States Trade Representative shall publish notice of the effective date in the Federal Register.

(2) Effective with respect to articles entered, or withdrawn from warehouse for consumption, into the customs territory of the United States on or after the date provided in paragraph (1) of this proclamation, general note 3(b) of the Harmonized Tariff Schedule of the United States, enumerating those countries whose products are subject to duty at the rates set forth in rate of duty column 2 of the tariff schedule, is modified by striking out ''Romania''.

IN WITNESS WHEREOF, I have hereunto set my hand this twenty-second day of June, in the year of our Lord nineteen hundred and ninety-two, and of the Independence of the United States of America the two hundred and sixteenth.

GEORGE BUSH.

PROC. NO. 6577. AGREEMENT WITH REPUBLIC OF ROMANIA

Proc. No. 6577, July 2, 1993, 58 F.R. 36301, provided:

1. By the authority vested in me as President by the Constitution and the laws of the United States of America, I, acting through duly empowered representatives, entered into negotiations with representatives of Romania to conclude an agreement on trade relations between the United States of America and Romania.

2. These negotiations were conducted in accordance with the requirements of the Trade Act of 1974, Public Law 93–618, as amended (19 U.S.C. 2101–2495) (the ''Trade Act'').

3. As a result of these negotiations, an ''Agreement on Trade Relations Between the Government of the United States of America and the Government of Romania'' (''Agreement''), including exchanges of letters which form an integral part of the Agreement, the foregoing in English and Romanian, was signed on April 3, 1992, by duly empowered representatives of the two Governments and is set forth as an annex to this proclamation [not set out in the Code].

4. This Agreement conforms to the requirements relating to bilateral commercial agreements set forth in section 405(b) of the Trade Act (19 U.S.C. 2435(b)).

5. Article XVI of the Agreement provides that the Agreement shall enter into force on the date of exchange of written notices of acceptance by the two Governments.

6. Section 405(c) of the Trade Act (19 U.S.C. 2435(c)) provides that a bilateral commercial agreement providing nondiscriminatory treatment to the products of a country heretofore denied such treatment, and a proclamation implementing such agreement, shall take effect only if approved by the Congress under the provisions of that Act.

7. Section 604 of the Trade Act (19 U.S.C. 2483) authorizes the President to embody in the Harmonized Tariff Schedule of the United States [see 19 U.S.C. 1202] the substance of the provisions of that Act, of other acts affecting import treatment, and actions taken thereunder.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States, including but not limited to sections 404, 405, and 604 of the Trade Act (19 U.S.C. 2434, 2435, and 2483), do proclaim that:

(1) This proclamation shall become effective, said Agreement shall enter into force, and nondiscriminatory treatment shall be extended to the products of Romania, in accordance with the terms of said Agreement, on the date of exchange of written notices of acceptance in accordance with Article XVI of said Agreement. The United States Trade Representative shall publish notice of the effective date in the Federal Register.

(2) Effective with respect to articles entered, or withdrawn from warehouse for consumption, into the customs territory of the United States on or after the date provided in paragraph (1) of this proclamation, general note 3(b) of the Harmonized Tariff Schedule of the United States, enumerating those countries whose products are subject to duty at the rates set forth in rate of duty column 2 of the tariff schedule, is modified by striking out ''Romania''.

IN WITNESS WHEREOF, I have hereunto set my hand this second day of July, in the year of our Lord nineteen hundred and ninety-three, and of the Independence of the United States of America the two hundred and seventeenth.

WILLIAM J. CLINTON.

FINDING REGARDING TRADE AGREEMENT WITH ROMANIA

Determination of President of the United States, No. 93–30, July 2, 1993, 58 F.R. 43785, provided:

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter], I determine, pursuant to section 405(a) of the Trade Act (19 U.S.C. 2435(a)), that the ''Agreement on Trade Relations between the Government of the United States of America and the Government of Romania'' will promote the purposes of the Trade Act and is in the national interest.

You are authorized and directed to transmit copies of this determination to the appropriate Members of Congress and publish it in the Federal Register.

WILLIAM J. CLINTON.

Determination of President of the United States, No. 92–34, June 22, 1992, 57 F.R. 30099, provided:

Pursuant to the authority vested in me under the Trade Act of 1974 (Public Law 93–618, January 3, 1975; 88 Stat. 1978), as amended (the ''Trade Act'') [this chapter], I determine, pursuant to section 405(a) of the Trade Act (19 U.S.C. 2435(a)), that the ''Agreement on Trade Relations Between the Government of the United States of America and the Government of Romania'' will promote the purposes of the Trade Act and is in the national interest.

You are authorized and directed to transmit copies of this determination to the appropriate Members of Congress and to publish it in the Federal Register.

GEORGE BUSH.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2435, 2437 of this title.

§ 2435. Commercial agreements

(a) Presidential authority

Subject to the provisions of subsections (b) and (c) of this section, the President may authorize the entry into force of bilateral commercial agreements providing nondiscriminatory treatment to the products of countries heretofore denied such treatment whenever he determines that such agreements with such countries will promote the purposes of this chapter and are in the national interest.

(b) Terms of agreements

Any such bilateral commercial agreement shall—

(1) be limited to an initial period specified in the agreement which shall be no more than 3 years from the date the agreement enters into force; except that it may be renewable for additional periods, each not to exceed 3 years; if—

(A) a satisfactory balance of concessions in trade and services has been maintained during the life of such agreement, and

(B) the President determines that actual or foreseeable reductions in United States tariffs and nontariff barriers to trade resulting from multilateral negotiations are satisfactorily reciprocated by the other party to the bilateral agreement;

(2) provide that it is subject to suspension or termination at any time for national security reasons, or that the other provisions of such agreement shall not limit the rights of any party to take any action for the protection of its security interests;

(3) include safeguard arrangements (A) providing for prompt consultations whenever either actual or prospective imports cause or threaten to cause, or significantly contribute to, market disruption and (B) authorizing the imposition of such import restrictions as may be appropriate to prevent such market disruption;

(4) if the other party to the bilateral agreement is not a party to the Paris Convention for the Protection of Industrial Property, provide rights for United States nationals with respect to patents and trademarks in such country not less than the rights specified in such convention;

(5) if the other party to the bilateral agreement is not a party to the Universal Copyright Convention, provide rights for United States nationals with respect to copyrights in such country not less than the rights specified in such convention;

(6) in the case of an agreement entered into or renewed after January 3, 1975, provide arrangements for the protection of industrial rights and processes;

(7) provide arrangements for the settlement of commercial differences and disputes;

(8) in the case of an agreement entered into or renewed after January 3, 1975, provide arrangements for the promotion of trade, which may include arrangements for the establishment or expansion of trade and tourist promotion offices, for facilitation of activities of governmental commercial officers, participation in trade fairs and exhibits, and the sending of trade missions, and for facilitation of entry, establishment, and travel of commercial representatives;

(9) provide for consultations for the purpose of reviewing the operation of the agreement and relevant aspects of relations between the United States and the other party; and

(10) provide such other arrangements of a commercial nature as will promote the purposes of this chapter.

(c) Congressional action

An agreement referred to in subsection (a) of this section, and a proclamation referred to in section 2434(a) of this title implementing such agreement, shall take effect only if a joint resolution described in section 2191(b)(3) of this title that approves of the agreement referred to in subsection (a) of this section is enacted into law.

(Pub. L. 93–618, title IV, § 405, Jan. 3, 1975, 88 Stat. 2061; Pub. L. 96–39, title XI, § 1106(f)(3), July 26, 1979, 93 Stat. 312; Pub. L. 101–382, title I, § 132(b)(1), Aug. 20, 1990, 104 Stat. 645.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b)(10), was in the original ''this Act'', meaning Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

The Universal Copyright Convention, referred to in subsec. (b)(5), is set out under section 9 of Title 17, Copyrights.

AMENDMENTS

1990—Subsec. (c). Pub. L. 101–382 amended subsec. (c) generally. Prior to amendment, subsec. (c) read as fol-

lows: ''An agreement referred to in subsection (a) of this section, and a proclamation referred to in section 2434(a) of this title implementing such agreement, shall take effect only if (1) approved by the Congress by the adoption of a concurrent resolution referred to in section 2191 of this title, or (2) in the case of an agreement entered into before January 3, 1975, and a proclamation implementing such agreement, a resolution of disapproval referred to in section 2192 of this title is not adopted during the 90-day period specified by section 2437(c)(2) of this title.''

1979—Subsec. (b)(8). Pub. L. 96–39 substituted ''may include arrangements'' for ''may include those''.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2434, 2436 of this title.

§ 2436. Market disruption

(a) Investigation by International Trade Commission; report; publication

(1) Upon the filing of a petition by an entity described in section 2252(a) of this title, upon request of the President or the United States Trade Representative, upon resolution of either the Committee on Ways and Means of the House of Representatives or the Committee on Finance of the Senate, or on its own motion, the International Trade Commission (hereafter in this section referred to as the ''Commission'') shall promptly make an investigation to determine, with respect to imports of an article which is the product of a Communist country, whether market disruption exists with respect to an article produced by a domestic industry.

(2) The provisions of subsections (a)(3), (b)(4),[1] and (c)(4) of section 2252 of this title shall apply with respect to investigations by the Commission under paragraph (1).

(3) The Commission shall report to the President its determination with respect to each investigation under paragraph (1) and the basis therefor and shall include in each report any dissenting or separate views. If the Commission finds, as a result of its investigation, that market disruption exists with respect to an article produced by a domestic industry, it shall find the amount of the increase in, or imposition of, any duty or other import restriction on such article which is necessary to prevent or remedy such market disruption and shall include such finding in its report to the President. The Commission shall furnish to the President a transcript of the hearings and any briefs which may have been submitted in connection with each investigation.

(4) The report of the Commission of its determination with respect to an investigation under paragraph (1) shall be made at the earliest practicable time, but not later than 3 months after the date on which the petition is filed (or the date on which the request or resolution is received or the motion is adopted, as the case may be). Upon making such report to the President, the Commission shall also promptly make public such report (with the exception of information which the Commission determines to be confidential) and shall cause a summary thereof to be published in the Federal Register.

(b) Affirmative determination

With respect to any affirmative determination of the Commission under subsection (a) of this section—

(1) such determination shall be treated as an affirmative determination made under section 2251(b) of this title (as in effect on the day before the date of the enactment of the Omnibus Trade and Competitiveness Act of 1988); and

(2) sections 2252 and 2253 of this title (as in effect on the day before the date of the enactment of such Act of 1988), rather than the provisions of part 1 of subchapter II of this chapter as amended by section 1401 of such Act of 1988, shall apply with respect to the taking of subsequent action, if any, by the President in response to such affirmative determination;

except that—

(A) the President may take action under such sections 2252 and 2253 of this title only with respect to imports from the country or countries involved of the article with respect to which the affirmative determination was made; and

(B) if such action consists of, or includes, an orderly marketing agreement, such agreement shall be entered into within 60 days after the import relief determination date.

(c) Products of Communist countries

If, at any time, the President finds that there are reasonable grounds to believe, with respect to imports of an article which is the product of a Communist country, that market disruption exists with respect to an article produced by a domestic industry, he shall request the Commission to initiate an investigation under subsection (a) of this section. If the President further finds that emergency action is necessary, he may take action under sections 2252 and 2253 of this title referred to in subsection (b) of this section as if an affirmative determination of the Commission had been made under subsection (a) of this section. Any action taken by the President under the preceding sentence shall cease to apply (1) if a negative determination is made by the Commission under subsection (a) of this section with respect to imports of such article, on the day on which the Commission's report of such determination is submitted to the President, or (2) if an affirmative determination is made by the Commission under subsection (a) of this section with respect to imports of such article, on the day on which the action taken by the President pursuant to such determination becomes effective.

(d) Petitions to initiate consultations as provided for by safeguard arrangements

(1) A petition may be filed with the President by an entity described in section 2251(a)(1) of this title requesting the President to initiate consultations provided for by the safeguard arrangements of any agreement entered into under section 2435 of this title with respect to imports of an article which is the product of the country which is the other party to such agreement.

[1] See References in Text note below.

(2) If the President determines that there are reasonable grounds to believe, with respect to imports of such article, that market disruption exists with respect to an article produced by a domestic industry, he shall initiate consultations with such country with respect to such imports.

(e) Definitions; factors determining existence of market disruption

For purposes of this section—

(1) The term ''Communist country'' means any country dominated or controlled by communism.

(2)(A) Market disruption exists within a domestic industry whenever imports of an article, like or directly competitive with an article produced by such domestic industry, are increasing rapidly, either absolutely or relatively, so as to be a significant cause of material injury, or threat thereof, to such domestic industry.

(B) For purposes of subparagraph (A):

(i) Imports of an article shall be considered to be increasing rapidly if there has been a significant increase in such imports (either actual or relative to domestic production) during a recent period of time.

(ii) The term ''significant cause'' refers to a cause which contributes significantly to the material injury of the domestic industry, but need not be equal to or greater than any other cause.

(C) The Commission, in determining whether market disruption exists, shall consider, among other factors—

(i) the volume of imports of the merchandise which is the subject of the investigation;

(ii) the effect of imports of the merchandise on prices in the United States for like or directly competitive articles;

(iii) the impact of imports of such merchandise on domestic producers of like or directly competitive articles; and

(iv) evidence of disruptive pricing practices, or other efforts to unfairly manage trade patterns.

(Pub. L. 93–618, title IV, § 406, Jan. 3, 1975, 88 Stat. 2062; 1979 Reorg. Plan No. 3, § 1(b)(1), eff. Jan. 2, 1980, 44 F.R. 69273, 93 Stat. 1381; Pub. L. 100–418, title I, § 1411(a), (b), Aug. 23, 1988, 102 Stat. 1241, 1242.)

REFERENCES IN TEXT

Subsection (b)(4) of section 2252 of this title, referred to in subsec. (a)(2), was repealed by Pub. L. 103–465, title III, § 301(c), Dec. 8, 1994, 108 Stat. 4932. See section 2252(b)(3) of this title.

The date of the enactment of the Omnibus Trade and Competitiveness Act of 1988, referred to in subsec. (b), is the date of enactment of Pub. L. 100–418, which was approved Aug. 23, 1988.

Section 1401 of such Act of 1988, referred to in subsec. (b)(2), is section 1401 of Pub. L. 100–418, known as the Omnibus Trade and Competitiveness Act of 1988, which enacted section 2254 of this title, amended sections 1330, 2133, 2251 to 2253, 2274, 2354, and 2703 of this title, enacted a provision set out as a note under section 2251 of this title, and amended a provision set out as a note under section 2112 of this title.

AMENDMENTS

1988—Subsec. (a)(1). Pub. L. 100–418, § 1411(b)(1), substituted ''section 2252(a)'' for ''section 2251(a)(1)''.

Subsec. (a)(2). Pub. L. 100–418, § 1411(b)(2), substituted ''subsections (a)(3), (b)(4), and (c)(4) of section 2252'' for ''subsections (a)(2), (b)(3), and (c) of section 2251''.

Subsec. (b). Pub. L. 100–418, § 1411(a)(1), amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: ''For purposes of sections 2252 and 2253 of this title, an affirmative determination of the Commission under subsection (a) of this section shall be treated as an affirmative determination under section 2251(b) of this title, except that—

''(1) the President may take action under sections 2252 and 2253 of this title only with respect to imports from the country or countries involved of the article with respect to which the affirmative determination was made, and

''(2) if such action consists of, or includes, an orderly marketing agreement, such agreement shall be entered into within 60 days after the import relief determination date.''

Subsec. (c). Pub. L. 100–418, § 1411(a)(2), inserted ''referred to in subsection (b) of this section'' after ''sections 2252 and 2253 of this title''.

Subsec. (e)(2). Pub. L. 100–418, § 1411(a)(3), designated existing provisions as subpar. (A) and added subpars. (B) and (C).

CHANGE OF NAME

''United States Trade Representative'' substituted for ''Special Representative for Trade Negotiations'' in subsec. (a)(1), pursuant to Reorg. Plan No. 3 of 1979, § 1(b)(1), 44 F.R. 69273, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title. See, also, section 2171 of this title as amended by Pub. L. 97–456.

EFFECTIVE DATE OF 1988 AMENDMENT

Section 1411(c) of Pub. L. 100–418 provided that: ''The amendments made by subsections (a) and (b) [amending this section] apply with respect to investigations initiated under section 406(a) of the Trade Act of 1974 [19 U.S.C. 2436(a)] on or after the date of the enactment of this Act [Aug. 23, 1988].''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1330, 2581 of this title.

§ 2437. Procedure for Congressional approval or disapproval of extension of nondiscriminatory treatment and Presidential reports

(a) Transmission of nondiscriminatory treatment documents to Congress

Whenever the President issues a proclamation under section 2434 of this title extending nondiscriminatory treatment to the products of any foreign country, he shall promptly transmit to the House of Representatives and to the Senate a document setting forth the proclamation and the agreement the proclamation proposes to implement, together with his reasons therefor.

(b) Transmission of freedom of emigration documents to Congress

The President shall transmit to the House of Representatives and the Senate a document containing the initial report submitted by him under section 2432(b) or 2439(b) of this title with respect to a nonmarket economy country. On or before December 31 of each year, the President shall transmit to the House of Representatives and the Senate, a document containing the report required by section 2432(b) or 2439(b) of this title as the case may be, to be submitted on or before such December 31.

(c) Effective date of proclamations and agreements; disapproval of reports

(1) In the case of a document referred to in subsection (a) of this section, the proclamation set forth in the document may become effective and the agreement set forth in the document may enter into force and effect only if a joint resolution described in section 2191(b)(3) of this title that approves of the extension of nondiscriminatory treatment to the products of the country concerned is enacted into law.

(2) In the case of a document referred to in subsection (b) of this section which contains a report submitted by the President under section 2432(b) or 2439(b) of this title with respect to a nonmarket economy country, if, before the close of the 90-day period beginning on the day on which such document is delivered to the House of Representatives and to the Senate, a joint resolution described in section 2192(a)(1)(B) of this title is enacted into law that disapproves of the report submitted by the President with respect to such country, then, beginning with the day after the end of the 60-day period beginning with the date of the enactment of such resolution of disapproval, (A) nondiscriminatory treatment shall not be in force with respect to the products of such country, and the products of such country shall be dutiable at the rates set forth in rate column numbered 2 of the Harmonized Tariff Schedule of the United States, (B) such country may not participate in any program of the Government of the United States which extends credit or credit guarantees or investment guarantees, and (C) no commercial agreement may thereafter be concluded with such country under this subchapter. If the President vetoes the joint resolution, the joint resolution shall be treated as enacted into law before the end of the 90-day period under this paragraph if both Houses of Congress vote to override such veto on or before the later of the last day of such 90-day period or the last day of the 15-day period (excluding any day described in section 2194(b) of this title) beginning on the date the Congress receives the veto message from the President.

(Pub. L. 93–618, title IV, § 407, Jan. 3, 1975, 88 Stat. 2063; Pub. L. 100–418, title I, § 1214(j)(4), Aug. 23, 1988, 102 Stat. 1158; Pub. L. 101–382, title I, § 132(b)(3), (c)(1), Aug. 20, 1990, 104 Stat. 646.)

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States, referred to in subsec. (c)(2), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

AMENDMENTS

1990—Subsec. (c)(1). Pub. L. 101–382, § 132(b)(3)(A), added par. (1) and struck out former par. (1) which read as follows: ''In the case of a document referred to in subsection (a) of this section (other than a document to which paragraph (2) applies), the proclamation set forth therein may become effective and the agreement set forth therein may enter into force and effect only if the House of Representatives and the Senate adopt, by an affirmative vote of a majority of those present and voting in each House, a concurrent resolution of approval (under the procedures set forth in section 2191 of this title) of the extension of nondiscriminatory treatment to the products of the country concerned.''

Subsec. (c)(2). Pub. L. 101–382 struck out par. (2) and redesignated par. (3) as (2), and substituted ''a joint resolution described in section 2192(a)(1)(B) of this title is enacted into law that disapproves'' for ''either the House of Representatives or the Senate adopts, by an affirmative vote of a majority of those present and voting in that House, a resolution of disapproval (under the procedures set forth in section 2192 of this title)'' and ''the end of the 60-day period beginning with the date of the enactment'' for ''the date of the adoption'' and inserted at end ''If the President vetoes the joint resolution, the joint resolution shall be treated as enacted into law before the end of the 90-day period under this paragraph if both Houses of Congress vote to override such veto on or before the later of the last day of such 90-day period or the last day of the 15-day period (excluding any day described in section 2194(b) of this title) beginning on the date the Congress receives the veto message from the President.'' Former par. (2) related to effective date of proclamation extending nondiscriminatory treatment to products of a foreign country and of agreement proclamation proposed to implement and related to resolution of disapproval of such extension as to certain countries.

Subsec. (c)(3). Pub. L. 101–382, § 132(b)(3)(B), redesignated par. (3) as (2).

1988—Subsec. (c)(3). Pub. L. 100–418 substituted ''Harmonized Tariff Schedule of the United States'' for ''Tariff Schedules of the United States''.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2192, 2194 of this title.

§ 2438. Payment by Czechoslovakia of amounts owed United States citizens and nationals

(a) Renegotiation of 1974 agreement

The arrangement initialed on July 5, 1974, with respect to the settlement of the claims of citizens and nationals of the United States against the Government of Czechoslovakia shall be renegotiated and shall be submitted to the Congress as part of any agreement entered into under this subchapter with Czechoslovakia.

(b) Provisional retention of gold

The United States shall not release any gold belonging to Czechoslovakia and controlled directly or indirectly by the United States pursuant to the provisions of the Paris Reparations Agreement of January 24, 1946, or otherwise, until such agreement has been approved by the Congress.

(Pub. L. 93–618, title IV, § 408, Jan. 3, 1975, 88 Stat. 2064.)

§ 2439. Freedom to emigrate to join a very close relative in United States

(a) Sanctions for emigration restrictions

To assure the continued dedication of the United States to the fundamental human rights and welfare of its own citizens, and notwithstanding any other provision of law, on or after January 3, 1975, no nonmarket economy country shall participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees,

directly or indirectly, and the President of the United States shall not conclude any commercial agreement with any such country, during the period beginning with the date on which the President determines that such country—

(1) denies its citizens the right or opportunity to join permanently through emigration, a very close relative in the United State,[1] such as a spouse, parent, child, brother, or sister;

(2) imposes more than a nominal tax on the visas or other documents required for emigration described in paragraph (1); or

(3) imposes more than a nominal tax, levy, fine, fee, or other charge on any citizen as a consequence of the desire of such citizen to emigrate as described in paragraph (1),

and ending on the date on which the President determines that such country is no longer in violation of paragraph (1), (2), or (3).

(b) Report to Congress concerning emigration policies

After January 3, 1975, (A) a nonmarket economy country may participate in any program of the Government of the United States which extends credits or credit guarantees or investment guarantees, and (B) the President may conclude a commercial agreement with such country, only after the President has submitted to the Congress a report indicating that such country is not in violation of paragraph (1), (2), or (3) of subsection (a) of this section. Such report with respect to such country shall include information as to the nature and implementation of its laws and policies and restrictions or discrimination applied to or against persons wishing to emigrate to the United States to join close relatives. The report required by this subsection shall be submitted initially as provided herein and, with current information, on or before each June 30 and December 31, thereafter, so long as such credits or guarantees are extended or such agreement is in effect.

(c) Exemption from application of section

This section shall not apply to any country the products of which are eligible for the rates set forth in rate column numbered 1 of the Tariff Schedules of the United States on January 3, 1975.

(d) Additional exemption from application of section

During any period that a waiver is in effect with respect to any nonmarket economy country under section 2432(c) of this title, the provisions of subsections (a) and (b) of this section shall not apply with respect to such country.

(Pub. L. 93–618, title IV, § 409, Jan. 3, 1975, 88 Stat. 2064.)

REFERENCES IN TEXT

The Tariff Schedules of the United States, referred to in subsec. (c), to be treated as a reference to the Harmonized Tariff Schedule, pursuant to section 3012 of this title. The Harmonized Tariff Schedule is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

[1] So in original.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2192, 2437 of this title.

§ 2440. East-West Trade Statistics Monitoring System

The International Trade Commission shall establish and maintain a program to monitor imports of articles into the United States, from nonmarket economy countries and exports of articles from the United States to nonmarket economy countries. To the extent feasible, the Commission shall coordinate such program with any relevant data gathering programs presently conducted by the Secretary of Commerce. The Secretary of Commerce shall provide the Commission with any information which, in the determination of the Commission, is necessary to carry out this section. The Commission shall publish a detailed summary of the data collected under the East-West Trade Statistics Monitoring System not less frequently than once each calendar quarter and shall transmit such publication to the East-West Foreign Trade Board and to Congress. Such publication shall include data on the effect of such imports, if any, on the production of like, or directly competitive, articles in the United States and on employment within the industry which produces like, or directly competitive, articles in the United States.

(Pub. L. 93–618, title IV, § 410, Jan. 3, 1975, 88 Stat. 2065.)

TRANSFER OF FUNCTIONS

East-West Foreign Trade Board abolished by Reorg. Plan No. 3 of 1979, § 6, 44 F.R. 69275, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title. Functions of Board under subsecs. (a) and (b) of section 2441 of this title transferred to interagency organization established under section 1872 of this title, and functions of Board under subsec. (c) of section 2441 of this title transferred to President by section 5(c) and (e) of Reorg. Plan No. 3 of 1979.

§ 2441. East-West Foreign Trade Board

(a) Establishment; purpose

The President shall establish an East-West Foreign Trade Board (hereinafter referred to as the ''Board'') to monitor trade between persons and agencies of the United States Government and nonmarket economy countries or instrumentalities of such countries to insure that such trade will be in the national interest of the United States.

(b) Reports to Board

(1) Any person who exports technology vital to the national interest of the United States to a nonmarket economy country or an instrumentality of such country, and any agency of the United States which provides credits, guarantees or insurance to such country or such instrumentality in an amount in excess of $5,000,000 during any calendar year, shall file a report with the Board in such form and manner as the Board requires which describes the nature and terms of such export or such provision.

(2) For purposes of paragraph (1), if the total amount of credits, guarantees and insurance

which an agency of the United States provides to all nonmarket economy countries and the instrumentalities of such countries exceeds $5,000,000 during a calendar year, then all subsequent provisions of credits, guarantees or insurance in any amount, during such year shall be reported to the Board under the provisions of paragraph (1).

(c) Report to Congress

The Board shall submit to Congress a quarterly report on trade between the United States and nonmarket economy countries and instrumentalities of such countries. Such report shall include a review of the status of negotiations of bilateral trade agreements between the United States and such countries under this subchapter, the activities of joint trade commissions created pursuant to such agreements, the resolution of commercial disputes between the United States and such countries, any exports from such countries which have caused disruption of United States markets, and recommendations for the promotion of east-west trade in the national interest of the United States.

(Pub. L. 93–618, title IV, § 411, Jan. 3, 1975, 88 Stat. 2065.)

TRANSFER OF FUNCTIONS

East-West Foreign Trade Board abolished by Reorg. Plan No. 3 of 1979, § 6, 44 F.R. 69275, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title. Functions of Board under subsecs. (a) and (b) of this section transferred to interagency organization established under section 1872 of this title, and functions of Board under subsec. (c) of this section transferred to President by section 5(c) and (e) of Reorg. Plan No. 3 of 1979.

EX. ORD. NO. 12469. DELEGATION OF FUNCTIONS

Ex. Ord. No. 12469, Mar. 26, 1984, 49 F.R. 11799, provided:

By the authority vested in me as President by the Constitution and the statutes of the United States of America, including section 301 of Title 3 of the United States Code (3 U.S.C. 301), and section 411(c) of the Trade Act of 1974 (19 U.S.C. 2441(c)), in order to provide for more efficient reporting to the Congress, it is hereby ordered as follows:

SECTION 1. The reporting functions of the East-West Foreign Trade Board under section 411(c) of the Trade Act of 1974 (19 U.S.C. 2441(c)), as transferred to the President by section 5(c) of Reorganization Plan No. 3 of 1979 (19 U.S.C. 2171 note), are delegated to the United States Trade Representative.

SEC. 2. This order is effective upon publication in the Federal Register.

RONALD REAGAN.

SUBCHAPTER V—GENERALIZED SYSTEM OF PREFERENCES

SUBCHAPTER REFERRED TO IN OTHER SECTIONS

This subchapter is referred to in sections 2253, 2703, 3105, 3203, 3331 of this title; title 22 section 290k–3.

§ 2461. Authority to extend preferences

The President may provide duty-free treatment for any eligible article from any beneficiary developing country in accordance with the provisions of this subchapter. In taking any such action, the President shall have due regard for—

(1) the effect such action will have on furthering the economic development of developing countries through the expansion of their exports;

(2) the extent to which other major developed countries are undertaking a comparable effort to assist developing countries by granting generalized preferences with respect to imports of products of such countries;

(3) the anticipated impact of such action on United States producers of like or directly competitive products; and

(4) the extent of the beneficiary developing country's competitiveness with respect to eligible articles.

(Pub. L. 93–618, title V, § 501, Jan. 3, 1975, 88 Stat. 2066; Pub. L. 98–573, title V, § 502, Oct. 30, 1984, 98 Stat. 3018.)

AMENDMENTS

1984—Par. (1). Pub. L. 98–573, § 502(1), inserted ''through the expansion of their exports''.

Par. (4). Pub. L. 98–573, § 502(2)–(4), added par. (4).

EFFECTIVE DATE OF 1984 AMENDMENT

Section 508 of title V of Pub. L. 98–573 provided that: ''The amendments made by this title [enacting section 2466 of this title, amending this section and sections 2462 to 2465 of this title, and enacting provisions set out as notes under this section and section 2101 of this title] shall take effect on January 4, 1985.''

STATEMENT OF PURPOSE OF 1984 AMENDMENT

Section 501(b) of title V of Pub. L. 98–573 provided that: ''The purpose of this title [enacting section 2466 of this title, amending this section and sections 2462 to 2465 of this title, and enacting provisions set out as notes under this section and section 2101 of this title] is to—

''(1) promote the development of developing countries, which often need temporary preferential advantages to compete effectively with industrialized countries;

''(2) promote the notion that trade, rather than aid, is a more effective and cost-efficient way of promoting broad-based sustained economic development;

''(3) take advantage of the fact that developing countries provide the fastest growing markets for United States exports and that foreign exchange earnings from trade with such countries through the Generalized System of Preferences can further stimulate United States exports;

''(4) allow for the consideration of the fact that there are significant differences among developing countries with respect to their general development and international competitiveness;

''(5) encourage the providing of increased trade liberalization measures, thereby setting an example to be emulated by other industrialized countries;

''(6) recognize that a large number of developing countries must generate sufficient foreign exchange earnings to meet international debt obligations;

''(7) promote the creation of additional opportunities for trade among the developing countries;

''(8) integrate developing countries into the international trading system with its attendant responsibilities in a manner commensurate with their development;

''(9) encourage developing countries—

''(A) to eliminate or reduce significant barriers to trade in goods and services and to investment,

''(B) to provide effective means under which foreign nationals may secure, exercise, and enforce exclusive intellectual property rights, and

''(C) to afford workers internationally recognized worker rights; and

''(10) address the concerns listed in the preceding paragraphs in a manner that—

''(A) does not adversely affect United States producers and workers, and

''(B) conforms to the international obligations of the United States under the General Agreement on Tariffs and Trade.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2463, 2464 of this title.

§ 2462. Beneficiary developing countries

(a) Designation by President

(1) For purposes of this subchapter, the term ''beneficiary developing country'' means any country with respect to which there is in effect an Executive order or Presidential proclamation by the President of the United States designating such country as a beneficiary developing country for purposes of this subchapter. Before the President designates any country as a beneficiary developing country for purposes of this subchapter, he shall notify the House of Representatives and the Senate of his intention to make such designation, together with the considerations entering into such decision.

(2) If the President has designated any country as a beneficiary developing country for purposes of this subchapter, he shall not terminate such designation (either by issuing an Executive order or Presidential proclamation for that purpose or by issuing an Executive order or Presidential proclamation which has the effect of terminating such designation) unless, at least 60 days before such termination, he has notified the House of Representatives and the Senate and has notified such country of his intention to terminate such designation, together with the considerations entering into such decision.

(3) For purposes of this subchapter, the term ''country'' means any foreign country, any overseas dependent territory or possession of a foreign country, or the Trust Territory of the Pacific Islands. In the case of an association of countries which is a free trade area or customs union, or which is contributing to comprehensive regional economic integration among its members through appropriate means, including, but not limited to, the reduction of duties, the President may by Executive order or Presidential proclamation provide that all members of such association other than members which are barred from designation under subsection (b) of this section shall be treated as one country for purposes of this subchapter.

(4) For purposes of this subchapter the term ''internationally recognized worker rights'' includes—

(A) the right of association;

(B) the right to organize and bargain collectively;

(C) a prohibition on the use of any form of forced or compulsory labor;

(D) a minimum age for the employment of children; and

(E) acceptable conditions of work with respect to minimum wages, hours of work, and occupational safety and health.

(b) Countries ineligible for designation as beneficiary developing countries

No designation shall be made under this section with respect to any of the following:

Australia
Austria
Canada
European Economic Community member states
Finland
Iceland
Japan
Monaco
New Zealand
Norway
Sweden
Switzerland

In addition, the President shall not designate any country a beneficiary developing country under this section—

(1) if such country is a Communist country, unless (A) the products of such country receive nondiscriminatory treatment, (B) such country is a contracting party to the General Agreement on Tariffs and Trade and a member of the International Monetary Fund, and (C) such country is not dominated or controlled by international communism;

(2) if such country is a member of the Organization of Petroleum Exporting Countries, or a party to any other arrangement of foreign countries, and such country participates in any action pursuant to such arrangement the effect of which is to withhold supplies of vital commodity resources from international trade or to raise the price of such commodities to an unreasonable level and to cause serious disruption of the world economy;

(3) if such country affords preferential treatment to the products of a developed country, other than the United States, which has, or is likely to have, a significant adverse effect on United States commerce, unless the President has received assurances satisfactory to him that such preferential treatment will be eliminated before January 1, 1976, or that action will be taken before January 1, 1976, to assure that there will be no such significant adverse effect, and he reports those assurances to the Congress;

(4) if such country—

(A) has nationalized, expropriated, or otherwise seized ownership or control of property, including patents, trademarks, or copyrights, owned by a United States citizen or by a corporation, partnership, or association which is 50 percent or more beneficially owned by United States citizens,

(B) has taken steps to repudiate or nullify an existing contract or agreement with a United States citizen or a corporation, partnership, or association which is 50 percent or more beneficially owned by United States citizens, the effect of which is to nationalize, expropriate, or otherwise seize ownership or control of property, including patents, trademarks, or copyrights, so owned, or

(C) has imposed or enforced taxes or other exactions, restrictive maintenance or operational conditions, or other measures with respect to property, including patents, trademarks, or copyrights, so owned, the effect of which is to nationalize, expropriate, or otherwise seize ownership or control of such property,

unless—

(D) the President determines that—

(i) prompt, adequate, and effective compensation has been or is being made to such citizen, corporation, partnership, or association,

(ii) good faith negotiations to provide prompt, adequate, and effective compensation under the applicable provisions of international law are in progress, or such country is otherwise taking steps to discharge its obligations under international law with respect to such citizen, corporation, partnership, or association, or

(iii) a dispute involving such citizen, corporation, partnership, or association over compensation for such a seizure has been submitted to arbitration under the provisions of the Convention for the Settlement of Investment Disputes, or in another mutually agreed upon forum, and

promptly furnishes a copy of such determination to the Senate and House of Representatives;

(5) if such country fails to act in good faith in recognizing as binding or in enforcing arbitral awards in favor of United States citizens or a corporation, partnership, or association which is 50 percent or more beneficially owned by United States citizens, which have been made by arbitrators appointed for each case or by permanent arbitral bodies to which the parties involved have submitted their dispute;

(6) if such country aids or abets, by granting sanctuary from prosecution to, any individual or group which has committed an act of international terrorism; and

(7) if such country has not taken or is not taking steps to afford internationally recognized worker rights to workers in the country (including any designated zone in that country).

Paragraphs (4), (6), (7), and (8)[1] shall not prevent the designation of any country as a beneficiary developing country under this section if the President determines that such designation will be in the national economic interest of the United States and reports such determination to the Congress with his reasons therefor.

(c) Factors determinative of whether to designate country as beneficiary developing country

In determining whether to designate any country a beneficiary developing country under this section, the President shall take into account—

(1) an expression by such country of its desire to be so designated;

(2) the level of economic development of such country, including its per capita gross national product, the living standards of its inhabitants, and any other economic factors which he deems appropriate;

(3) whether or not the other major developed countries are extending generalized preferential tariff treatment to such country;

(4) the extent to which such country has assured the United States it will provide equitable and reasonable access to the markets and basic commodity resources of such country and the extent to which such country has assured the United States that it will refrain from engaging in unreasonable export practices;

(5) the extent to which such country is providing adequate and effective means under its laws for foreign nationals to secure, to exercise, and to enforce exclusive rights in intellectual property, including patents, trademarks, and copyrights;

(6) the extent to which such country has taken action to—

(A) reduce trade distorting investment practices and policies (including export performance requirements); and

(B) reduce or eliminate barriers to trade in services; and

(7) whether or not such country has taken or is taking steps to afford to workers in that country (including any designated zone in that country) internationally recognized worker rights.

(d) Exemptions

(1) The President may exempt from the application of paragraph (2) of subsection (b) of this section any country during the period during which such country (A) is a party to a bilateral or multilateral trade agreement to which the United States is also a party if such agreement fulfills the negotiating objectives set forth in section 2118 of this title of assuring the United States fair and equitable access at reasonable prices to supplies of articles of commerce important to the economic requirements of the United States and (B) is not in violation of such agreement by action denying the United States such fair and equitable access.

(2) The President may exempt from the application of paragraph (2) of subsection (b) of this section any country that enters into a bilateral product-specific trade agreement with the United States under section 2111 or 2112 of this title before January 3, 1980. The President shall terminate the exemption granted to any country under the preceding sentence if that country interrupts or terminates the delivery of supplies of petroleum and petroleum products to the United States.

(Pub. L. 93–618, title V, § 502(a)–(c), (e), Jan. 3, 1975, 88 Stat. 2066–2069; Pub. L. 94–455, title XVIII, § 1802, Oct. 4, 1976, 90 Stat. 1763; Pub. L. 96–39, title XI, §§ 1106(g)(1), (2), 1111(a)(1), (2), July 26, 1979, 93 Stat. 312, 313, 315; Pub. L. 98–573, title V, § 503, Oct. 30, 1984, 98 Stat. 3019; Pub. L. 99–47, § 8(b)(2), June 11, 1985, 99 Stat. 85; Pub. L. 99–514, title XVIII, § 1887(a)(5), Oct. 22, 1986, 100 Stat. 2923; Pub. L. 99–570, title IX, § 9002(a), Oct. 27, 1986, 100 Stat. 3207–166; Pub. L. 101–179, title III, § 301, Nov. 28, 1989, 103 Stat. 1311; Pub. L. 101–382, title I, § 131, Aug. 20, 1990, 104 Stat. 643; Pub. L. 103–66, title XIII, § 13802(a), Aug. 10, 1993, 107 Stat. 667; Pub. L. 103–149, § 4(b)(9), Nov. 23, 1993, 107 Stat. 1506.)

REFERENCES IN TEXT

Paragraphs (6), (7), and (8), referred to in subsec. (b), were redesignated paragraphs (5), (6), and (7) of subsec. (b) by section 9002(a)(2) of Pub. L. 99–570.

[1] See References in Text note below.

CODIFICATION

Subsec. (d) was, in the original, subsec. (e) of section 502 of Pub. L. 93–618. Subsec. (d) of section 502 of Pub. L. 93–618 amended General Headnote 3(a) of the Tariff Schedules of the United States.

AMENDMENTS

1993—Subsec. (b). Pub. L. 103–149 struck out ''Republic of South Africa'' in list of countries preceding par. (1).

Pub. L. 103–66 struck out ''Union of Soviet Socialist Republics'' in list of countries preceding par. (1).

1990—Subsec. (b). Pub. L. 101–382 struck out ''Czechoslovakia'' and ''Germany (East)'' in list of countries preceding par. (1).

1989—Subsec. (b). Pub. L. 101–179 struck out ''Poland'' in list of countries preceding par. (1).

1986—Subsec. (b). Pub. L. 99–570, § 9002(a)(3), struck out ''(5),'' after ''(4),'' in last sentence.

Subsec. (b)(4)(A) to (C). Pub. L. 99–514 amended subpars. (A) to (C) generally. Prior to amendment, subpars. read as follows:

''(A) has nationalized, expropriated, or otherwise seized ownership or control of property, including patents, trademarks, or copyrights owned by a United States citizen or by a corporation, partnership, or association which is 50 percent or more beneficially owned by United States citizens,

''(B) has taken steps to repudiate or nullify an existing contract or agreement with a United States citizen or a corporation, partnership, or association which is 50 percent or more beneficially owned by United States citizens, the effect of which is to nationalize, expropriate, or otherwise seize ownership or control of property, including patents, trademarks, or copyrights so owned, or

''(C) has imposed or enforced taxes or other exactions, restrictive maintenance or operational conditions, or other measures with respect to property so owned, the effect of which is to nationalize, expropriate, or otherwise seize ownership or control of such property, including patents, trademarks, or copyrights,''.

Subsec. (b)(5) to (8). Pub. L. 99–570, § 9002(a)(1), (2), redesignated pars. (6) to (8) as (5) to (7), respectively, and struck out former par. (5) which provided that the President could not designate any country a beneficiary developing country under this section if such country did not take adequate steps to cooperate with the United States to prevent narcotic drugs and other controlled substances (as listed in the schedules in section 812 of title 21) produced, processed, or transported in such country from entering the United States unlawfully.

1985—Subsec. (a)(1) to (3). Pub. L. 99–47 inserted ''or Presidential proclamation'' after ''Executive order'' wherever appearing.

1984—Subsec. (a)(4). Pub. L. 98–573, § 503(a), added par. (4).

Subsec. (b). Pub. L. 98–573, § 503(b)(1), struck out ''Hungary'' in list of countries in first sentence.

Pub. L. 98–573, § 503(b)(7), inserted reference to par. (8) in last sentence.

Subsec. (b)(4)(A), (B). Pub. L. 98–573, § 503(b)(2), which directed the insertion of '', including patents, trademarks, or copyrights'' after ''control of such property'' in subpars. (A) and (B), was executed by inserting that phrase in subpars. (A) and (B) following ''control of property''.

Subsec. (b)(4)(C). Pub. L. 98–573, § 503(b)(3), inserted '', including patents, trademarks, or copyrights'' after ''control of such property''.

Subsec. (b)(8). Pub. L. 98–573, § 503(b)(4)–(6), added par. (8).

Subsec. (c)(4). Pub. L. 98–573, § 503(c)(2), substituted ''and the extent to which such country has assured the United States that it will refrain from engaging in unreasonable export practices;'' for the period at end.

Subsec. (c)(5) to (7). Pub. L. 98–573, § 503(c)(1), (3), added pars. (5) to (7).

1979—Subsec. (a)(3). Pub. L. 96–19, § 1111(a)(1), inserted reference to associations of countries which are contributing to comprehensive regional economic integration among its members through appropriate means, including, but not limited to, the reduction of duties.

Subsec. (b)(2). Pub. L. 96–39, § 1106(g)(1), struck out ''withhold supplies of vital commodity resources from international trade or to raise the price of such commodities to an unreasonable level which causes serious disruption of the world economy'' thereby correcting a typographical error in Pub. L. 93–618 under which that phrase had been set out twice.

Subsec. (b)(6). Pub. L. 96–39, § 1106(g)(2), inserted a comma after ''partnership''.

Subsec. (d). Pub. L. 96–39, § 1111(a)(2), designated existing provisions as par. (1) and added par. (2).

1976—Subsec. (b). Pub. L. 94–455 added par. (7) and inserted reference to par. (7) in last sentence.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Jan. 4, 1985, see section 508 of Pub. L. 98–573, set out as a note under section 2461 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

TERMINATION OF TRUST TERRITORY OF THE PACIFIC ISLANDS

For termination of Trust Territory of the Pacific Islands, see note set out preceding section 1681 of Title 48, Territories and Insular Possessions.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

EXECUTIVE ORDER NO. 11844

Ex. Ord. No. 11844, Mar. 24, 1975, 40 F.R. 13295, which related to the designation of beneficiary developing countries, was superseded by Ex. Ord. No. 11888, Nov. 24, 1975, 40 F.R. 55276, see note below.

EX. ORD. NO. 11888. IMPLEMENTING THE GENERALIZED SYSTEM OF PREFERENCES

Ex. Ord. No. 11888, Nov. 24, 1975, 40 F.R. 55276, as amended, amended the Tariff Schedules of the United States in order to implement the Generalized System of Preferences established by this subchapter. The text of Ex. Ord. No. 11888 is not set out in the Code because the Tariff Schedules are not set out in the Code. See Publication of Tariff Schedules note set out under section 1202 of this title.

EXECUTIVE ORDER NO. 11960

Ex. Ord. No. 11960, Jan. 19, 1977, 42 F.R. 4317, which amended the Generalized System of Preferences, was revoked by Ex. Ord. No. 11974, Feb. 25, 1977, 42 F.R. 11230A, which amended Ex. Ord. No. 11888, see note above.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2411, 2463, 2464, 2702, 3202, 3331, 3551 of this title; title 15 section 4711; title 22 sections 262p–4p, 2191a; title 26 section 871.

§ 2463. Eligible articles

(a) Lists of articles to be considered for designation

The President shall, from time to time, publish and furnish the International Trade Commission with lists of articles which may be considered for designation as eligible articles for purposes of this subchapter. Before any such list is furnished to the Commission, there shall be in effect an Executive order or Presidential proclamation under section 2462 of this title designating beneficiary developing countries. The provisions of sections 2151, 2152, 2153, and 2154 of this title shall be complied with as though action under section 2461 of this title were action under section 2111 of this title to carry out a trade agreement entered into under section 2111 of this title. After receiving the advice of the Commission with respect to the listed articles, the President shall designate those articles he considers appropriate to be eligible articles for purposes of this subchapter by Executive order or Presidential proclamation.

(b) Eligible articles qualifying for duty-free treatment

(1) The duty-free treatment provided under section 2461 of this title shall apply to any eligible article which is the growth, product, or manufacture of a beneficiary developing country if—

(A) that article is imported directly from a beneficiary developing country into the customs territory of the United States; and

(B) the sum of (i) the cost or value of the materials produced in the beneficiary developing country or any 2 or more countries which are members of the same association of countries which is treated as one country under section 2462(a)(3) of this title, plus (ii) the direct costs of processing operations performed in such beneficiary developing country or such member countries is not less than 35 percent of the appraised value of such article at the time of its entry into the customs territory of the United States.

(2) The Secretary of the Treasury, after consulting with the United States Trade Representative, shall prescribe such regulations as may be necessary to carry out this subsection, including, but not limited to, regulations providing that, in order to be eligible for duty-free treatment under this subchapter, an article must be wholly the growth, product, or manufacture of a beneficiary developing country, or must be a new or different article of commerce which has been grown, produced, or manufactured in the beneficiary developing country; but no article or material of a beneficiary developing country shall be eligible for such treatment by virtue of having merely undergone—

(A) simple combining or packaging operations, or

(B) mere dilution with water or mere dilution with another substance that does not materially alter the characteristics of the article.

(c) Articles which may not be designated as eligible articles

(1) The President may not designate any article as an eligible article under subsection (a) of this section if such article is within one of the following categories of import-sensitive articles—

(A) textile and apparel articles which are subject to textile agreements,

(B) watches, except those watches entered after June 30, 1989, that the President specifically determines, after public notice and comment, will not cause material injury to watch or watch band, strap, or bracelet manufacturing and assembly operations in the United States or the United States insular possessions,

(C) import-sensitive electronic articles,

(D) import-sensitive steel articles,

(E) footwear, handbags, luggage, flat goods, work gloves, and leather wearing apparel which were not eligible articles for purposes of this subchapter on April 1, 1984,

(F) import-sensitive semimanufactured and manufactured glass products, and

(G) any other articles which the President determines to be import-sensitive in the context of the Generalized System of Preferences.

(2) No article shall be an eligible article for purposes of this subchapter for any period during which such article is the subject of any action proclaimed pursuant to section 2253 of this title or section 1862 or 1981 of this title.

(d) Tariff-rate quotas

No quantity of an agricultural product subject to a tariff-rate quota that exceeds the in-quota quantity shall be eligible for duty-free treatment under this subchapter.

(Pub. L. 93–618, title V, § 503, Jan. 3, 1975, 88 Stat. 2069; Pub. L. 96–39, title XI, § 1111(a)(3), July 26, 1979, 93 Stat. 315; Pub. L. 98–573, title V, § 504, Oct. 30, 1984, 98 Stat. 3020; Pub. L. 99–47, § 8(b)(2), June 11, 1985, 99 Stat. 85; Pub. L. 99–514, title XVIII, § 1889(7), Oct. 22, 1986, 100 Stat. 2926; Pub. L. 100–418, title I, § 1903, Aug. 23, 1988, 102 Stat. 1313; Pub. L. 101–382, title II, § 226, Aug. 20, 1990, 104 Stat. 660; Pub. L. 103–465, title IV, § 404(e)(3), Dec. 8, 1994, 108 Stat. 4961.)

AMENDMENTS

1994—Subsec. (d). Pub. L. 103–465 added subsec. (d).

1990—Subsec. (b). Pub. L. 101–382 amended subsec. (b) generally. Prior to amendment, subsec. (b) read as follows: ''The duty-free treatment provided under section 2461 of this title with respect to any eligible article shall apply only—

''(1) to an article which is imported directly from a beneficiary developing country into the customs territory of the United States; and

''(2) If the sum of (A) the cost or value of the materials produced in the beneficiary developing country or any 2 or more countries which are members of the same association of countries which is treated as one country under section 2462(a)(3) of this title, plus (B) the direct costs of processing operations performed in such beneficiary developing country or such member countries is not less than 35 percent of the appraised value of such article at the time of its entry into the customs territory of the United States.

The Secretary of the Treasury, after consulting with the United States Trade Representative, shall prescribe such regulations as may be necessary to carry out this subsection.''

1988—Subsec. (c)(1)(B). Pub. L. 100–418 amended subpar. (B) generally. Prior to amendment, subpar. (B) read as follows: ''watches,''.

1986—Pub. L. 99–514 made a technical correction to directory language of Pub. L. 98–573, § 504(a), requiring no change in text. See 1984 Amendment note below.

1985—Subsec. (a). Pub. L. 99–47 inserted ''or Presidential proclamation'' after ''Executive order'' in two places.

1984—Subsec. (b). Pub. L. 98–573, § 504(a), as amended by Pub. L. 99–514, inserted '', after consulting with the United States Trade Representative,'' after ''Secretary of the Treasury'' in last sentence.

Subsec. (c)(1)(E). Pub. L. 98–573, § 504(b), substituted ''footwear, handbags, luggage, flat goods, work gloves, and leather wearing apparel which were not eligible articles for purposes of this subchapter on April 1, 1984'' for ''footwear articles specified in items 700.05 through 700.27, 700.29 through 700.53, 700.55.23 through 700.55.75, and 700.60 through 700.80 of the Tariff Schedules of the United States''.

1979—Subsec. (b). Pub. L. 96–39 restated par. (2) so as to reduce the minimum value-added requirement from 50 percent to 35 percent for associations of countries comparable to the existing minimum percentage for individual countries or single members of an association, and struck out provision following par. (2) which defined ''country'' as used in par. (2)(a).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date of entry into force of the WTO Agreement with respect to the United States [Jan. 1, 1995], except as otherwise provided, see section 451 of Pub. L. 103–465, set out as an Effective Date note under section 3601 of this title.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Jan. 4, 1985, see section 508 of Pub. L. 98–573, set out as a note under section 2461 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 3011 of this title; title 7 section 1444–2.

§ 2464. Limitations on preferential treatment

(a) Withdrawal, suspension, or limitation of duty-free treatment; reporting requirements

(1) The President may withdraw, suspend, or limit the application of the duty-free treatment accorded under section 2461 of this title with respect to any article or with respect to any country; except that no rate of duty may be established in respect of any article pursuant to this section other than the rate which would apply but for this subchapter. In taking any action under this subsection, the President shall consider the factors set forth in sections 2461 and 2462(c) of this title.

(2) The President shall, as necessary, advise the Congress and, by no later than January 4, 1988, submit to the Congress a report on the application of sections 2461 and 2462(c) of this title, and the actions the President has taken to withdraw, to suspend, or to limit the application of duty-free treatment with respect to any country which has failed to adequately take the actions described in section 2462(c) of this title.

(b) Withdrawal or suspension of designation as beneficiary developing country

The President shall, after complying with the requirements of section 2462(a)(2) of this title, withdraw or suspend the designation of any country as a beneficiary developing country if, after such designation, he determines that as the result of changed circumstances such country would be barred from designation as a beneficiary developing country under section 2462(b) of this title. Such country shall cease to be a beneficiary developing country on the day on which the President issues an Executive order or Presidential proclamation revoking his designation of such country under section 2462 of this title.

(c) Beneficiary developing country; determinations, treatment, reviews, etc.

(1) Subject to paragraphs (2) through (7) and subsection (d) of this section, whenever the President determines that any country—

(A) has exported (directly or indirectly) to the United States during a calendar year a quantity of an eligible article having an appraised value in excess of an amount which bears the same ratio to $25,000,000 as the gross national product of the United States for the preceding calendar year (as determined by the Department of Commerce) bears to the gross national product of the United States for calendar year 1974; or

(B) has exported (either directly or indirectly) to the United States a quantity of any eligible article equal to or exceeding 50 percent of the appraised value of the total imports of such article into the United States during any calendar year;

then, not later than July 1 of the next calendar year, such country shall not be treated as a beneficiary developing country with respect to such article.

(2)(A) Not later than January 4, 1987, and periodically therafter,[1] the President shall conduct a general review of eligible articles based on the considerations described in section 2461 or 2462(c) of this title.

(B) If, after any review under subparagraph (A), the President determines that this subparagraph should apply because a beneficiary developing country has demonstrated a sufficient degree of competitiveness (relative to other beneficiary developing countries) with respect to any eligible article, then paragraph (1) shall be applied to such country with respect to such article by substituting—

(i) ''1984'' for ''1974'' in subparagraph (A), and

(ii) ''25 percent'' for ''50 percent'' in subparagraph (B).

(3)(A) Not earlier than January 4, 1987, the President may waive the application of this subsection with respect to any eligible article of

[1] So in original. Probably should be ''thereafter,''.

any beneficiary developing country if, before July 1 of the calendar year beginning after the calendar year for which a determination described in paragraph (1) was made with respect to such eligible article, the President—

(i) receives the advice of the International Trade Commission on whether any industry in the United States is likely to be adversely affected by such waiver,

(ii) determines, based on the considerations described in sections 2461 and 2462(c) of this title and the advice described in clause (i), that such waiver is in the national economic interest of the United States, and

(iii) publishes the determination described in clause (ii) in the Federal Register.

(B) In making any determination under subparagraph (A), the President shall give great weight to—

(i) the extent to which the beneficiary developing country has assured the United States that such country will provide equitable and reasonable access to the markets and basic commodity resources of such country, and

(ii) the extent to which such country provides adequate and effective means under its law for foreign nationals to secure, to exercise, and to enforce exclusive rights in intellectual property, including patent, trademark, and copyright rights.

(C) Any waiver granted pursuant to this paragraph shall remain in effect until the President determines that such waiver is no longer warranted due to changed circumstances.

(D)(i) The President may not exercise the waiver authority provided under subparagraph (A) with respect to a quantity of eligible articles entered in any calendar year which exceeds an aggregate value equal to 30 percent of the total value of all articles which entered duty-free under this subchapter during the preceding calendar year.

(ii) The President may not exercise the waiver authority provided under subparagraph (A) with respect to a quantity of eligible articles entered during any calendar year beginning after 1986 the aggregate value of which exceeds 15 percent of the total value of all articles that have entered duty-free under this subchapter during the preceding calendar year from those beneficiary developing countries which for the preceding calendar year—

(I) had a per capita gross national product (calculated on the basis of the best available information, including that of the World Bank) of $5,000 or more; or

(II) had exported (either directly or indirectly) to the United States a quantity of articles that was duty-free under this subchapter that had an appraised value of more than 10 percent of the total imports of all articles that entered duty-free under this subchapter during that year.

(iii) There shall be counted against the limitations imposed under clauses (i) and (ii) for any calendar year only that quantity of any eligible article of any country that—

(I) entered duty-free under this title during such calendar year; and

(II) is in excess of the quantity of that article that would have been so entered during such calendar year if the 1974 limitation applied under paragraph (1)(A) and the 50 percent limitation applied under paragraph (1)(B).

(4) Except in any case to which paragraph (2)(B) applies, the President may waive the application of this subsection if, before July 1 of the calendar year beginning after the calendar year for which a determination described in paragraph (1) was made, the President determines and publishes in the Federal Register that, with respect to such country—

(A) there has been an historical preferential trade relationship between the United States and such country,

(B) there is a treaty or trade agreement in force covering economic relations between such country and the United States, and

(C) such country does not discriminate against, or impose unjustifiable or unreasonable barriers to, United States commerce.

(5) A country which is no longer treated as a beneficiary developing country with respect to an eligible article by reason of this subsection may be redesignated a beneficiary developing country with respect to such article, subject to the provisions of sections 2461 and 2462 of this title, if imports of such article from such country did not exceed the limitations in paragraph (1) (after application of paragraph (2)) during the preceding calendar year.

(6)(A) This subsection shall not apply to any beneficiary developing country which the President determines, based on the considerations described in sections 2461 and 2462(c) of this title, to be a least-developed beneficiary developing country.

(B) The President shall—

(i) make a determination under subparagraph (A) with respect to each beneficiary developing country before July 4, 1985, and periodically thereafter, and

(ii) notify the Congress at least 60 days before any such determination becomes final.

(7) For purposes of this subsection, the term ''country'' does not include an association of countries which is treated as one country under section 2462(a)(3) of this title, but does include a country which is a member of any such association.

(d) Domestic non-production of like or directly competitive articles

(1) Subsection (c)(1)(B) of this section (after application of subsection (c)(2) of this section) shall not apply with respect to any eligible article if a like or directly competitive article is not produced in the United States on January 3, 1985.

(2) The President may disregard subsection (c)(1)(B) of this section with respect to any eligible article if the appraised value of the total imports of such article into the United States during the preceding calendar year is not in excess of an amount which bears the same ratio to $5,000,000 as the gross national product of the United States for that calendar year (as determined by the Department of Commerce) bears to the gross national product of the United States for calendar year 1979.

(e) Coffee imported into Puerto Rico

No action pursuant to section 2461 of this title may affect any tariff duty imposed by the Legislature of Puerto Rico pursuant to section 1319 of this title on coffee imported into Puerto Rico.

(f) Per capita gross national product of beneficiary developing country for determination year

(1) If the President determines that the per capita gross national product (calculated on the basis of the best available information, including that of the World Bank) of any beneficiary developing country for any calendar year (hereafter in this subsection referred to as the ''determination year'') after 1984, exceeds the applicable limit for the determination year—

(A) subsection (c)(1)(B) of this section shall be applied for the 2-year period beginning on July 1 of the calendar year succeeding the determination year by substituting ''25 percent'' for ''50 percent'', and

(B) such country shall not be treated as a beneficiary developing country under this subchapter after the close of such 2-year period.

(2)(A) For purposes of this subsection, the term ''applicable limit'' means the sum of—

(i) $8,500, plus

(ii) 50 percent of the amount determined under subparagraph (B) for the determination year.

(B) The amount determined under this subparagraph for the determination year is an amount equal to—

(i) $8,500, multiplied by

(ii) the percentage determined by dividing—

(I) the excess, if any, of the gross national product of the United States (as determined by the Secretary of Commerce) for the determination year over the gross national product of the United States for 1984, by

(II) the gross national product for 1984.

(Pub. L. 93–618, title V, § 504, Jan. 3, 1975, 88 Stat. 2070; Pub. L. 96–39, title XI, §§ 1106(g)(3), 1111(a)(4), July 26, 1979, 93 Stat. 313, 315; Pub. L. 98–573, title V, § 505, Oct. 30, 1984, 98 Stat. 3020; Pub. L. 99–47, § 8(b)(2), June 11, 1985, 99 Stat. 85; Pub. L. 99–514, title XVIII, § 1887(a)(6), Oct. 22, 1986, 100 Stat. 2923.)

AMENDMENTS

1986—Subsec. (c)(3)(D)(ii). Pub. L. 99–514 in introductory provisions struck out ''from any beneficiary developing country'' after ''eligible articles entered'' and substituted ''1986 the aggregate value of which exceeds 15'' for ''1984 which exceeds 15'' and ''from those beneficiary developing countries which for the preceding calendar year'' for ''if for the preceding calendar year such beneficiary developing country''.

1985—Subsec. (b). Pub. L. 99–47 inserted ''or Presidential proclamation'' after ''Executive order''.

1984—Subsec. (a). Pub. L. 98–573, § 505(a), designated existing provisions as par. (1) and added par. (2).

Subsec. (c). Pub. L. 98–573, § 505(b), amended provisions generally, making changes summarized as follows:

Subsec. (c)(1). Pub. L. 98–573, § 505(b), substituted ''Subject to paragraphs (2) through (7) and subsection (d) of this section, whenever'' for ''Whenever'' in provisions preceding par. (1), and, in provision following lettered subparagraphs, substituted requirement that, not later than July 1 of the next calendar year, such country shall not be treated as a beneficiary developing country with respect to such article for requirement that not later than 90 days after the close of such calendar year such country would not be treated as a beneficiary developing country with respect to such article unless the President made and published in the Federal Register certain determinations with respect to such country. See subsec. (c)(4).

Subsec. (c)(1)(A). Pub. L. 98–573, § 505(b), substituted ''year (as determined by the Department of Commerce) bears to the gross national product of the United States for calendar year 1974; or'' for ''year, as determined by the Department of Commerce, bears to the gross national product of the United States for calender year 1974, or''.

Subsec. (c)(1)(B). Pub. L. 98–573, § 505(b), substituted ''has exported'' for ''except as provided in subsection (d) of this section, has exported'' and substituted a semicolon for the comma after ''any calendar year''.

Subsec. (c)(2) to (4). Pub. L. 98–573, § 505(b), added pars. (2) to (4). Former pars. (2) and (3) redesignated (5) and (7), respectively.

Subsec. (c)(5). Pub. L. 98–573, § 505(b), redesignated former par. (2) as (5) and substituted provisions permitting countries formerly treated as beneficiary developing countries to be redesignated as beneficiary developing countries subject to sections 2461 and 2462 of this title if imports of the eligible article from such country did not exceed the limitations in par. (1) (after application of par. (2)) for provisions permitting redesignation of such countries as beneficiary developing countries subject to section 2462 of this title if imports of such article from such country did not exceed the limitations in par. (1).

Subsec. (c)(6). Pub. L. 98–573, § 505(b), added par. (6).

Subsec. (c)(7). Pub. L. 98–573, § 505(b), redesignated former par (3) as (7).

Subsec. (d)(1). Pub. L. 98–573, § 505(b), designated existing first sentence as par. (1) and substituted ''Subsection (c)(1)(B) of this section (after application of subsection (c)(2) of this section) shall not apply with respect to any eligible article if a like or directly competitive article is not produced in the United States on January 3, 1985'' for ''Subsection (c)(1)(B) of this section does not apply with respect to any eligible article if a like or directly competitive article is not produced on January 3, 1975, in the United States''.

Subsec. (d)(2). Pub. L. 98–573, § 505(b), designated existing second sentence as par. (2) and substituted ''$5,000,000 as the gross national product of the United States for that calendar year (as determined by the Department of Commerce) bears to the gross national product of the United States for calendar year 1979'' for ''$1,000,000 as the gross national product of the United States for that calendar year, as determined by the Department of Commerce, bears to the gross national product of the United States for the calendar year 1979''.

Subsec. (f). Pub. L. 98–573, § 505(c), added subsec. (f).

1979—Subsec. (c)(1). Pub. L. 96–39, § 1106(g)(3), substituted ''90 days'' and ''90th day'' for ''60 days'' and ''60th day'', respectively, in provisions after subpar. (B).

Subsec. (c)(3). Pub. L. 96–39, § 1111(a)(4)(A), added par. (3).

Subsec. (d). Pub. L. 96–39, § 1111(a)(4)(B), provided that the President may disregard subsection (c)(1)(B) of this section with respect to any eligible article if the appraised value of the total imports of that article into the United States during the preceding calendar year is not in excess of an amount which bears the same ratio to $1,000,000 as the gross national product of the United States for that calendar year, as determined by the Department of Commerce, bears to the gross national product of the United States for calendar year 1979.

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Jan. 4, 1985, see section 508 of Pub. L. 98–573, set out as a note under section 2461 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by section 1106(g)(3) of Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

Section 1111(b) of Pub. L. 96–39 provided that: ''The amendments made by paragraph (4) of subsection (a) [amending this section] shall take effect on April 1, 1980.''

PLAN AMENDMENTS NOT REQUIRED UNTIL JANUARY 1, 1989

For provisions directing that if any amendments made by subtitle A or subtitle C of title XI [§§ 1101–1147 and 1171–1177] or title XVIII [§§ 1801–1899A] of Pub. L. 99–514 require an amendment to any plan, such plan amendment shall not be required to be made before the first plan year beginning on or after Jan. 1, 1989, see section 1140 of Pub. L. 99–514, as amended, set out as a note under section 401 of Title 26, Internal Revenue Code.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 1202, 3011 of this title.

§ 2465. Termination of duty-free treatment and reports

(a) Date of termination

No duty-free treatment provided under this subchapter shall remain in effect after July 31, 1995.

(b) Report on operation of subchapter

On or before January 4, 1990, the President shall submit to the Congress a full and complete report regarding the operation of this subchapter.

(c) Annual report on worker rights

The President shall submit an annual report to the Congress on the status of internationally recognized worker rights within each beneficiary developing country.

(Pub. L. 93–618, title V, § 505, Jan. 3, 1975, 88 Stat. 2071; Pub. L. 98–573, title V, § 506(a), Oct. 30, 1984, 98 Stat. 3023; Pub. L. 103–66, title XIII, § 13802(b)(1), Aug. 10, 1993, 107 Stat. 667; Pub. L. 103–465, title VI, § 601(a), Dec. 8, 1994, 108 Stat. 4990.)

AMENDMENTS

1994—Subsec. (a). Pub. L. 103–465 substituted ''July 31, 1995'' for ''September 30, 1994''.

1993—Subsec. (a). Pub. L. 103–66 substituted ''September 30, 1994'' for ''July 4, 1993''.

1984—Pub. L. 98–573 amended section generally, making changes summarized as follows:

Subsec. (a). Pub. L. 98–573 substituted ''treatment provided'' for ''treatment'' and ''July 4, 1993'' for ''the date which is 10 years after January 3, 1975''.

Subsec. (b). Pub. L. 98–573 substituted ''On or before January 4, 1990'' for ''On or before the date which is 5 years after January 3, 1975'' and ''report regarding the operation'' for ''report of the operation''.

Subsec. (c). Pub. L. 98–573 added subsec. (c).

EFFECTIVE DATE OF 1984 AMENDMENT

Amendment by Pub. L. 98–573 effective Jan. 4, 1985, see section 508 of Pub. L. 98–573, set out as a note under section 2461 of this title.

RETROACTIVE APPLICATION FOR CERTAIN LIQUIDATIONS AND RELIQUIDATIONS

Section 601(b) of Pub. L. 103–465 provided that:

''(1) IN GENERAL.—Notwithstanding section 514 of the Tariff Act of 1930 [19 U.S.C. 1514] or any other provision of law and subject to paragraph (2), the entry—

''(A) of any article to which duty-free treatment under title V of the Trade Act of 1974 [19 U.S.C. 2461 et seq.] would have applied if the entry had been made on September 30, 1994, and

''(B) that was made after September 30, 1994, and before such date of enactment [probably means before the date of enactment of this Act, Dec. 8, 1994],

shall be liquidated or reliquidated as free of duty, and the Secretary of the Treasury shall refund any duty paid with respect to such entry. As used in this subsection, the term 'entry' includes a withdrawal from warehouse for consumption.

''(2) REQUESTS.—Liquidation or reliquidation may be made under paragraph (1) with respect to an entry only if a request therefor is filed with the Customs Service, within 180 days after the date of the enactment of this Act [Dec. 8, 1994], that contains sufficient information to enable the Customs Service—

''(A) to locate the entry; or

''(B) to reconstruct the entry if it cannot be located.''

Section 13802(b)(2) of Pub. L. 103–66 provided that: ''Notwithstanding section 514 of the Tariff Act of 1930 [19 U.S.C. 1514] or any other provision of law, upon proper request filed with the appropriate customs officer within 180 days after the date of the enactment of this Act [Aug. 10, 1993], the entry—

''(A) of any article to which duty-free treatment under title V of the Trade Act of 1974 [19 U.S.C. 2461 et seq.] would have applied if the entry had been made on July 4, 1993, and

''(B) that was made after July 4, 1993, and before such date of enactment,

shall be liquidated or reliquidated as free of duty, and the Secretary of the Treasury shall refund any duty paid with respect to such entry. As used in this paragraph, the term 'entry' includes a withdrawal from warehouse for consumption.''

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 22 section 2191a.

§ 2466. Agricultural exports of beneficiary developing countries

The appropriate agencies of the United States shall assist beneficiary developing countries to develop and implement measures designed to assure that the agricultural sectors of their economies are not directed to export markets to the detriment of the production of foodstuffs for their citizenry.

(Pub. L. 93–618, title V, § 506, as added Pub. L. 98–573, title V, § 507(a), Oct. 30, 1984, 98 Stat. 3023.)

EFFECTIVE DATE

Section effective Jan. 4, 1985, see section 508 of Pub. L. 98–573, set out as an Effective Date of 1984 Amendment note under section 2461 of this title.

SUBCHAPTER VI—GENERAL PROVISIONS

§ 2481. Definitions

For purposes of this chapter—

(1) The term ''duty'' includes the rate and form of any import duty, including but not limited to tariff-rate quotas.

(2) The term ''other import restriction'' includes a limitation, prohibition, charge, or exaction other than duty, imposed on importation or imposed for the regulation of importation. The term does not include any orderly marketing agreement.

(3) The term ''ad valorem'' includes ad valorem equivalent. Whenever any limitation on the amount by which or to which any rate of duty may be decreased or increased pursuant to a trade agreement is expressed in terms of an ad valorem percentage, the ad valorem amount taken into account for purposes of such limitation shall be determined by the President on the basis of the value of imports of the articles concerned during the most recent representative period.

(4) The term ''ad valorem equivalent'' means the ad valorem equivalent of a specific rate or, in the case of a combination of rates including a specific rate, the sum of the ad valorem equivalent of the specific rate and of the ad valorem rate. The ad valorem equivalent shall be determined by the President on the basis of the value of imports of the article concerned during the most recent representative period. In determining the value of imports, the President shall utilize, to the maximum extent practicable, the standards of valuation contained in section 1401a or 1402[1] of this title (as in effect before the effective date of the amendments made by title II of the Trade Agreements Act of 1979) or in section 1401a of this title (as in effect on the effective date of such title II amendments) whichever is applicable to the article concerned during such representative period.

(5) An imported article is ''directly competitive with'' a domestic article at an earlier or later stage of processing, and a domestic article is ''directly competitive with'' an imported article at an earlier or later stage of processing, if the importation of the article has an economic effect on producers of the domestic article comparable to the effect of importation of articles in the same stage of processing as the domestic article. For purposes of this paragraph, the unprocessed article is at an earlier stage of processing.

(6) The term ''modification'', as applied to any duty or other import restriction, includes the elimination of any duty or other import restriction.

(7) The term ''existing'' means (A) when used, without the specification of any date, with respect to any matter relating to entering into or carrying out a trade agreement or other action authorized by this chapter, existing on the day on which such trade agreement is entered into or such other action is taken; and (B) when used with respect to a rate of duty, the nonpreferential rate of duty (however established, and even though temporarily suspended by Act of Congress or otherwise) set forth in rate column numbered 1 of chapters 1 through 97 of the Harmonized Tariff Schedule of the United States on the date specified or (if no date is specified) on the day referred to in clause (A).

(8) A product of a country or area is an article which is the growth, produce, or manufacture of such country or area.

(9) The term ''nondiscriminatory treatment'' means most-favored-nation treatment.

(10) The term ''commerce'' includes services associated with international trade.

[1] See References in Text note below.

(Pub. L. 93–618, title VI, § 601, Jan. 3, 1975, 88 Stat. 2071; Pub. L. 96–39, title II, § 202(c)(1), title XI, § 1106(h)(1), July 26, 1979, 93 Stat. 202, 313; Pub. L. 100–418, title I, § 1214(j)(5), Aug. 23, 1988, 102 Stat. 1158.)

REFERENCES IN TEXT

Section 1402 of this title, referred to in par. (4), was repealed by Pub. L. 96–39, title II, § 201(b), July 26, 1979, 93 Stat. 201.

The effective date of the amendments made by title II of the Trade Agreements Act of 1979, referred to in par. (4), is July 1, 1980. See section 204(a) of Pub. L. 96–39, set out as an Effective Date of 1979 Amendment note under section 1401a of this title.

The Harmonized Tariff Schedule of the United States, referred to in par. (7), is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

AMENDMENTS

1988—Par. (7). Pub. L. 100–418 substituted ''chapters 1 through 97 of the Harmonized Tariff Schedule of the United States'' for ''schedules 1 through 7 of the Tariff Schedules of the United States''.

1979—Par. (2). Pub. L. 96–39, § 1106(h)(1), substituted ''or exaction'' for ''and exaction''.

Par. (4). Pub. L. 96–39, § 202(c)(1), substituted ''section 1401a or 1402 of this title (as in effect before the effective date of the amendments made by title II of the Trade Agreements Act of 1979) or in sections 1401a of this title (as in effect on the effective date of such title II amendments) whichever is applicable'' for ''section 1401a or 1402 of this title applicable''.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by section 202(c)(1) of Pub. L. 96–39 effective July 1, 1980, see section 204(a) of Pub. L. 96–39, set out as a note under section 1401a of this title.

Amendment by section 1106(h)(1) of Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

§ 2482. Exercise of functions of International Trade Commission

(a) Preliminary investigation

In order to expedite the performance of its functions under this chapter, the International Trade Commission may conduct preliminary investigations, determine the scope and manner of its proceedings, and consolidate proceedings before it.

(b) Use of authority granted under other provisions

In performing its functions under this chapter, the Commission may exercise any authority granted to it under any other Act.

(c) Gathering of current information

The Commission shall at all times keep informed concerning the operation and effect of provisions relating to duties or other import restrictions of the United States contained in trade agreements entered into under the trade agreements program.

(Pub. L. 93–618, title VI, § 603, Jan. 3, 1975, 88 Stat. 2073.)

REFERENCES IN TEXT

This chapter, referred to in subsecs. (a) and (b), was in the original ''this Act'', meaning Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

§ 2483. Consequential changes in Tariff Schedules of the United States

The President shall from time to time, as appropriate, embody in the Harmonized Tariff Schedule of the United States the substance of the relevant provisions of this chapter, and of other Acts affecting import treatment, and actions thereunder, including removal, modification, continuance, or imposition of any rate of duty or other import restriction.

(Pub. L. 93–618, title VI, § 604, Jan. 3, 1975, 88 Stat. 2073; Pub. L. 100–418, title I, §§ 1213(a), 1214(j)(4), Aug. 23, 1988, 102 Stat. 1155, 1158.)

REFERENCES IN TEXT

The Harmonized Tariff Schedule of the United States, referred to in text, is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of this title.

This chapter, referred to in text, was in the original ''this Act'', meaning Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to this chapter. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

AMENDMENTS

1988—Pub. L. 100–418 substituted ''Harmonized Tariff Schedule of the United States'' for ''Tariff Schedules of the United States'' and inserted ''removal,'' after ''including''.

EFFECTIVE DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 effective Jan. 1, 1989, and applicable with respect to articles entered on or after such date, see section 1217(b)(1) of Pub. L. 100–418, set out as an Effective Date note under section 3001 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 3004 of this title.

§ 2484. International drug control

The President shall submit a report to Congress at least once each calendar year listing those foreign countries in which narcotic drugs and other controlled substances (as listed under section 812 of title 21) are produced, processed, or transported for unlawful entry into the United States. Such report shall include a description of the measures such countries are taking to prevent such production, processing, or transport.

(Pub. L. 93–618, title VI, § 606, Jan. 3, 1975, 88 Stat. 2073.)

§ 2485. Voluntary limitations on exports of steel to United States

No person shall be liable for damages, penalties, or other sanctions under the Federal Trade Commission Act [15 U.S.C. 41 et seq.] or the Antitrust Acts (as defined in section 4 of the Federal Trade Commission Act [15 U.S.C. 44]), or under any similar State law, on account of his negotiating, entering into, participating in, or implementing an arrangement providing for the voluntary limitation on exports of steel and steel products to the United States, or any modification or renewal of such an arrangement, if such arrangement or such modification or renewal—

(1) was undertaken prior to January 3, 1975, at the request of the Secretary of State or his delegate, and

(2) ceases to be effective not later than January 1, 1975.

(Pub. L. 93–618, title VI, § 607, Jan. 3, 1975, 88 Stat. 2073.)

REFERENCES IN TEXT

The Federal Trade Commission Act, referred to in text, is act Sept. 26, 1914, ch. 311, 38 Stat. 717, as amended, which is classified generally to subchapter I (§ 41 et seq.) of chapter 2 of Title 15, Commerce and Trade. For complete classification of this Act to the Code, see section 58 of Title 15 and Tables.

§ 2486. Trade relations with North American countries

(a) Negotiations for free trade area with Canada

It is the sense of the Congress that the United States should enter into a trade agreement with Canada which will guarantee continued stability to the economies of the United States and Canada. In order to promote such economic stability, the President may initiate negotiations for a trade agreement with Canada to establish a free trade area covering the United States and Canada. Nothing in this section shall be construed as prior approval of any legislation which may be necessary to implement such a trade agreement.

(b) Regional study

The President shall study the desirability of entering into trade agreements with countries in the northern portion of the western hemisphere to promote the economic growth of the United States and such countries and the mutual expansion of market opportunities and report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate his findings and conclusions within 2 years after July 26, 1979. The study shall include an examination of competitive opportunities and conditions of competition between such countries and the United States in the agricultural, energy, and other appropriate sectors.

(Pub. L. 93–618, title VI, § 612, Jan. 3, 1975, 88 Stat. 2076; Pub. L. 96–39, title XI, § 1104(a), (b)(1), July 26, 1979, 93 Stat. 310.)

AMENDMENTS

1979—Pub. L. 96–39 designated existing provisions as subsec. (a) and added subsec. (b).

EFFECTIVE DATE OF 1979 AMENDMENT

Amendment by Pub. L. 96–39 effective July 26, 1979, see section 1114 of Pub. L. 96–39, set out as an Effective Date note under section 2581 of this title.

§ 2487. Repealed. Pub. L. 102–145, § 121, as added Pub. L. 102–266, § 102, Apr. 1, 1992, 106 Stat. 95

Section, Pub. L. 93–618, title VI, § 613, Jan. 3, 1975, 88 Stat. 2076, related to limitation on credit to Russia.

SUBCHAPTER VII—TARIFF TREATMENT OF PRODUCTS OF, AND OTHER SANCTIONS AGAINST, UNCOOPERATIVE MAJOR DRUG PRODUCING OR DRUG-TRANSIT COUNTRIES

§ 2491. Short title

This subchapter may be cited as the ''Narcotics Control Trade Act''.

(Pub. L. 93–618, title VIII, § 801, as added Pub. L. 99–570, title IX, § 9001, Oct. 27, 1986, 100 Stat. 3207–164.)

§ 2492. Tariff treatment of products of uncooperative major drug producing or drug-transit countries

(a) Required action by President

Subject to subsection (b) of this section, for every major drug producing country and every major drug-transit country, the President shall, on or after March 1, 1987, and March 1 of each succeeding year, to the extent considered necessary by the President to achieve the purposes of this subchapter—

(1) deny to any or all of the products of that country tariff treatment under the Generalized System of Preferences, the Caribbean Basin Economic Recovery Act [19 U.S.C. 2701 et seq.], or any other law providing preferential tariff treatment;

(2) apply to any or all of the dutiable products of that country an additional duty at a rate not to exceed 50 percent ad valorem or the specific rate equivalent;

(3) apply to one or more duty-free products of that country a duty at a rate not to exceed 50 percent ad valorem;

(4) take the steps described in subsection (d)(1) or (d)(2) of this section, or both, to curtail air transportation between the United States and that country;

(5) withdraw the personnel and resources of the United States from participation in any arrangement with that country for the preclearance of customs by visitors between the United States and that country; or

(6) take any combination of the actions described in paragraphs (1) through (5).

(b) Certifications; Congressional action

(1)(A) Subject to paragraph (3), subsection (a) of this section shall not apply with respect to a country if the President determines and certifies to the Congress, at the time of the submission of the report required by section 2291(e)[1] of title 22, that—

(i) during the previous year the country has cooperated fully with the United States, or has taken adequate steps on its own—

(I) in satisfying the goals agreed to in an applicable bilateral narcotics agreement with the United States (as described in paragraph (B)) or a multilateral agreement which achieves the objectives of paragraph (B),

(II) in preventing narcotic and psychotropic drugs and other controlled substances produced or processed, in whole or in part, in such country or transported through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from being transported, directly or indirectly, into the United States,

(III) in preventing and punishing the laundering in that country of drug-related profits or drug-related moneys, and

(IV) in preventing and punishing bribery and other forms of public corruption which facilitate the illicit production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or which discourage the investigation and prosecution of such acts; or

(ii) for a country that would not otherwise qualify for certification under clause (i), the vital national interests of the United States require that subsection (a) of this section not be applied with respect to that country.

(B) A bilateral narcotics agreement referred to in subparagraph (A)(i)(I) is an agreement between the United States and a foreign country in which the foreign country agrees to take specific activities, including, where applicable, efforts to—

(i) reduce drug production, drug consumption, and drug trafficking within its territory, including activities to address illicit crop eradication and crop substitution;

(ii) increase drug interdiction and enforcement;

(iii) increase drug education and treatment programs;

(iv) increase the identification of and elimination of illicit drug laboratories;

(v) increase the identification and elimination of the trafficking of essential precursor chemicals for the use in production of illegal drugs;

(vi) increase cooperation with United States drug enforcement officials; and

(vii) where applicable, increase participation in extradition treaties, mutual legal assistance provisions directed at money laundering, sharing of evidence, and other initiatives for cooperative drug enforcement.

(C) A country which in the previous year was designated as a major drug producing country or a major drug-transit country may not be determined to be cooperating fully under subparagraph (A)(i) unless it has in place a bilateral narcotics agreement with the United States or a multilateral agreement which achieves the objectives of subparagraph (B).

(D) If the President makes a certification with respect to a country pursuant to subparagraph (A)(ii), he shall include in such certification—

(i) a full and complete description of the vital national interests placed at risk if action is taken pursuant to subsection (a) of this section with respect to that country; and

(ii) a statement weighing the risk described in clause (i) against the risks posed to the vital national interests of the United States by the failure of such country to cooperate fully with the United States in combating narcotics or to take adequate steps to combat narcotics on its own.

[1] See References in Text note below.

(E) The President may make a certification under subparagraph (A)(i) with respect to a major drug producing country or drug-transit country which is also a producer of licit opium only if the President determines that such country has taken steps to prevent significant diversion of its licit cultivation and production into the illicit market, maintains production and stockpiles at levels no higher than those consistent with licit market demand, and prevents illicit cultivation and production.

(2) In determining whether to make the certification required by paragraph (1) with respect to a country, the President shall consider the following:

(A) Have the actions of the government of that country resulted in the maximum reductions in illicit drug production which were determined to be achievable pursuant to section 2291(e)(4)[2] of title 22? In the case of a major drug producing country, the President shall give foremost consideration, in determining whether to make the certification required by paragraph (1), to whether the government of that country has taken actions which have resulted in such reductions.

(B) Has that government taken the legal and law enforcement measures to enforce in its territory, to the maximum extent possible, the elimination of illicit cultivation and the suppression of illicit manufacturing of and trafficking in narcotic and psychotropic drugs and other controlled substances, as evidenced by seizures of such drugs and substances and of illicit laboratories and the arrest and prosecution of violators involved in the traffic in such drugs and substances significantly affecting the United States?

(C) Has that government taken the legal and law enforcement steps necessary to eliminate, to the maximum extent possible, the laundering in that country of drug-related profits or drug-related moneys, as evidenced by—

(i) the enactment and enforcement by that government of laws prohibiting such conduct,

(ii) that government entering into, and cooperating under the terms of, mutual legal assistance agreements with the United States governing (but not limited to) money laundering, and

(iii) the degree to which that government otherwise cooperates with United States law enforcement authorities on anti-money laundering efforts?

(D) Has that government taken the legal and law enforcement steps necessary to eliminate, to the maximum extent possible, bribery and other forms of public corruption which facilitate the illicit production, processing, or shipment of narcotic and psychotropic drugs and other controlled substances, or which discourage the investigation and prosecution of such acts, as evidenced by the enactment and enforcement of laws prohibiting such conduct?

(E) Has that government, as a matter of government policy, encouraged or facilitated the production or distribution of illicit narcotic and psychotropic drugs and other controlled substances?

(F) Does any senior official of that government engage in, encourage, or facilitate the production or distribution of illicit narcotic and psychotropic drugs and other controlled substances?

(G) Has that government investigated aggressively all cases in which any member of an agency of the United States Government engaged in drug enforcement activities since January 1, 1985, has been the victim of acts or threats of violence, inflicted by or with the complicity of any law enforcement or other officer of such country or any political subdivision thereof, and has energetically sought to bring the perpetrators of such offense or offenses to justice?

(H) Having been requested to do so by the United States Government, does that government fail to provide reasonable cooperation to lawful activities of United States drug enforcement agents, including the refusal of permission to such agents engaged in interdiction of aerial smuggling into the United States to pursue suspected aerial smugglers a reasonable distance into the airspace of the requested country?

(I) Has that government made necessary changes in legal codes in order to enable law enforcement officials to move more effectively against narcotics traffickers, such as new conspiracy laws and new asset seizure laws?

(J) Has that government expeditiously processed United States extradition requests relating to narcotics trafficking?

(K) Has that government refused to protect or give haven to any known drug traffickers, and has it expeditiously processed extradition requests relating to narcotics trafficking made by other countries?

(3) Subsection (a) of this section shall apply to a country without regard to paragraph (1) of this subsection if the Congress enacts, within 45 days of continuous session after receipt of a certification under paragraph (1), a joint resolution disapproving the determination of the President contained in that certification.

(4) If the President takes action under subsection (a) of this section, that action shall remain in effect until—

(A) the President makes the certification under paragraph (1), a period of 45 days of continuous session of Congress elapses, and during that period the Congress does not enact a joint resolution of disapproval; or

(B) the President submits at any other time a certification of the matters described in paragraph (1) with respect to that country, a period of 45 days of continuous session of Congress elapses, and during that period the Congress does not enact a joint resolution of disapproving the determination contained in that certification.

(5) For the purpose of expediting the consideration and enactment of joint resolutions under paragraphs (3) and (4)—

(A) a motion to proceed to the consideration of any such joint resolution after it has been reported by the Committee on Ways and

[2] See References in Text note below.

Means shall be treated as highly privileged in the House of Representatives; and

(B) a motion to proceed to the consideration of any such joint resolution after it has been reported by the Committee on Finance shall be treated as privileged in the Senate.

(c) Duration of action

The action taken by the President under paragraph (1), (2), or (3) of subsection (a) of this section shall apply to the products of a foreign country that are entered, or withdrawn from warehouse for consumption, during the period that such action is in effect.

(d) Presidential action regarding aviation

(1)(A) The President is authorized to notify the government of a country against which is imposed the sanction described in subsection (a)(4) of this section of his intention to suspend the authority of foreign air carriers owned or controlled by the government or nationals of that country to engage in foreign air transportation to or from the United States.

(B) Within 10 days after the date of notification of a government under subparagraph (A), the Secretary of Transportation shall take all steps necessary to suspend at the earliest possible date the authority of any foreign air carrier owned or controlled, directly or indirectly, by the government or nationals of that country to engage in foreign air transportation to or from the United States, notwithstanding any agreement relating to air services.

(C) The President may also direct the Secretary of Transportation to take such steps as may be necessary to suspend the authority of any air carrier to engage in foreign air transportation between the United States and that country.

(2)(A) The President may direct the Secretary of State to terminate any air service agreement between the United States and a country against which the sanction described in subsection (a)(4) of this section is imposed in accordance with the provisions of that agreement.

(B) Upon termination of an agreement under this paragraph, the Secretary of Transportation shall take such steps as may be necessary to revoke at the earliest possible date the right of any foreign air carrier owned, or controlled, directly or indirectly, by the government or nationals of that country to engage in foreign air transportation to or from the United States.

(C) Upon termination of an agreement under this paragraph, the Secretary of Transportation may also revoke the authority of any air carrier to engage in foreign air transportation between the United States and that country.

(3) The Secretary of Transportation may provide for such exceptions from paragraphs (1) and (2) as the Secretary considers necessary to provide for emergencies in which the safety of an aircraft or its crew or passengers is threatened.

(4) For purposes of this subsection, the terms ''air transportation'', ''air carrier'', ''foreign air carrier'' and ''foreign air transportation'' have the meanings such terms have under section 40102(a) of title 49.

(e) Standards and guidelines for determining major drug-transit countries

For each calendar year, the Secretary of State, after consultation with the appropriate committees of the Congress, shall establish numerical standards and other guidelines for determining which countries will be considered to be major drug-transit countries under section 2495(3)(A) and (B) of this title.

(Pub. L. 93–618, title VIII, § 802, as added Pub. L. 99–570, title IX, § 9001, Oct. 27, 1986, 100 Stat. 3207–164; amended Pub. L. 100–204, title VIII, § 806(a), Dec. 22, 1987, 101 Stat. 1398; Pub. L. 100–690, title IV, § 4408, Nov. 18, 1988, 102 Stat. 4281; Pub. L. 101–231, § 17(h)(1)–(4), Dec. 13, 1989, 103 Stat. 1965.)

REFERENCES IN TEXT

The Caribbean Basin Economic Recovery Act, referred to in subsec. (a)(1), is title II of Pub. L. 98–67, Aug. 5, 1983, 97 Stat. 384, as amended, which is classified principally to chapter 15 (§ 2701 et seq.) of this title. For complete classification of this Act to the Code, see Short Title note set out under section 2701 of this title and Tables.

Subsec. (e) of section 2291 of title 22, referred to in subsec. (b)(1)(A), (2)(A), was repealed and subsec. (i) was redesignated (e) by Pub. L. 102–583, § 6(b)(2), (3), Nov. 2, 1992, 106 Stat. 4932. For successor provisions to former subsec. (e), see sections 2291h(a) and 2291i(a) of Title 22, Foreign Relations and Intercourse.

CODIFICATION

In subsec. (d)(4), ''section 40102(a) of title 49'' substituted for ''section 101 of the Federal Aviation Act of 1958 (49 U.S.C. App. 1301)'' on authority of Pub. L. 103–272, § 6(b), July 5, 1994, 108 Stat. 1378, the first section of which enacted subtitles II, III, and V to X of Title 49, Transportation.

AMENDMENTS

1989—Subsec. (b)(1)(A)(i)(IV). Pub. L. 101–231, § 17(h)(1), substituted ''illicit production'' for ''production''.

Subsec. (b)(1)(B)(iii). Pub. L. 101–231, § 17(h)(2), substituted ''education and treatment programs'' for ''treatment''.

Subsec. (b)(1)(B)(v). Pub. L. 101–231, § 17(h)(3), substituted ''essential precursor chemicals'' for ''precursor chemicals''.

Subsec. (b)(2)(D). Pub. L. 101–231, § 17(h)(4), substituted ''illicit production'' for ''production''.

1988—Subsec. (b)(1). Pub. L. 100–690, § 4408(a), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''Subsection (a) of this section shall not apply with respect to a country if the President determines and so certifies to the Congress, at the time of the submission of the report required by section 2291(e) of title 22, that during the previous year that country has cooperated fully with the United States, or has taken adequate steps on its own, in preventing narcotic and psychotropic drugs and other controlled substances produced or processed, in whole or in part, in such country or transported through such country, from being sold illegally within the jurisdiction of such country to United States Government personnel or their dependents or from being transported, directly or indirectly, into the United States and in preventing and punishing corruption by government officials and the laundering in that country of drug-related profits or drug-related monies.''

Subsec. (b)(2). Pub. L. 100–690, § 4408(a), amended par. (2) generally. Prior to amendment, par. (2) read as follows: ''In making the certification required by paragraph (1), the President shall give foremost consideration to whether the actions of the government of the country have resulted in the maximum reductions in illicit drug production which were determined to be achievable pursuant to section 2291(e)(4) of title 22. The President shall also consider whether such government—

''(A) has taken the legal and law enforcement measures to enforce in its territory, to the maximum ex-

tent possible, the elimination of illicit cultivation and the suppression of illicit manufacture of and traffic in narcotic and psychotropic drugs and other controlled substances, as evidenced by seizures of such drugs and substances and of illicit laboratories and the arrest and prosecution of violators involved in the traffic in such drugs and substances significantly affecting the United States;

''(B) has taken the legal and law enforcement steps necessary to eliminate, to the maximum extent possible, the laundering in that country of drug-related profits or drug-related monies, as evidence by—

''(i) the enactment and enforcement of laws prohibiting such conduct,

''(ii) the willingness of such government to enter into mutual legal assistance agreements with the United States governing (but not limited to) money laundering, and

''(iii) the degree to which such government otherwise cooperates with United States law enforcement authorities on anti-money laundering efforts; and

''(C) has taken the legal and law enforcement steps necessary to eliminate, to the maximum extent possible, corruption by government officials, with particular emphasis on the elimination of bribery.''

Subsec. (b)(3), (4). Pub. L. 100–690, § 4408(b), substituted ''45 days'' for ''30 days'' wherever appearing.

Subsec. (e). Pub. L. 100–690, § 4408(c), added subsec. (e).

1987—Subsec. (a)(4) to (6). Pub. L. 100–204, § 806(a)(1), added pars. (4) and (5) and redesignated former par. (4) as (6) and amended it generally. Prior to amendment, par. (6) read as follows: ''take any combination of the actions described in paragraphs (1), (2), and (3).''

Subsec. (b). Pub. L. 100–204, § 806(a)(2), inserted ''corruption by government officials and'' after ''preventing and punishing'' in par. (1) and added par. (2)(C).

Subsec. (c). Pub. L. 100–204, § 806(a)(3), inserted ''paragraph (1), (2), or (3) of'' after ''under''.

Subsec. (d). Pub. L. 100–204, § 806(a)(4), added subsec. (d).

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2493, 2494 of this title.

§ 2493. Sugar quota

Notwithstanding any other provision of law, the President may not allocate any limitation imposed on the quantity of sugar to any country which has a Government involved in the trade of illicit narcotics or is failing to cooperate with the United States in narcotics enforcement activities as defined in section 2492(b) of this title as determined by the President.

(Pub. L. 93–618, title VIII, § 803, as added Pub. L. 99–570, title IX, § 9001, Oct. 27, 1986, 100 Stat. 3207–165.)

§ 2494. Progress reports

The President shall include as a part of the annual report required under section 2291(e)(1)[1] of title 22 an evaluation of progress that each major drug producing country and each major drug-transit country has made during the reporting period in achieving the objectives set forth in section 2492(b) of this title.

(Pub. L. 93–618, title VIII, § 804, as added Pub. L. 99–570, title IX, § 9001, Oct. 27, 1986, 100 Stat. 3207–166.)

REFERENCES IN TEXT

Subsec. (e) of section 2291 of title 22, referred to in text, was repealed and subsec. (i) was redesignated (e) by Pub. L. 102–583, § 6(b)(2), (3), Nov. 2, 1992, 106 Stat. 4932. For successor provisions to former subsec. (e), see sections 2291h(a) and 2291i(a) of Title 22, Foreign Relations and Intercourse.

[1] See References in Text note below.

§ 2495. Definitions

For purposes of this subchapter—

(1) continuity of a session of Congress is broken only by an adjournment of the Congress sine die, and the days on which either House is not in session because of an adjournment of more than three days to a day certain are excluded in the computation of the period indicated;

(2) the term ''major drug producing country'' means a country that illicitly produces during a fiscal year 5 metric tons or more of opium or opium derivative, 500 metric tons or more of coca, or 500 metric tons or more of marijuana; and

(3) the term ''major drug-transit country'' means a country—

(A) that is a significant direct source of illicit narcotic or psychotropic drugs or other controlled substances significantly affecting the United States;

(B) through which are transported such drugs or substances; or

(C) through which significant sums of drug-related profits or monies are laundered with the knowledge or complicity of the government; and

(4) the term ''narcotic and psychotropic drugs and other controlled substances'' has the same meaning as is given by any applicable international narcotics control agreement or domestic law of the country or countries concerned.

(Pub. L. 93–618, title VIII, § 805, as added Pub. L. 99–570, title IX, § 9001, Oct. 27, 1986, 100 Stat. 3207–166; amended Pub. L. 101–231, § 17(h)(5), Dec. 13, 1989, 103 Stat. 1965.)

AMENDMENTS

1989—Par. (2). Pub. L. 101–231 amended par. (2) generally. Prior to amendment, par. (2) read as follows: ''the term 'major drug producing country' means a country producing five metric tons or more of opium or opium derivative during a fiscal year or producing five hundred metric tons or more of coca or marijuana (as the case may be) during a fiscal year; and''.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2492 of this title.

CHAPTER 13—TRADE AGREEMENTS ACT OF 1979

Sec.
2501. Short title.
2502. Congressional statement of purposes.
2503. Approval of trade agreements.
(a) Approval of agreements and statements of administrative action.
(b) Acceptance of agreements by the President.
(c) Trade agreements to which this Act applies.
2504. Relationship of trade agreements to United States law.
(a) United States statutes to prevail in conflict.
(b) Implementing regulations.

Sec.
(c) Changes in statutes to implement a requirement, amendment, or recommendation.
(d) Unspecified private remedies not created.

SUBCHAPTER I—GOVERNMENT PROCUREMENT

2511. General authority to modify discriminatory purchasing requirements.
(a) Presidential waiver of discriminatory purchasing requirements.
(b) Designation of eligible countries and instrumentalities.
(c) Modification or withdrawal of waivers and designations.
(d) Limitations on waiver authority not effective unless provision amended.
(e) Procurement procedures by certain Federal agencies.
(f) Small business and minority preferences.
2512. Authority to encourage reciprocal competitive procurement practices.
(a) Authority to bar procurement from non-designated countries.
(b) Deferrals and waivers.
(c) Report on impact of restrictions.
(d) Proposed action.
2513. Waiver of discriminatory purchasing requirements with respect to purchases of civil aircraft.
2514. Expansion of the coverage of the Agreement.
(a) Overall negotiating objective.
(b) Sector negotiating objectives.
(c) Independent verification objective.
(d) Reports on negotiations.
(e) Extension of nondiscrimination and national treatment.
2515. Monitoring and enforcement.
(a) Monitoring and enforcement structure recommendations.
(b) Rules of origin.
(c) Report to Congress on rules of origin.
(d) Annual report on foreign discrimination.
(e) Consultation.
(f) Procedures with respect to violations of Agreement.
(g) Procedures with respect to other discrimination.
(h) Limitations on imposing sanctions.
(i) Renegotiation to secure full and open competition.
(j) Federal Register notices of actions.
(k) General report on actions under this section.
2516. Repealed.
2517. Availability of information to Members of Congress designated as official advisers.
2518. Definitions.

SUBCHAPTER II—TECHNICAL BARRIERS TO TRADE (STANDARDS)

PART A—OBLIGATIONS OF THE UNITED STATES

2531. Certain standards-related activities.
(a) No bar to engaging in standards activity.
(b) Unnecessary obstacles.
2532. Federal standards-related activities.
2533. State and private standards-related activities.
(a) In general.
(b) Presidential action.

PART B—FUNCTIONS OF FEDERAL AGENCIES

2541. Functions of Trade Representative.
(a) In general.
(b) Negotiating functions.
(c) Cross reference.
2542. Establishment and operation of technical offices.
(a) Establishment.
(b) Functions of offices.
2543. Representation of United States interests before international standards organizations.
(a) Oversight and consultation.
(b) Representation of United States interests by private persons.
(c) Representation of United States interests by Federal agencies.
2544. Standards information center.
(a) Establishment.
(b) Functions.
(c) Sanitary and phytosanitary measures.
2545. Contracts and grants.
(a) In general.
(b) Terms and conditions.
(c) Limitations.
(d) Audit.
2546. Technical assistance.
2547. Consultations with representatives of domestic interests.

PART C—ADMINISTRATIVE AND JUDICIAL PROCEEDINGS REGARDING STANDARDS-RELATED ACTIVITIES

SUBPART 1—REPRESENTATIONS ALLEGING UNITED STATES VIOLATIONS OF OBLIGATIONS

2551. Right of action.
2552. Representations.
2553. Action after receipt of representations.
(a) Review.
(b) Resolution.
2554. Procedure after finding by international forum.
(a) In general.
(b) Cross reference.

SUBPART 2—OTHER PROCEEDINGS REGARDING CERTAIN STANDARDS-RELATED ACTIVITIES

2561. Findings of reciprocity required in administrative proceedings.
(a) In general.
(b) Exemptions.
2562. Consideration of standards-related activities by an international forum.

PART D—DEFINITIONS AND MISCELLANEOUS PROVISIONS

2571. Definitions.
2572. Exemptions.
2573. Reports to Congress on operation of agreement.

PART E—STANDARDS AND MEASURES UNDER THE NORTH AMERICAN FREE TRADE AGREEMENT

SUBPART 1—SANITARY AND PHYTOSANITARY MEASURES

2575. General.
2575a. Inquiry point.
2575b. Subpart definitions.

SUBPART 2—STANDARDS-RELATED MEASURES

2576. General.
(a) No bar to engaging in standards activity.
(b) Exclusion.
2576a. Inquiry point.
2576b. Subpart definitions.

SUBPART 3—PART DEFINITIONS

2577. Definitions.

PART F—INTERNATIONAL STANDARD-SETTING ACTIVITIES

2578. Notice of United States participation in international standard-setting activities.

Sec.
(a) In general.
(b) Notification.
(c) Required information.
(d) Public comment.
2578a. Equivalence determinations.
(a) In general.
(b) FDA determination.
(c) Notice.
2578b. Definitions.
(a) In general.
(b) Other definitions.

SUBCHAPTER III—MISCELLANEOUS PROVISIONS

2581. Auction of import licenses.
(a) In general.
(b) ''Import license'' defined.
2582. Repealed.

CHAPTER REFERRED TO IN OTHER SECTIONS

This chapter is referred to in title 15 section 5528.

§ 2501. Short title

This Act may be cited as the ''Trade Agreements Act of 1979''.

(Pub. L. 96–39, § 1(a), July 26, 1979, 93 Stat. 144.)

REFERENCES IN TEXT

This Act, referred to in text, is Pub. L. 96–39, July 26, 1979, 93 Stat. 144, which enacted this chapter and sections 1516a, 1671 to 1671f, 1673 to 1673i, 1675, 1677 to 1677g, and 2413 to 2416 of this title, amended the Tariff Schedules, and sections 1303, 1311, 1315, 1332, 1336, 1337, 1351, 1401a, 1466, 1500, 1514 to 1516, 1872, 2033, 2112, 2119, 2131, 2155, 2192, 2194, 2211, 2251, 2253, 2411, 2412, 2432, 2434, 2435, 2462 to 2464, 2481, and 2486 of this title, section 5315 of Title 5, Government Organization and Employees, section 301 of Title 13, Census, sections 993, 5001 to 5008, 5043, 5061, 5064, 5066, 5116, 5171 to 5173, 5175 to 5178, 5180, 5181, 5201 to 5205, 5207, 5211 to 5215, 5221 to 5223, 5231, 5232, 5235, 5241, 5273, 5291, 5301, 5352, 5361 to 5363, 5365, 5381, 5391, 5551, 5601, 5604, 5610, 5612, 5615, 5663, 5681, 5682, and 5691 of Title 26, Internal Revenue Code, and sections 1541, 1582, 2632, and 2633, and 2637 of Title 28, Judiciary and Judicial Procedure, repealed sections 160 to 171 and 1402 of this title and sections 5009, 5021 to 5026, 5081 to 5084, 5174, 5233, 5234, 5251, 5252, 5364, and 5521 to 5523 of Title 26, enacted provisions set out as notes under sections 160, 1202, 1303, 1311, 1401a, 1516a, 1671, 2111, 2112, 2119, 2135, 2464, 2511, 2531, and 2581 of this title, section 301 of Title 13, and sections 1, 5001, 5061, 5171, and 5173 of Title 26, and amended provisions set out as notes in the Tariff Schedules and under section 2101 of this title. For complete classification of this Act to the Code, see Tables.

§ 2502. Congressional statement of purposes

The purposes of this Act are—

(1) to approve and implement the trade agreements negotiated under the Trade Act of 1974 [19 U.S.C. 2101 et seq.];

(2) to foster the growth and maintenance of an open world trading system;

(3) to expand opportunities for the commerce of the United States in international trade; and

(4) to improve the rules of international trade and to provide for the enforcement of such rules, and for other purposes.

(Pub. L. 96–39, § 1(c), July 26, 1979, 93 Stat. 146.)

REFERENCES IN TEXT

This Act, referred to in provision preceding par. (1), is Pub. L. 96–39, July 26, 1979, 93 Stat. 144, known as the Trade Agreements Act of 1979. For complete classification of this Act to the Code, see References in Text note set out under section 2501 of this title and Tables.

The Trade Act of 1974, referred to in par. (1), is Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended, which is classified principally to chapter 12 (§ 2101 et seq.) of this title. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

§ 2503. Approval of trade agreements

(a) Approval of agreements and statements of administrative action

In accordance with the provisions of sections 2112 and 2191 of this title, the Congress approves the trade agreements described in subsection (c) of this section submitted to the Congress on June 19, 1979, and the statements of administrative action proposed to implement such trade agreements submitted to the Congress on that date.

(b) Acceptance of agreements by the President

(1) In general

The President may accept for the United States the final legal instruments or texts embodying each of the trade agreements approved by the Congress under subsection (a) of this section. The President shall submit a copy of each final instrument or text to the Congress on the date such text or instrument is available, together with a notification of any changes in the instruments or texts, including their annexes, if any, as accepted and the texts of such agreements as submitted to the Congress under subsection (a) of this section. Such final legal instruments or texts shall be deemed to be the agreements submitted to and approved by the Congress under subsection (a) of this section if such changes are—

(A) only rectifications of a formal character or minor technical or clerical changes which do not affect the substance or meaning of the texts as submitted to the Congress on June 19, 1979, or

(B) changes in annexes to such agreements, and the President determines that the balance of United States rights and obligations under such agreements is maintained.

(2) Application of agreement between the United States and other countries

No agreement accepted by the President under paragraph (1) shall apply between the United States and any other country unless the President determines that such country—

(A) has accepted the obligations of the agreement with respect to the United States, and

(B) should not otherwise be denied the benefits of the agreement with respect to the United States because such country has not accorded adequate benefits, including substantially equal competitive opportunities for the commerce of the United States to the extent required under section 2136(c) of this title, to the United States.

(3) Limitation on acceptance concerning major industrial countries

The President may not accept an agreement described in paragraph (1), (2), (3), (4), (5), (6),

(7), (9), (10), or (11) of subsection (c) of this section, unless he determines that each major industrial country (as defined in section 2136(d) of this title) is also accepting the agreement. Notwithstanding the preceding sentence, the President may accept such an agreement, if he determines that only one major industrial country is not accepting that agreement and the acceptance of that agreement by that country is not essential to the effective operation of the agreement, and if—

(A) that country is not a major factor in trade in the products covered by that agreement,

(B) the President has authority to deny the benefits of the agreement to that country and has taken steps to deny the benefits of the agreement to that country, or

(C) a significant portion of United States trade would benefit from the agreement, notwithstanding such nonacceptance, and the President determines and reports to the Congress that it is in the national interest of the United States to accept the agreement.

For purposes of this paragraph, the acceptance of an agreement by the European Communities on behalf of its member countries shall also be treated as acceptance of that agreement by each member country, and acceptance of an agreement by all the member countries of the European Communities shall also be treated as acceptance of that agreement by the European Communities.

(c) Trade agreements to which this Act applies

The trade agreements to which subsection (a) of this section applies are the following:

(1) The Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade (relating to customs valuation).

(2) The Agreement on Government Procurement.

(3) The Agreement on Import Licensing Procedures.

(4) The Agreement on Technical Barriers to Trade (relating to product standards).

(5) The Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade (relating to subsidies and countervailing measures).

(6) The Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade (relating to antidumping measures).

(7) The International Dairy Arrangement.

(8) Certain bilateral agreements on cheese, other dairy products, and meat.

(9) The Arrangement Regarding Bovine Meat.

(10) The Agreement on Trade in Civil Aircraft.

(11) Texts Concerning a Framework for the Conduct of World Trade.

(12) Certain Bilateral Agreements to Eliminate the Wine-Gallon Method of Tax and Duty Assessment.

(13) Certain other agreements to be reflected in Schedule XX of the United States to the General Agreement on Tariffs and Trade, including Agreements—

(A) to Modify United States Watch Marking Requirements, and to Modify United States Tariff Nomenclature and Rates of Duty for Watches,

(B) to Provide Duty-Free Treatment for Agricultural and Horticultural Machinery, Equipment, Implements, and Parts Thereof, and

(C) to Modify United States Tariff Nomenclature and Rates of Duty for Ceramic Tableware.

(14) The Agreement with the Hungarian People's Republic.

(Pub. L. 96–39, § 2, July 26, 1979, 93 Stat. 147.)

REFERENCES IN TEXT

This Act, referred to in subsec. (c), is Pub. L. 96–39, July 26, 1979, 93 Stat. 144, known as the Trade Agreements Act of 1979. For complete classification of this Act to the Code, see References in Text note set out under section 2501 of this title and Tables.

DELEGATION OF FUNCTIONS

Functions of the President under subsec. (b) of this section delegated to the United States Trade Representative, see section 1–103(b) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 990, set out as a note under section 2171 of this title.

APPROVAL AND IMPLEMENTATION OF PROTOCOL TO THE TRADE AGREEMENT RELATING TO CUSTOMS VALUATION

Pub. L. 96–490, § 1, Dec. 2, 1980, 94 Stat. 2556, provided that:

''(a) APPROVAL OF PROTOCOL.—In accordance with the provisions of sections 102 and 151 of the Trade Act of 1974 (19 U.S.C. 2112 and 2191), the Congress approves—

''(1) the trade agreement entitled 'Protocol to the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade' (hereinafter in this Act [amending section 1401a of this title and enacting provision set out as a note under section 1401a of this title] referred to as the 'Protocol') submitted to the Congress on August 1, 1980; and

''(2) the statement of administrative action proposed to implement such trade agreement submitted to the Congress on that date.

''(b) ACCEPTANCE OF PROTOCOL BY THE PRESIDENT.—

''(1) IN GENERAL.—Subject to paragraph (2), the President may accept the Protocol for the United States.

''(2) LIMITATION ON ACCEPTANCE OF PROTOCOL.—Paragraph (3) of section 2(b) of the Trade Agreements Act of 1979 (19 U.S.C. 2503(b)(3)) (relating to the limitation on acceptance of trade agreements concerning major industrial countries) applies to the Protocol and for such purpose the Protocol shall be treated as a trade agreement that is referred to in such paragraph (3).

''(c) APPLICATION OF PROTOCOL.—Paragraph (2) of section 2(b) of such Act of 1979 (19 U.S.C. 2503(b)(2)) (relating to the application of agreements between the United States and other countries) applies to the Protocol and for such purpose the Protocol shall be treated as a trade agreement that is accepted by the President under paragraph (1) of such section 2(b).

''(d) RELATIONSHIP OF PROTOCOL TO UNITED STATES LAW.—Subsections (a), (b), (c), and (f) of section 3 of such Act of 1979 (19 U.S.C. 2504(a), (b), (c), and (f) [19 U.S.C. 2504(a), (b), (c), and (d)]) (relating to the priority of domestic law in case of conflict, implementing regulations, statutory changes to implement agreement amendments, and disclaimer regarding the creation of any private right of action or remedy) apply to the Protocol and for such purpose the Protocol shall be treated as a trade agreement approved by the Congress under section 2(a) of such Act of 1979, 19 U.S.C. 2503(a).''

[The Protocol was accepted for the United States on Dec. 30, 1980.]

DETERMINATION REGARDING ACCEPTANCE AND APPLICATION OF CERTAIN INTERNATIONAL TRADE AGREEMENTS

1. Pursuant to section 102 of the Trade Act of 1974 (19 U.S.C. 2112(b)), I, through my duly empowered representative, on April 12, 1979, entered into the international agreements negotiated in the Tokyo Round of Multilateral Trade Negotiations. These agreements were:

(i) Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade;

(ii) Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade;

(iii) Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade;

(iv) Agreement on Government Procurement;

(v) Agreement on Technical Barriers to Trade;

(vi) Agreement on Import Licensing Procedures;

(vii) Agreement on Trade in Civil Aircraft;

(viii) International Dairy Arrangement; and

(ix) Arrangement Regarding Bovine Meat.

These agreements are collectively referred to herein as the ''MTN agreements''.

2. In accordance with sections 102 and 151 of the Trade Act of 1974 (19 U.S.C. 2112 and 2191), the MTN agreements were submitted to Congress for its approval. Section 2 of the Trade Agreements Act of 1979 (93 Stat. 147) [this section] approves the MTN agreements and authorizes the President to accept each of the MTN agreements provided that the President determines that all, or all but one, of the major industrial countries (as defined in section 126(d) of the Trade Act of 1974 (19 U.S.C. 2136(d)) is also accepting the agreement. If the President determines that only one major industrial country is not accepting an agreement, the President may nevertheless accept such an agreement if he determines that the acceptance of that agreement by that country is not essential to the effective operation of the agreement, and if:

(A) that country is not a major factor in trade in the products covered by that agreement;

(B) the President has authority to deny the benefits of the agreement to that country and has taken steps to deny the benefits of the agreement to that country; or

(C) a significant portion of United States trade would benefit from the agreement, notwithstanding such nonacceptance, and the President determines and reports to the Congress that it is in the national interest of the United States to accept the agreement.

3. Section 2 of the Trade Agreements Act of 1979 [this section] also provides that no agreement accepted by the President shall apply between the United States and any other country unless the President determines that such country:

(A) has accepted the obligations of the agreement with respect to the United States, and

(B) should not otherwise be denied the benefits of the agreement with respect to the United States because such country has not accorded adequate benefits, including substantially equal competitive opportunities for the commerce of the United States to the extent required under section 126(c) of the Trade Act of 1974 (19 U.S.C. 2136(c)), to the United States.

4. Section 701 of the Tariff Act of 1930, as amended effective January 1, 1980 (93 Stat. 151) [19 U.S.C. 1671], provides that the President must determine that certain conditions must be met before a country can be considered a ''country under the Agreement'' and, therefore, entitled to the injury determination provided for in section 703(a) and 705(b) of the Tariff Act of 1930 (93 Stat. 152 and 159) [19 U.S.C. 1671b(a) and 1671d(b)].

5. Section 601(a) of the Trade Agreements Act of 1979 (93 Stat. 267) authorizes the President to proclaim certain modifications in the Tariff Schedules of the United States if the President determines that the conditions under section 2(b) of the Trade Agreements Act of 1979 (93 Stat. 147) [subsec. (b) of this section] on acceptance of the Agreement on Trade in Civil Aircraft have been fulfilled.

NOW, THEREFORE, I, JIMMY CARTER, President of the United States of America, acting under and by virtue of the authority vested in me as President, and in conformity with the provisions of sections 2 [this section] and 601(a) of the Trade Agreements Act of 1979 (93 Stat. 147 and 267), herein referred to as ''the Act'', section 701 of the Tariff Act of 1930, as amended effective January 1, 1980 (93 Stat. 151) [19 U.S.C. 1671], and section 301 of title 3 of the United States Code do hereby

1. Determine that:

a. With respect to the Agreement on Interpretation and Application of Articles VI, XVI and XXIII of the General Agreement on Tariffs and Trade, the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade, the Agreement on Technical Barriers to Trade, the Agreement on Import Licensing Procedures, and the Agreement on Trade in Civil Aircraft,

(i) in accordance with section 2(b)(1) and (3) of the Act (93 Stat. 147) [subsec. (b)(1) and (3) of this section], each major industrial country (as defined in section 126(d) of the Trade Act of 1974 (19 U.S.C. 2136(d)) is also accepting the agreement with the exception of Japan;

(ii) in accordance with section 2(b)(3) of the Act (93 Stat. 147) [subsec. (b)(3) of this section], the acceptance of these agreements by Japan is not essential to the effective operation of the agreements for that period of time during which Japan is completing its Constitutional procedures to accept the agreements and in light of the stated intention of the Government of Japan to act in the interim in line with the agreements within its existing powers; and

(iii) in accordance with section 2(b)(3)(C) of the Act (93 Stat. 148) [subsec. (b)(3)(C) of this section], a significant portion of United States trade will benefit from these agreements, notwithstanding the anticipated short delay in acceptance by Japan, and it is in the national interest of the United States to accept these agreements.

b. The conditions in section 701(b)(3)(A), (B) and (C) of the Tariff Act of 1930, as amended effective January 1, 1980 (93 Stat. 151) [19 U.S.C. 1671(b)(3)(A), (B) and (C)] will have been met with respect to Venezuela, Honduras, Nepal, North Yemen, El Salvador, Paraguay and Liberia.

c. With respect to the International Dairy Arrangement,

(i) in accordance with section 2(b)(1) and (3) of the Act (93 Stat. 147) [subsec. (b)(1) and (3) of this section], each major industrial country (as defined in section 126(d)) [19 U.S.C. 2136(d)] is also accepting the agreement with the exception of Canada;

(ii) in accordance with section 2(b)(3) of the Act (93 Stat. 147) [subsec. (b)(3) of this section], the acceptance of this agreement by Canada is not essential to the effective operation of the agreement; and

(iii) in accordance with section 2(b)(3)(A) of the Act [subsec. (b)(3)(A) of this section], Canada is not a major factor in trade in the products covered by the agreement.

d. With respect to the Arrangement Regarding Bovine Meat, in accordance with section 2(b)(1) and (3) of the Act (93 Stat. 147) [subsec. (b)(1) and (3) of this section], each major industrial country (as defined in section 126(d) of the Trade Act of 1974 (19 U.S.C. 2136(d) is also accepting the agreement.

e. In accordance with section 601(a) of the Trade Agreements Act of 1979 (93 Stat. 267),

(i) the conditions under section 2(b) of that Act (93 Stat. 147) [subsec. (b) of this section] on acceptance of the Agreement on Trade in Civil Aircraft have been fulfilled;

(ii) the modifications provided for in section A of Annex II to Proclamation No. 4707 of December 11,

1979 [see note set out under section 2111 of this title], which were authorized by section 601(a) of the Trade Agreements Act of 1979 (93 Stat. 267), shall be effective with respect to articles entered, or withdrawn from warehouse, for consumption on and after January 1, 1980; and

(iii) the amendment to section 466 of the Tariff Act of 1930 (19 U.S.C. 1466) provided for in section 601(a)(3) of the Trade Agreements Act of 1979 (93 Stat. 268) shall be effective with respect to entries made under section 466 on and after January 1, 1980.

2. Authorize the United States Special Representative for Trade Negotiations [now United States Trade Representative], or his designee, on behalf of the United States of America,

(a) to sign and accept the Agreement on Interpretation and Application of Articles VI, XVI, and XXIII of the General Agreement on Tariffs and Trade, the Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade, the Agreement on Technical Barriers to Trade, the Agreement on Import Licensing Procedures, the Agreement on Trade in Civil Aircraft, the International Dairy Arrangement and the Arrangement Regarding Bovine Meat;

(b) to sign the Agreement on Government Procurement subject to satisfactory completion of negotiations on entity coverage under the Agreement; and

(c) to sign the Agreement on Implementation of Article VII of the General Agreement on Tariffs and Trade subject to acceptance.

3. [Revoked by Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 989.]

JIMMY CARTER.

CHANGE OF NAME

United States Special Representative for Trade Negotiations redesignated the United States Trade Representative by Reorg. Plan No. 3 of 1979, § 1(b)(1), 44 F.R. 69273, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title. See, also, section 2171 of this title as amended by Pub. L. 97–456.

DETERMINATION REGARDING MULTILATERAL TRADE NEGOTIATIONS

Memorandum of the President of the United States, dated Dec. 14, 1979, provided:

I have signed the enclosed document concerning certain international trade agreements pursuant to the authority vested in me under the Constitution and laws of the United States, including the Trade Agreements Act of 1979 (Public Law 96–39, 93 Stat. 144) and section 301 of title 3 of the United States Code.

On my behalf, please transmit copies of this document to the Speaker of the House of Representatives and the President of the Senate.

This document shall be published in the Federal Register.

JIMMY CARTER.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2504, 2513, 3555 of this title.

§ 2504. Relationship of trade agreements to United States law

(a) United States statutes to prevail in conflict

No provision of any trade agreement approved by the Congress under section 2503(a) of this title, nor the application of any such provision to any person or circumstance, which is in conflict with any statute of the United States shall be given effect under the laws of the United States.

(b) Implementing regulations

Regulations necessary or appropriate to carry out actions proposed in any statement of proposed administrative action submitted to the Congress under section 2112 of this title to implement each agreement approved under section 2503(a) of this title shall be issued within 1 year after the date of the entry into force of such agreement with respect to the United States.

(c) Changes in statutes to implement a requirement, amendment, or recommendation

(1) Presidential determination

Whenever the President determines that it is necessary or appropriate to amend, repeal, or enact a statute of the United States in order to implement any requirement of, amendment to, or recommendation under such an agreement, he shall submit to the Congress a draft of a bill to accomplish the amendment, repeal, or enactment and a statement of any administrative action proposed to implement the requirement, amendment, or recommendation. Not less than 30 days before submitting such a bill, the President shall consult with the Committee on Ways and Means of the House of Representatives, the Committee on Finance of the Senate, and each committee of the House or Senate which has jurisdiction over legislation involving subject matters which would be affected by such amendment, repeal, or enactment. The consultation shall treat all matters relating to the implementation of such requirement, amendment, or recommendation, as provided in paragraphs (2) and (3).

(2) Conditions for taking effect under United States law

No such amendment shall enter into force with respect to the United States, and no such requirement, amendment, or recommendation shall be implemented under United States law, unless—

(A) the President, after consultation with the Congress under paragraph (1), notifies the House of Representatives and the Senate of his determination and publishes notice of that determination in the Federal Register,

(B) the President transmits a document to the House of Representatives and to the Senate containing a copy of the text of such requirement, amendment, or recommendation, together with—

(i) a draft of a bill to amend or repeal provisions of existing statutes or to create statutory authority and an explanation as to how the bill and any proposed administrative action affect existing law, and

(ii) a statement of how the requirement, amendment, or recommendation serves the interests of United States commerce and why the legislative and administrative action is necessary or appropriate to carry out the requirement, amendment, or recommendation, and

(C) the bill submitted by the President is enacted into law.

(3) Recommendations as to application

The President may make the same type of recommendations, in the same manner and subject to the same conditions, to the Congress with respect to the application of any

such requirement, amendment, or recommendation as he may make, under section 2112(f) of this title, with respect to a trade agreement.

(4) Congressional procedures applicable

The bill submitted by the President shall be introduced in accordance with the provisions of subsection (c)(1) of section 2191 of this title, and the provisions of subsections (d), (e), (f), and (g) of such section shall apply to the consideration of the bill. For the purpose of applying section 2191 of this title to such bill—

(A) the term ''trade agreement'' shall be treated as a reference to the requirement, amendment, or recommendation, and

(B) the term ''implementing bill'' or ''implementing revenue bill'', whichever is appropriate, shall be treated as a reference to the bill submitted by the President.

(d) Unspecified private remedies not created

Neither the entry into force with respect to the United States of any agreement approved under section 2503(a) of this title, nor the enactment of this Act, shall be construed as creating any private right of action or remedy for which provision is not explicitly made under this Act or under the laws of the United States.

(Pub. L. 96–39, § 3(a)–(c), (f), July 26, 1979, 93 Stat. 148–150.)

REFERENCES IN TEXT

This Act, referred to in subsec. (d), is Pub. L. 96–39, July 26, 1979, 93 Stat. 144, known as the Trade Agreements Act of 1979. For complete classification of this Act to the Code, see References in Text note set out under section 2501 of this title and Tables.

CODIFICATION

As originally enacted section 3 of Pub. L. 96–39 consisted of subsecs. (a) to (c), (e) and (f), without a provision designated as (d). Subsec. (e) amended section 2111(b)(1) of this title and subsec. (f) has been redesignated as (d) for the purposes of codification of this section.

UNITED STATES-CANADA FREE-TRADE AGREEMENT

Subsec. (c) of this section applicable as if United States-Canada Free-Trade Agreement, which entered into force on Jan. 1, 1989, were an agreement approved under section 2503(a) of this title, see section 102(e) of Pub. L. 100–449, set out in a note under section 2112 of this title.

SUBCHAPTER I—GOVERNMENT PROCUREMENT

§ 2511. General authority to modify discriminatory purchasing requirements

(a) Presidential waiver of discriminatory purchasing requirements

Subject to subsection (f) of this section, the President may waive, in whole or in part, with respect to eligible products of any foreign country or instrumentality designated under subsection (b) of this section, and suppliers of such products, the application of any law, regulation, procedure, or practice regarding Government procurement that would, if applied to such products and suppliers, result in treatment less favorable than that accorded—

(1) to United States products and suppliers of such products; or

(2) to eligible products of another foreign country or instrumentality which is a party to the Agreement and suppliers of such products.

(b) Designation of eligible countries and instrumentalities

The President may designate a foreign country or instrumentality for purposes of subsection (a) of this section only if he determines that such country or instrumentality—

(1) is a country or instrumentality which (A) has become a party to the Agreement or the North American Free Trade Agreement, and (B) will provide appropriate reciprocal competitive government procurement opportunities to United States products and suppliers of such products;

(2) is a country or instrumentality, other than a major industrial country, which (A) will otherwise assume the obligations of the Agreement, and (B) will provide such opportunities to such products and suppliers;

(3) is a country or instrumentality, other than a major industrial country, which will provide such opportunities to such products and suppliers; or

(4) is a least developed country.

(c) Modification or withdrawal of waivers and designations

The President may modify or withdraw any waiver granted pursuant to subsection (a) of this section or designation made pursuant to subsection (b) of this section.

(d) Limitations on waiver authority not effective unless provision amended

The authority of the President under subsection (a) of this section to waive any laws, regulation, procedure, or practice shall be effective notwithstanding any other provision of law hereafter enacted (excluding the provisions of and amendments made by the Buy American Act of 1988) unless such other provision specifically refers to and amends this section.

(e) Procurement procedures by certain Federal agencies

Notwithstanding any other provision of law, the President may direct any agency of the United States listed in Annex 1001.1a–2 of the North American Free Trade Agreement to procure eligible products in compliance with the procedural provisions of chapter 10 of such Agreement.

(f) Small business and minority preferences

The authority of the President under subsection (a) of this section to waive any law, regulation, procedure, or practice regarding Government procurement does not authorize the waiver of any small business or minority preference.

(Pub. L. 96–39, title III, § 301, July 26, 1979, 93 Stat. 236; Pub. L. 100–418, title VII, § 7005(e), Aug. 23, 1988, 102 Stat. 1553; Pub. L. 103–182, title III, § 381(a), Dec. 8, 1993, 107 Stat. 2128.)

AMENDMENT OF SECTION

For termination of amendment by section 7004 of Pub. L. 100–418, see Termination Date of 1988 Amendment note below.

REFERENCES IN TEXT

The Buy American Act of 1988, referred to in subsec. (d), is title VII of Pub. L. 100–418, Aug. 23, 1988, 102 Stat. 1545, which enacted section 10b–1 of Title 41, Public Contracts, amended sections 2511 and 2515 of this title and sections 10a, 10b, 10c, and 10d of Title 41, enacted provisions set out as notes under section 10a of Title 41, and amended provisions set out as notes under section 10c of Title 41. For complete classification of this Act to the Code, see Short Title of 1988 Amendment note set out under section 10a of Title 41 and Tables.

AMENDMENTS

1993—Subsec. (a). Pub. L. 103–182, § 381(a)(1), substituted ''Subject to subsection (f) of this section, the President'' for ''The President''.

Subsec. (b)(1). Pub. L. 103–182, § 381(a)(2), inserted ''or the North American Free Trade Agreement'' after ''the Agreement''.

Subsecs. (e), (f). Pub. L. 103–182, § 381(a)(3), added subsecs. (e) and (f).

1988—Subsec. (d). Pub. L. 100–418, §§ 7004, 7005(e), temporarily added subsec. (d). See Termination Date of 1988 Amendment note below.

EFFECTIVE DATE OF 1993 AMENDMENT

Section 381(e) of title III of Pub. L. 103–182 provided that: ''The provisions of this subtitle [subtitle G (§ 381) of title III of Pub. L. 103–182, amending this section, sections 2512 and 2518 of this title, and provisions set out as a note under section 903 of Title 7, Agriculture] take effect on the date the Agreement [North American Free Trade Agreement] enters into force with respect to the United States [Jan. 1, 1994].''

TERMINATION DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 to cease to be effective on Apr. 30, 1996, unless Congress, after reviewing report required by section 2515(k) of this title, extends such date, see section 7004 of Pub. L. 100–418, set out as an Effective and Termination Dates of 1988 Amendments note under section 10a of Title 41, Public Contracts.

EFFECTIVE DATE

Section 309 of title III of Pub. L. 96–39 provided that: ''The provisions of this title [this subchapter] shall be effective on the date of enactment of this Act [July 26, 1979], except that—

''(1) the authority of the President to grant waivers under section 303 [section 2513 of this title] shall be effective on January 1, 1980; and

''(2) the authority of the President to grant waivers under section 301 [this section] shall be effective on January 1, 1981.''

DELEGATION OF FUNCTIONS

Functions of President under this section delegated to United States Trade Representative, see section 1–201 of Ex. Ord. No. 12260, set out as a note below.

EX. ORD. NO. 12260. AGREEMENT ON GOVERNMENT PROCUREMENT

Ex. Ord. No. 12260, Dec. 31, 1980, 46 F.R. 1653, as amended by Ex. Ord. No. 12347, Feb. 23, 1982, 47 F.R. 8149; Ex. Ord. No. 12388, Oct. 14, 1982, 47 F.R. 46245; Ex. Ord. No. 12474, Apr. 17, 1984, 49 F.R. 15539, provided:

By the authority vested in me as President by the Constitution and statutes of the United States of America, including Title III of the Trade Agreements Act of 1979 (19 U.S.C. 2511–2518), and Section 301 of Title 3 of the United States Code, and in order to implement the Agreement on Government Procurement, as defined in 19 U.S.C. 2518(1), it is hereby ordered as follows:

1–1. RESPONSIBILITIES

1–101. The obligations of the Agreement on Government Procurement (Agreement on Government Procurement, General Agreement on Tariffs and Trade, 12 April 1979, Geneva (GATT 1979)) apply to any procurement of eligible products by the Executive agencies listed in the Annex to this Order (eligible products are defined in Section 308 of the Trade Agreements Act of 1979; 19 U.S.C. 2518(4)). Such procurement shall be in accord with the policies and procedures of the Office of Federal Procurement Policy (41 U.S.C. 401 et seq.).

1–102. The United States Trade Representative, hereinafter referred to as the Trade Representative, shall be responsible for interpretation of the Agreement. The Trade Representative shall seek the advice of the interagency organization established under Section 242(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1872(a)) and consult with affected Executive agencies, including the Office of Federal Procurement Policy.

1–103. The interpretation of Article VIII:1 of the Agreement shall be subject to the concurrence of the Secretary of Defense

1–104. The Trade Representative shall determine, from time to time, the dollar equivalent of 150,000 Special Drawing Right units and shall publish that determination in the Federal Register. Procurement of less than 150,000 Special Drawing Right units is not subject to the Agreement or this Order (Article I:1(b) of the Agreement).

1–105. In order to ensure coordination of international trade policy with regard to the implementation of the Agreement, agencies shall consult in advance with the Trade Representative about negotiations with foreign governments or instrumentalities which concern government procurement.

1–2. DELEGATIONS AND AUTHORIZATION

1–201. The functions vested in the President by Sections 301, 302, 304, 305(c) and 306 of the Trade Agreements Act of 1979 (19 U.S.C. 2511, 2512, 2514, 2515(c) and 2516) are delegated to the Trade Representative.

1–202. Notwithstanding the delegation in Section 1–201, the Secretary of Defense is authorized, in accord with Section 302(b)(3) of the Trade Agreements Act of 1979 (19 U.S.C. 2512(b)(3)), to waive the prohibitions specified therein.

ANNEX

1. ACTION
2. Administrative Conference of the United States
3. American Battle Monuments Commission
4. Board for International Broadcasting
5. Civil Aeronautics Board
6. Commission on Civil Rights
7. Commodity Futures Trading Commission
8. Consumer Product Safety Commission
9. Department of Agriculture (The Agreement on Government Procurement does not apply to procurement of agricultural products made in furtherance of agricultural support programs or human feeding programs)
10. Department of Commerce
11. Department of Defense (Excludes Corps of Engineers)
12. Department of Education
13. Department of Health and Human Services
14. Department of Housing and Urban Development
15. Department of the Interior (Excludes the Bureau of Reclamation)
16. Department of Justice
17. Department of Labor
18. Department of State
19. Department of the Treasury
20. Environmental Protection Agency
21. Equal Employment Opportunity Commission
22. Executive Office of the President
23. Export-Import Bank of the United States
24. Farm Credit Administration
25. Federal Communications Commission
26. Federal Deposit Insurance Corporation
27. Federal Home Loan Bank Board
28. Federal Maritime Commission
29. Federal Mediation and Conciliation Service

30. Federal Trade Commission
31. General Services Administration (Purchases by the Tools Commodity Center, and the Region 9 Office in San Francisco, California are not included)
32. Interstate Commerce Commission
33. Merit Systems Protection Board
34. National Aeronautics and Space Administration
35. National Credit Union Administration
36. National Labor Relations Board
37. National Mediation Board
38. National Science Foundation
39. National Transportation Safety Board
40. Nuclear Regulatory Commission
41. Office of Personnel Management
42. Overseas Private Investment Corporation
43. Panama Canal Commission
44. Railroad Retirement Board
45. Securities and Exchange Commission
46. Selective Service System
47. Smithsonian Institution
48. United States Arms Control and Disarmament Agency
49. United States Information Agency
50. United States International Development Cooperation Agency
51. United States International Trade Commission
52. Veterans Administration
53. Maritime Administration of the Department of Transportation
54. The Peace Corps

EX. ORD. NO. 12849. IMPLEMENTATION OF AGREEMENT WITH EUROPEAN COMMUNITY ON GOVERNMENT PROCUREMENT

Ex. Ord. No. 12849, May 25, 1993, 58 F.R. 30931, provided:

WHEREAS, the United States and the European Community (EC) have entered into a Memorandum of Understanding on Government Procurement (Agreement) that provides appropriate reciprocal competitive government procurement opportunities;

WHEREAS, the commitments made in the Agreement are intended to become part of an expanded General Agreement on Tariffs and Trade Agreement on Government Procurement (GATT Code) and are an important step toward an expanded GATT Code;

WHEREAS, as a result of these commitments, U.S. businesses will obtain increased access to EC member state procurement for U.S. goods and services;

WHEREAS, I have determined that it is inconsistent with the public interest to apply the restrictions of the Buy American Act, as amended (41 U.S.C. 10a–10d) [41 U.S.C. 10a, 10b, 10b–1, 10c], to procurement covered by the Agreement;

NOW, THEREFORE, by virtue of the authority vested in me as President by the Constitution and the laws of the United States of America, including section 301 of title 3, United States Code, and title III of the Trade Agreements Act of 1979, as amended (19 U.S.C. 2511–2518), and in order to implement the Agreement, it is hereby ordered as follows:

SECTION 1. In applying the provisions of the Buy American Act, the heads of the agencies listed in Annex 1, Parts A and B, of this order are requested, as of the date of this order, to apply no price differential between articles, materials, or supplies of U.S. origin and those originating in the member states of the EC.

SEC. 2. For purposes of this order, the rule of origin specified in section 308 of the Trade Agreements Act of 1979, as amended (19 U.S.C. 2518), shall apply in determining whether goods originate in the member states of the EC.

SEC. 3. This order shall apply only to solicitations, issued by agencies listed in Annex 1, Parts A and B, of this order, above the threshold amounts set forth in Annex 2.

SEC. 4. This order shall apply to solicitations outstanding on the date of this order, except for those for which the initial deadline for receipt of bids or proposals has passed, and to all solicitations issued after the date of this order.

SEC. 5. Except for procurements by the Department of Defense, the United States Trade Representative (USTR) shall be responsible for interpretation of the Agreement. The USTR shall seek the advice of the interagency organization established under section 242(a) of the Trade Expansion Act of 1962 (19 U.S.C. 1872(a)) and consult with affected agencies, including the Office of Federal Procurement Policy.

SEC. 6. This Executive order is effective immediately. Although regulatory implementation of this order must await revisions to the Federal Acquisition Regulation (FAR), it is expected that agencies listed in Annex 1, Parts A and B, of this order will take all appropriate actions in the interim to implement those aspects of the order that are not dependent upon regulatory revision.

SEC. 7. Pursuant to section 25 of the Office of Federal Procurement Policy Act, as amended (41 U.S.C. 421(a)), the Federal Acquisition Regulatory Council shall ensure that the policies established herein are incorporated in the FAR within 30 days from the date this order is issued.

WILLIAM J. CLINTON.

ANNEX 1A

Department of Agriculture
Department of Commerce
Department of Defense
Department of Education
Department of Energy (Not including national security procurement made in support of safeguarding nuclear materials or technology and entered into under the authority of the Atomic Energy Act [42 U.S.C. 2011 et seq.]; and oil purchases related to the Strategic Petroleum Reserve)
Department of Health and Human Services
Department of Housing and Urban Development
Department of the Interior
Department of Justice
Department of Labor
Department of State
Department of Transportation (The national security consideration currently applicable to the Department of Defense under the GATT Government Procurement Code is equally applicable under this Agreement to the Coast Guard)
Department of the Treasury
United States Agency for International Development
General Services Administration (other than Federal Supply Groups 51 and 52 and Federal Supply Class 7340)
National Aeronautics and Space Administration
Department of Veterans Affairs
Environmental Protection Agency
United States Information Agency
National Science Foundation
Panama Canal Commission
Executive Office of the President
Farm Credit Administration
National Credit Union Administration
Merit Systems Protection Board
ACTION Agency
United States Arms Control and Disarmament Agency
Office of Thrift Supervision
Federal Housing Finance Board
National Labor Relations Board
National Mediation Board
Railroad Retirement Board
American Battle Monuments Commission
Federal Communications Commission
Federal Trade Commission
Interstate Commerce Commission
Securities and Exchange Commission
Office of Personnel Management
United States International Trade Commission
Export-Import Bank of the United States
Federal Mediation and Conciliation Service
Selective Service System
Smithsonian Institution

Federal Deposit Insurance Corporation
Consumer Product Safety Commission
Equal Employment Opportunity Commission
Federal Maritime Commission
National Transportation Safety Board
Nuclear Regulatory Commission
Overseas Private Investment Corporation
Administrative Conference of the United States
Board for International Broadcasting
Commission on Civil Rights
Commodity Futures Trading Commission
The Peace Corps
National Archives and Records Administration

ANNEX 1B

The Power Marketing Administrations of the Department of Energy
Tennessee Valley Authority

ANNEX 2

Thresholds Applicable to Agencies listed in Annex 1A
Goods contracts—130,000 SDRs (currently $176,000)
Construction contracts—$6,500,000

Thresholds Applicable to Agencies listed in Annex 1B
Goods contracts—$450,000
Construction contracts—$6,500,000

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2512, 2514, 2515 of this title.

§ 2512. Authority to encourage reciprocal competitive procurement practices

(a) Authority to bar procurement from non-designated countries

(1) In general

Subject to paragraph (2), the President, in order to encourage additional countries to become parties to the Agreement and to provide appropriate reciprocal competitive government procurement opportunities to United States products and suppliers of such products—

(A) shall, with respect to procurement covered by the Agreement, prohibit the procurement, after the date on which any waiver under section 2511(a) of this title first takes effect, of products—

(i) which are products of a foreign country or instrumentality which is not designated pursuant to section 2511(b) of this title, and

(ii) which would otherwise be eligible products; and

(B) may, with respect to procurement covered by the Agreement, take such other actions within the President's authority as the President deems necessary.

(2) Exception

Paragraph (1) shall not apply in the case of procurements for which—

(A) there are no offers of products or services of the United States or of eligible products; or

(B) the offers of products or services of the United States or of eligible products are insufficient to fulfill the requirements of the United States Government.

(b) Deferrals and waivers

Notwithstanding subsection (a) of this section, but in furtherance of the objective of encouraging countries to become parties to the Agreement and provide appropriate reciprocal competitive government procurement opportunities to United States products and suppliers of such products, the President may—

(1) waive the prohibition required by subsection (a)(1) of this section on procurement of products of a foreign country or instrumentality which has not yet become a party to the Agreement but—

(A) has agreed to apply transparent and competitive procedures to its government procurement equivalent to those in the Agreement, and

(B) maintains and enforces effective prohibitions on bribery and other corrupt practices in connection with its government procurement;

(2) authorize agency heads to waive, subject to interagency review and general policy guidance by the organization established under section 1872(a) of this title, such prohibition on a case-by-case basis when in the national interest; and

(3) authorize the Secretary of Defense to waive, subject to interagency review and policy guidance by the organization established under section 1872(a) of this title, such prohibition for products of any country or instrumentality which enters into a reciprocal procurement agreement with the Department of Defense.

Before exercising the waiver authority under paragraph (1), the President shall consult with the appropriate private sector advisory committees established under section 2155 of this title and with the appropriate committees of the Congress.

(c) Report on impact of restrictions

(1) Impact on the economy

On or before July 1, 1981, the President shall report to the Committee on Ways and Means and the Committee on Government Operations of the House of Representatives and to the Committee on Finance and the Committee on Governmental Affairs of the Senate on the effects on the United States economy (including effects on employment, production, competition, costs and prices, technological development, export trade, balance of payments, inflation, and the Federal budget) of the refusal of developed countries to allow the Agreement to cover the entities of the governments of such countries which are the principal purchasers of goods and equipment in appropriate product sectors.

(2) Recommendations for attaining reciprocity

The report required by paragraph (1) shall include an evaluation of alternative means to obtain equity and reciprocity in such product sectors, including (A) prohibiting the procurement of products of such countries by United States entities not covered by the Agreement, and (B) modifying the application of title III of the Act of March 3, 1933 (41 U.S.C. 10a et seq.), commonly referred to as the Buy American Act. The report shall include an analysis of the effect of such alternative means on the

United States economy (including effects on employment, production, competition, costs and prices, technological development, export trade, balance of payments, inflation, and the Federal budget), and on successful negotiations on the expansion of the coverage of the Agreement pursuant to section 2514(a) and (b) of this title, other trade negotiating objectives, the relationship of the Federal Government to State and local governments, and such other factors as the President deems appropriate.

(3) Consultation

In the preparation of the report required by paragraph (1) and the evaluation and analysis required by paragraph (2), the President shall consult with representatives of the public, industry, and labor, and make available pertinent, nonconfidential information obtained in the course of such preparation to the advisory committees established pursuant to section 2155 of this title.

(d) Proposed action

(1) Presidential report

On or before October 1, 1981, the President shall prepare and transmit to the congressional committees referred to in subsection (c)(1) of this section a report which describes the actions he deems appropriate to establish reciprocity with major industrialized countries in the area of Government procurement.

(2) Procedure

(A) Presidential determination

If the President determines that any changes in existing law or new statutory authority are required to authorize or to implement any action proposed in the report submitted under paragraph (1), he shall, on or after January 1, 1982, submit to the Congress a bill to accomplish such changes or provide such new statutory authority. Prior to submitting such a bill, the President shall consult with the appropriate committees of the Congress having jurisdiction over legislation involving subject matters which would be affected by such action, and shall submit to such committees a proposed draft of such bill.

(B) Congressional consideration

The appropriate committee of each House of the Congress shall give a bill submitted pursuant to subparagraph (A) prompt consideration and shall make its best efforts to take final committee action on such bill in an expeditious manner.

(Pub. L. 96–39, title III, §302, July 26, 1979, 93 Stat. 236; Pub. L. 103–182, title III, §381(b), Dec. 8, 1993, 107 Stat. 2129; Pub. L. 103–465, title III, §343(a), (b), Dec. 8, 1994, 108 Stat. 4954, 4955.)

REFERENCES IN TEXT

Title III of the Act of March 3, 1933, referred to in subsec. (c)(2), is act Mar. 3, 1933, ch. 212, title III, 47 Stat. 1520, as amended, popularly known as the Buy American Act, which enacted sections 10a, 10b, 10b–1, and 10c of Title 41, Public Contracts, and enacted provisions set out as notes under 10c of Title 41. For complete classification of this Act to the Code, see Short Title note set out under section 10a of Title 41 and Tables.

AMENDMENTS

1994—Subsec. (a). Pub. L. 103–465, §343(a), amended heading and text of subsec. (a) generally. Prior to amendment, text read as follows: ''With respect to procurement covered by the Agreement, the President, in order to encourage additional countries to become parties to the Agreement and to provide appropriate reciprocal competitive government procurement opportunities to United States products and suppliers of such products—

''(1) shall prohibit the procurement, after the date on which any waiver under section 2511(a) of this title first takes effect, of products (A) which are products of a foreign country or instrumentality which is not designated pursuant to section 2511(b) of this title, and (B) which are products covered under the Agreement for procurement by the United States; and

''(2) may take such other actions within his authority as he deems necessary.''

Subsec. (b). Pub. L. 103–465, §343(b)(2), inserted concluding provisions.

Subsec. (b)(1). Pub. L. 103–465, §343(b)(1), amended par. (1) generally. Prior to amendment, par. (1) read as follows: ''delay, for a period not to exceed two years, the prohibition of procurement, required pursuant to subsection (a)(1) of this section, of products of a foreign country or instrumentality which is not designated pursuant to section 2511(b) of this title, except that no such delay shall be granted with respect to the procurement of products of any major industrial country;''.

1993—Subsec. (a)(1). Pub. L. 103–182 substituted ''are products covered under the Agreement for procurement by the United States'' for ''would otherwise be eligible products''.

CHANGE OF NAME

Committee on Government Operations of House of Representatives changed to Committee on Government Reform and Oversight of House of Representatives by House Resolution No. 6, One Hundred Fourth Congress, Jan. 4, 1995.

EFFECTIVE DATE OF 1994 AMENDMENT

Section 344 of title III of Pub. L. 103–465 provided that:

''(a) IN GENERAL.—Except as provided in subsection (b), the amendments made by this subtitle [subtitle E (§§341–344 of title III of Pub. L. 103–465, amending this section and sections 2513 to 2515, 2517, and 2518 of this title, repealing section 2516 of this title, and amending provisions set out as a note under section 903 of Title 7, Agriculture] take effect on the date on which the Agreement on Government Procurement referred to in section 101(d)(17) [19 U.S.C. 3511(d)(17)] enters into force with respect to the United States [Jan. 1, 1995].

''(b) SECTION 342(g).—The amendments made by section 342(g) [amending provisions set out as a note under section 903 of Title 7] take effect on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995].''

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 381(e) of Pub. L. 103–182, set out as a note under section 2511 of this title.

DELEGATION OF FUNCTIONS

Functions of President under this section delegated to United States Trade Representative, with authority delegated to Secretary of Defense to waive the prohibitions contained in subsec. (b)(3) of this section, see section 1–2 of Ex. Ord. No. 12260, Dec. 31, 1980, 46 F.R. 1653, set out as a note under section 2511 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2514, 2515 of this title; title 41 section 10b–1.

§ 2513. Waiver of discriminatory purchasing requirements with respect to purchases of civil aircraft

The President may waive the application of the provisions of title III of the Act of March 3, 1933 (41 U.S.C. 10a et seq.) popularly referred to as the Buy American Act, in the case of any procurement of civil aircraft and related articles of a country or instrumentality which is a party to the Agreement on Trade in Civil Aircraft referred to in section 2503(c) of this title and approved under section 2503(a) of this title. The President may modify or withdraw any waiver granted pursuant to this section.

(Pub. L. 96–39, title III, § 303, July 26, 1979, 93 Stat. 238; Pub. L. 103–465, title III, § 342(a), Dec. 8, 1994, 108 Stat. 4953.)

REFERENCES IN TEXT

Title III of the Act of March 3, 1933, referred to in text, is act Mar. 3, 1933, ch. 212, title III, 47 Stat. 1520, as amended, popularly known as the Buy American Act, which enacted sections 10a, 10b, 10b–1, and 10c of Title 41, Public Contracts, and enacted provisions set out as notes under 10c of Title 41. For complete classification of this Act to the Code, see Short Title note set out under section 10a of Title 41 and Tables.

AMENDMENTS

1994—Pub. L. 103–465 inserted ''referred to in section 2503(c) of this title and approved under section 2503(a) of this title'' after ''Civil Aircraft''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the Agreement on Government Procurement, referred to in section 3511(d)(17) of this title, enters into force with respect to the United States [Jan. 1, 1995], see section 344(a) of Pub. L. 103–465, set out as a note under section 2512 of this title.

EFFECTIVE DATE

Section effective July 26, 1979, but authority of President to grant waivers under this section effective on Jan. 1, 1980, see section 309 of Pub. L. 96–39, set out as a note under section 2511 of this title.

DELEGATION OF FUNCTIONS

Functions of President under this section delegated to United States Trade Representative, see section 1–103(b) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 990, set out as a note under section 2171 of this title.

§ 2514. Expansion of the coverage of the Agreement

(a) Overall negotiating objective

The President shall seek in the renegotiations provided for in article XXIV(7),[1] of the Agreement more open and equitable market access abroad, and the harmonization, reduction, or elimination of devices which distort trade or commerce related to Government procurement, with the overall goal of maximizing the economic benefit to the United States through maintaining and enlarging foreign markets for products of United States agriculture, industry, mining, and commerce, the development of fair and equitable market opportunities, and open and nondiscriminatory world trade. In carrying out the provisions of this subsection, the President shall consider the assessment made in the report required under section 2516(a)[2] of this title.

(b) Sector negotiating objectives

The President shall seek, consistent with the overall objective set forth in subsection (a) of this section and to the maximum extent feasible, with respect to appropriate product sectors, competitive opportunities for the export of United States products to the developed countries of the world equivalent to the competitive opportunities afforded by the United States, taking into account all barriers to, and other distortions of, international trade affecting that sector.

(c) Independent verification objective

The President shall seek to establish in the renegotiation provided for in article XXIV(7),[1] of the Agreement a system for independent verification of information provided by parties to the Agreement to the Committee on Government Procurement pursuant to article XIX(5),[1] of the Agreement.

(d) Reports on negotiations

(1) Report in the event of inadequate progress

If, during the renegotiations of the Agreement, the President at any time determines that the renegotiations are not progressing satisfactorily and are not likely to result, within twelve months of the commencement thereof, in an expansion of the Agreement to cover purchases by the entities of the governments of developed countries which are the principal purchasers of goods and equipment in appropriate product sectors, he shall so report to the congressional committees referred to in section 2512(c)(1) of this title. Taking into account the objectives set forth in subsections (a) and (b) of this section and the factors required to be analyzed under section 2512(c) of this title, the President shall further report to such committees appropriate actions to seek reciprocity in such product sectors with such countries in the area of government procurement.

(2) Legislative recommendations

Taking into account the factors required to be analyzed under section 2512(c) of this title, the President may recommend to the Congress legislation (with respect to entities of the Government which are not covered by the Agreement) which may prohibit such entities from purchasing products of such countries.

(3) Annual reports

Each annual report of the President under section 163(a) of the Trade Act of 1974 [19 U.S.C. 2213(a)] made after July 26, 1979 shall report the actions, if any, the President deemed appropriate to establish reciprocity in appropriate product sectors with major industrial countries in the area of government procurement.

[1] So in original. The comma probably should not appear.

[2] See References in Text note below.

(e) Extension of nondiscrimination and national treatment

Before exercising the waiver authority in section 2511 of this title for procurement not covered by the Agreement on the date it enters into force with respect to the United States, the President shall follow the consultation provisions of section 135 [19 U.S.C. 2155] and chapter 6 of title I of the Trade Act of 1974 [19 U.S.C. 2211 et seq.] for private sector and congressional consultations.

(Pub. L. 96–39, title III, § 304, July 26, 1979, 93 Stat. 238; Pub. L. 103–465, title III, § 342(b), Dec. 8, 1994, 108 Stat. 4953.)

REFERENCES IN TEXT

Section 2516 of this title, referred to in subsec. (a), was repealed by Pub. L. 103–355, title VII, § 7206(c), Oct. 13, 1994, 108 Stat. 3382, and Pub. L. 103–465, title III, § 342(d), Dec. 8, 1994, 108 Stat. 4953.

The Trade Act of 1974, referred to in subsec. (e), is Pub. L. 93–618, Jan. 3, 1975, 88 Stat. 1978, as amended. Chapter 6 of title I of the Trade Act of 1974 is classified generally to part 6 of subchapter I (§ 2211 et seq.) of chapter 12 of this title. For complete classification of this Act to the Code, see References in Text note set out under section 2101 of this title and Tables.

AMENDMENTS

1994—Subsec. (a). Pub. L. 103–465, § 342(b)(1), substituted ''article XXIV(7)'' for ''part IX, paragraph 6''.

Subsec. (c). Pub. L. 103–465, § 342(b)(1), (2), substituted ''article XXIV(7)'' for ''part IX, paragraph 6'' and ''article XIX(5)'' for ''part VI, paragraph 9''.

Subsec. (e). Pub. L. 103–465, § 342(b)(3), substituted ''the date it enters into force with respect to the United States'' for ''July 26, 1979''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the Agreement on Government Procurement, referred to in section 3511(d)(17) of this title, enters into force with respect to the United States [Jan. 1, 1995], see section 344(a) of Pub. L. 103–465, set out as a note under section 2512 of this title.

DELEGATION OF FUNCTIONS

Functions of President under this section delegated to United States Trade Representative, see section 1–201 of Ex. Ord. No. 12260, Dec. 31, 1980, 46 F.R. 1653, set out as a note under section 2511 of this title.

AGREEMENT ON GOVERNMENT PROCUREMENT: ENTRY INTO FORCE

The Agreement on Government Procurement, as referred to in section 3511(d)(17) of this title, entered into force with respect to the United States on Jan. 1, 1995. See note set out under section 3511 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2512 of this title.

§ 2515. Monitoring and enforcement

(a) Monitoring and enforcement structure recommendations

In the preparation of the recommendations for the reorganization of trade functions, the President shall ensure that careful consideration is given to monitoring and enforcing the requirements of the Agreement and this subchapter, with particular regard to the tendering procedures required by the Agreement or otherwise agreed to by a country or instrumentality likely to be designated pursuant to section 2511(b) of this title.

(b) Rules of origin

(1) Advisory rulings and final determinations

For the purposes of this subchapter, the Secretary of the Treasury shall provide for the prompt issuance of advisory rulings and final determinations on whether, under section 2518(4)(B) of this title, an article is or would be a product of a foreign country or instrumentality designated pursuant to section 2511(b) of this title.

(2) Penalties for fraudulent conduct

In addition to any other provisions of law which may be applicable, section 1001 of title 18 shall apply to fraudulent conduct with respect to the origin of products for purposes of qualifying for a waiver under section 2511 of this title or avoiding a prohibition under section 2512 of this title.

(c) Report to Congress on rules of origin

(1) Domestic administrative practices

As soon as practicable after the close of the two-year period beginning on the date on which any waiver under section 2511(a) of this title first takes effect, the President shall prepare and transmit to Congress a report containing an evaluation of administrative practices under any provision of law which requires determinations to be made of the country of origin of goods, products, commodities, or other articles of commerce. Such evaluation shall be accompanied by the President's recommendations for legislative and executive measures required to improve and simplify and to make more uniform and consistent such practices. Such evaluation and recommendations shall take into account the special problems affecting insular possessions of the United States with respect to such practices.

(2) Foreign administrative practices

The report required under paragraph (1) shall contain an evaluation of the administrative practices under the laws of each major industrial country which require determinations to be made of the country of origin of goods, products, commodities, or other articles of commerce, including an assessment of such practices on the exports of the United States.

(d) Annual report on foreign discrimination

(1) Annual report required

The President shall, no later than April 30 of each year, submit to the appropriate committees of the House of Representatives and the Committee on Governmental Affairs of the Senate, as well as other appropriate Senate committees, a report on the extent to which foreign countries discriminate against United States products or services in making government procurements.

(2) Identifications required

In the annual report, the President shall identify (and continue to identify subject to subsections (f)(5) and (g)(3) of this section) any countries, other than least developed countries, that—

(A) are signatories to the Agreement and not in compliance with the requirements of the Agreement;

(B)(i) are signatories to the Agreement; (ii) are in compliance with the Agreement but, in the government procurement of products or services not covered by the Agreement, maintain a significant and persistent pattern or practice of discrimination against United States products or services which results in identifiable harm to United States businesses; and (iii) whose products or services are acquired in significant amounts by the United States Government; or[1]

(C)(i) are not signatories to the Agreement; (ii) maintain, in government procurement, a significant and persistent pattern or practice of discrimination against United States products or services which results in identifiable harm to United States businesses; and (iii) whose products or services are acquired in significant amounts by the United States Government.[2]

(D)(i) are not signatories to the Agreement;

(ii) fail to apply transparent and competitive procedures to its government procurement equivalent to those in the Agreement; and

(iii) whose products or services are acquired in significant amounts by the United States Government; or

(E)(i) are not signatories to the Agreement;

(ii) fail to maintain and enforce effective prohibitions on bribery and other corrupt practices in connection with government procurement; and

(iii) whose products or services are acquired in significant amounts by the United States Government.

(3) Considerations in making identifications

In making the identifications required by paragraph (1), the President shall—

(A) use the requirements of the Agreement, government procurement practices, and the effects of such practices on United States businesses as a basis for evaluating whether the procurement practices of foreign governments do not provide fair market opportunities for United States products or services;

(B) take into account, among other factors, whether and to what extent countries that are signatories to the Agreement, and other countries described in paragraph (1) of this subsection—

(i) use sole-sourcing or otherwise noncompetitive procedures for procurements that could have been conducted using competitive procedures;

(ii) conduct what normally would have been one procurement as two or more procurements, to decrease the anticipated contract values below the Agreement's value threshold or to make the procurements less attractive to United States businesses;

(iii) announce procurement opportunities with inadequate time intervals for United States businesses to submit bids; and

(iv) use specifications in such a way as to limit the ability of United States suppliers to participate in procurements; and

(C) use any other additional criteria deemed appropriate, including the failure to maintain and enforce effective prohibitions on bribery and other corrupt practices in connection with government procurement.

(4) Contents of reports

The reports required by this subsection shall include, with respect to each country identified under subparagraph (A), (B), or (C) of paragraph (1), the following:

(A) a description of the specific nature of the discrimination, including (for signatory countries) any provision of the Agreement with which the country is not in compliance;

(B) an identification of the United States products or services that are affected by the noncompliance or discrimination;

(C) an analysis of the impact of the noncompliance or discrimination on the commerce of the United States and the ability of United States companies to compete in foreign government procurement markets; and

(D) a description of the status, action taken, and disposition of cases of noncompliance or discrimination identified in the preceding annual report with respect to such country.

(5) Information and advice from Government agencies and United States businesses

In developing the annual reports required by this subsection, the President shall seek information and advice from executive agencies through the interagency trade organization established under section 1872(a) of this title, and from United States businesses in the United States and in countries that are signatories to the Agreement and in other foreign countries whose products or services are acquired in significant amounts by the United States Government.

(6) Impact of noncompliance

The President shall take into account, in identifying countries in the annual report and in any action required by this section, the relative impact of any noncompliance with the Agreement or of other discrimination on United States commerce and the extent to which such noncompliance or discrimination has impeded the ability of United States suppliers to participate in procurements on terms comparable to those available to suppliers of the country in question when seeking to sell goods or services to the United States Government.

(7) Impact on procurement costs

Such report shall also include an analysis of the impact on United States Government procurement costs that may occur as a consequence of any sanctions that may be required by subsection (f) or (g) of this section.

[1] So in original. The word ''or'' probably should not appear.

[2] So in original. The period probably should be a semicolon.

(e) Consultation

No later than the date the annual report is submitted under subsection (d)(1) of this section, the United States Trade Representative, on behalf of the United States, shall request consultations with any countries identified in the report to obtain their compliance with the Agreement or the elimination of their discriminatory procurement practices unless the country is identified as discriminatory pursuant to subsection (d)(1) of this section in the preceding annual report.

(f) Procedures with respect to violations of Agreement

(1) Initiation of dispute settlement procedures

If, within 60 days after the annual report is submitted under subsection (d)(1) of this section, a signatory country identified pursuant to subsection (d)(1)(A)[3] of this section has not complied with the Agreement, then the United States Trade Representative shall promptly request proceedings on the matter under the formal dispute settlement procedures provided under the Agreement unless such proceedings are already underway pursuant to the identification of the signatory country under subsection (d)(1) of this section as not in compliance in a preceding annual report.

(2) Settlement of disputes

If, before the end of the 18 months following the initiation of dispute settlement procedures—

(A) the other participant to the dispute settlement procedures has complied with the Agreement,

(B) the other participant to the procedures takes the action recommended as a result of the procedures to the satisfaction of the President,

(C) the procedures result in a determination providing a specific period of time for the other participant to bring its practices into compliance with the Agreement, or

(D) the procedures result in a determination requiring no action by the other participant,

the President shall take no action to limit Government[4] procurement from that participant.

(3) Sanctions after dispute resolution fails

(A) Failures resulting in sanctions

If—

(i) within 18 months from the date dispute settlement procedures are initiated with a signatory country pursuant to this section—

(I) such procedures are not concluded, or

(II) the country has not met the requirements of subparagraph (A) or (B) of paragraph (2), or

(ii) the period of time provided for pursuant to paragraph (2)(C) has expired and procedures for suspending concessions under the Agreement have been completed,

then the sanctions described in subparagraph (B) shall be imposed.

(B) Sanctions

(i) In general

If subparagraph (A) applies to any signatory country—

(I) the signatory country shall be considered as a signatory not in good standing of the Agreement and the prohibition on procurement contained in section 10b–1 of title 41 shall apply to such country, and

(II) the President shall revoke the waiver of discriminatory purchasing requirements granted to the signatory country pursuant to section 2511(a) of this title.

(ii) Time sanctions are imposed

Any sanction—

(I) described in clause (i)(I) shall apply from the date that is the last day of the 18-month period described in subparagraph (A)(i) or, in the case of paragraph (2)(C), from the date procedures for suspending concessions under the Agreement have been completed, and

(II) described in clause (i)(II) shall apply beginning on the day after the date described in subclause (I).

(4) Withholding and modification of sanctions

If the President determines that imposing or continuing the sanctions required by subclause (I) or (II) of paragraph (3)(B)(i) would harm the public interest of the United States, the President may, to the extent necessary to apply appropriate limitations that are equivalent, in their effect, to the noncompliance with the Agreement by that signatory country—

(A) withhold the imposition of either (but not both) of such sanctions;

(B) modify or restrict the application of either or both such sanctions, subject to such terms and conditions as the President considers appropriate; or

(C) take any combination of the actions permitted by subparagraph (A) or (B) of this paragraph.

(5) Termination of sanctions and reinstatement of waivers

The President may terminate the sanctions imposed under paragraph (3) or (4), reinstate the waiver of discriminatory purchasing requirements granted to that signatory country pursuant to section 2511(a) of this title, and remove that country from the report under subsection (d)(1) of this section at such time as the President determines that—

(A) the signatory country has complied with the Agreement;

(B) the signatory country has taken corrective action as a result of the dispute settlement procedures to the satisfaction of the President; or

(C) the dispute settlement procedures result in a determination requiring no action by the other signatory country.

[3] So in original. Probably should be subsection ''(d)(2)(A)''.

[4] So in original. Probably should not be capitalized.

(g) Procedures with respect to other discrimination

(1) Imposition of sanctions

If, within 60 days after the annual report is submitted under subsection (d)(1) of this section, a country that is identified pursuant to subparagraph (B), (C), (D), or (E) of such subsection[5] has not eliminated the practices regarding government procurement identified under subparagraph (B)(ii), (C)(ii), (D)(ii), or (E)(ii) (as the case may be), then, on the day after the end of such 60-day period—

(A) the President shall identify such country as a country that maintains, in government procurement, a significant and persistent pattern or practice of discrimination against United States products or services which results in identifiable harm to United States businesses; and

(B) the prohibition on procurement contained in section 10b–1 of title 41 shall apply to such country.

(2) Withholding and modification of sanctions

If the President determines that imposing or continuing the sanction required by paragraph (1) would harm the public interest of the United States, the President may, to the extent necessary to impose appropriate limitations that are equivalent, in their effect, to the discrimination against United States products or services in government procurement by that country, modify or restrict the application of such sanction, subject to such terms and conditions as the President considers appropriate.

(3) Termination of sanctions

The President may terminate the sanctions imposed under paragraph (1) or (2) and remove a country from the report under subsection (d)(1) of this section at such time as the President determines that the country has eliminated the the[6] practices regarding government procurement identified under subparagraph (B)(ii), (C)(ii), (D)(ii), or (E)(ii) (as the case may be).[7]

(h) Limitations on imposing sanctions

(1) Avoiding adverse impact on competition

The President shall not take any action under subsection (f) or (g) of this section if the President determines that such action—

(A) would limit the procurement or class of procurements to, or would establish a preference for, the products or services of a single manufacturer or supplier; or

(B) would, with respect to any procurement or class of procurements, result in an insufficient number of potential or actual bidders to assure procurement of services, articles, materials, or supplies of requisite quality at competitive prices.

(2) Advice from U.S. agencies and businesses

The President, in taking any action under this subsection to limit government procurements from foreign countries, shall seek the advice of executive agencies through the interagency trade organization established under section 1872(a) of this title and the advice of United States businesses and other interested parties.

(i) Renegotiation to secure full and open competition

The President shall instruct the United States Trade Representative, in conducting renegotiations of the Agreement, to seek improvements in the Agreement that will secure full and open competition consistent with the requirements imposed by the amendments made by the Competition in Contracting Act (Public Law 98–369; 98 Stat. 1175).

(j) Federal Register notices of actions

(1) Notices required

A notice shall be published in the Federal Register on the date of any action under this section, describing—

(A) the results of dispute settlement proceedings under subsection (f)(2) of this section;

(B) any sanction imposed under subsection (f)(3) or (g)(1) of this section;

(C) any withholding, modification, or restriction of any sanction under subsection (f)(4) or (g)(2) of this section; and

(D) the termination of any sanction under subsection (f)(5) or (g)(3) of this section.

(2) Publication of determinations lifting sanctions

A notice describing the termination of any sanction under subsection (f)(5) or (g)(3) of this section shall include a copy of the President's determination under such subsection.

(k) General report on actions under this section

(1) Advice to Congress

The President shall, as necessary, advise the Congress and, by no later than April 30, 1994, submit to the the[8] appropriate committees of the House of Representatives, and to the Committee on Governmental Affairs and other appropriate committees of the Senate, a general report on actions taken pursuant to this section.

(2) Contents of report

The general report required by this subsection shall include an evaluation of the adequacy and effectiveness of actions taken pursuant to subsections (e), (f), and (g) of this section as a means toward eliminating discriminatory government procurement practices against United States businesses.

(3) Legislative recommendations

The general report may also include, if appropriate, legislative recommendations for enhancing the usefulness of this section or for other measures to be used as means for eliminating or responding to discriminatory foreign government procurement practices.

(Pub. L. 96–39, title III, § 305, July 26, 1979, 93 Stat. 239; Pub. L. 100–418, title VII, § 7003, Aug.

[5] So in original. Probably should be "of subsection (d)(2) of this section".

[6] So in original.

[7] So in original. The words "of subsection (d)(2) of this section" probably should precede the period.

[8] So in original.

23, 1988, 102 Stat. 1548; Pub. L. 103–465, title III, §§ 341, 342(c), 343(c), Dec. 8, 1994, 108 Stat. 4951, 4953, 4955.)

AMENDMENT OF SECTION

For termination of amendment by section 7004 of Pub. L. 100–418, see Termination Date of 1988 Amendment note below.

REFERENCES IN TEXT

The Competition in Contracting Act, referred to in subsec. (i), probably means the Competition in Contracting Act of 1984, which is title VII of Pub. L. 98–369, div. B, July 18, 1984, 98 Stat. 1175. For complete classification of this Act to the Code, see Short Title of 1984 Amendment note set out under section 251 of Title 41, Public Contracts, and Tables.

AMENDMENTS

1994—Subsec. (d)(1). Pub. L. 103–465, § 342(c), substituted ''April 30 of each year,'' for ''April 30, 1990, and annually on April 30 thereafter,''.

Subsec. (d)(2)(D), (E). Pub. L. 103–465, § 341(c)(1), added subpars. (D) and (E).

Subsec. (d)(3)(C). Pub. L. 103–465, § 341(c)(2), inserted before period at end '', including the failure to maintain and enforce effective prohibitions on bribery and other corrupt practices in connection with government procurement''.

Subsec. (f)(2). Pub. L. 103–465, § 341(a)(1), substituted ''the 18 months'' for ''a year'' in introductory provisions.

Subsec. (f)(2)(B) to (D). Pub. L. 103–465, § 341(a)(2)–(4), struck out ''or'' at end of subpar. (B), added subpar. (C), and redesignated former subpar. (C) as (D).

Subsec. (f)(3). Pub. L. 103–465, § 341(b)(1), amended heading and text of par. (3) generally. Prior to amendment, text read as follows: ''If the dispute settlement procedures initiated pursuant to this subsection with any signatory country to the Agreement are not concluded within one year from their initiation or the country has not met the requirements of paragraph (2)(A) or (2)(B), then—

''(A) from the end of such one year period, such signatory country shall be considered as a signatory not in good standing of the Agreement and the prohibition on procurement contained in section 10b–1 of title 41 shall apply to such country; and

''(B) on the day after the end of such one year period, the President shall revoke the waiver of discriminatory purchasing requirements granted to that signatory country pursuant to section 2511(a) of this title.''

Subsec. (f)(4). Pub. L. 103–465, § 341(b)(2), substituted ''subclause (I) or (II) of paragraph (3)(B)(i)'' for ''subparagraph (A) or (B) of paragraph (3)'' in introductory provisions.

Subsec. (g)(1). Pub. L. 103–465, § 343(c)(1), in introductory provisions, substituted ''(B), (C), (D), or (E)'' for ''(B) or (C)'' and ''the practices regarding government procurement identified under subparagraph (B)(ii), (C)(ii), (D)(ii), or (E)(ii) (as the case may be)'' for ''their discriminatory procurement practices''.

Subsec. (g)(3). Pub. L. 103–465, § 343(c)(2), substituted ''the practices regarding government procurement identified under subparagraph (B)(ii), (C)(ii), (D)(ii), or (E)(ii) (as the case may be)'' for ''discrimination identified pursuant to subsection (d)(2)(B) or (C) of this section''.

1988—Subsecs. (d) to (k). Pub. L. 100–418, §§ 7003, 7004, temporarily added subsecs. (d) to (k). See Termination Date of 1988 Amendment note below.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the Agreement on Government Procurement, referred to in section 3511(d)(17) of this title, enters into force with respect to the United States [Jan. 1, 1995], see section 344(a) of Pub. L. 103–465, set out as a note under section 2512 of this title.

TERMINATION DATE OF 1988 AMENDMENT

Amendment by Pub. L. 100–418 to cease to be effective on Apr. 30, 1996, unless Congress, after reviewing report required by subsection (k) of this section, extends such date, see section 7004 of Pub. L. 100–418, set out as an Effective and Termination Dates of 1988 Amendments note under section 10a of Title 41, Public Contracts.

TRANSFER OF FUNCTIONS

Functions of Secretary of the Treasury under subsec. (b) of this section transferred to Secretary of Commerce, to exercise in consultation with Secretary of the Treasury, by section 5(a)(1)(A) of Reorg. Plan No. 3 of 1979, 44 F.R. 69274, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title.

Pub. L. 96–609, title II, § 205, Dec. 28, 1980, 94 Stat. 3562, provided that: ''Notwithstanding subparagraph (1)(A) of subsection 5(a) of Reorganization Plan No. 3 of 1979 (44 F.R. 69272, 93 Stat. 1381) [set out as a note under section 2171 of this title], the Secretary of the Treasury or his delegate shall issue such advisory rulings and make such determinations as are authorized by subsection 305(b)(1) of the Trade Agreements Act of 1979 (19 U.S.C. 2515(b)(1)).''

DELEGATION OF FUNCTIONS

Functions of President under subsec. (c) of this section delegated to United States Trade Representative, see section 1–201 of Ex. Ord. No. 12260, Dec. 31, 1980, 46 F.R. 1653, set out as a note under section 2511 of this title.

Functions of President under subsec. (d) of this section relating to annual report on foreign discrimination delegated to United States Trade Representative, see section 4–101(2) of Ex. Ord. No. 12661, Dec. 27, 1988, 54 F.R. 779, set out as a note under section 2901 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in title 24 section 225h; title 28 sections 1581, 2631, 2636, 2640; title 41 section 10b–1; title 49 section 49102.

§ 2516. Repealed. Pub. L. 103–355, title VII, § 7206(c), Oct. 13, 1994, 108 Stat. 3382; Pub. L. 103–465, title III, § 342(d), Dec. 8, 1994, 108 Stat. 4953

Section, Pub. L. 96–39, title III, § 306, July 26, 1979, 93 Stat. 240, related to labor surplus area studies.

EFFECTIVE DATE OF REPEAL

Repeal by Pub. L. 103–465 effective on the date on which the Agreement on Government Procurement, referred to in section 3511(d)(17) of this title, enters into force with respect to the United States [Jan. 1, 1995], see section 344(a) of Pub. L. 103–465, set out as an Effective Date of 1994 Amendment note under section 2512 of this title.

§ 2517. Availability of information to Members of Congress designated as official advisers

The United States Trade Representative shall make available to the Members of Congress designated as official advisers pursuant to section 2211 of this title information compiled by the Committee on Government Procurement under article XIX(5) of the Agreement.

(Pub. L. 96–39, title III, § 307, July 26, 1979, 93 Stat. 240; 1979 Reorg. Plan No. 3, § 1(b)(1), eff. Jan. 2, 1980, 44 F.R. 69273, 93 Stat. 1381; Pub. L.

103–465, title III, § 342(e), Dec. 8, 1994, 108 Stat. 4953.)

AMENDMENTS

1994—Pub. L. 103–465 substituted ''article XIX(5)'' for ''part VI, paragraph 9,''.

CHANGE OF NAME

''United States Trade Representative'' substituted in text for ''Special Representative for Trade Negotiations'' pursuant to Reorg. Plan No. 3 of 1979, § 1(1)(b), 44 F.R. 69273, 93 Stat. 1381, eff. Jan. 2, 1980, as provided by section 1–107(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 993, set out as notes under section 2171 of this title. See, also, section 2171 of this title as amended by Pub. L. 97–456.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the Agreement on Government Procurement, referred to in section 3511(d)(17) of this title, enters into force with respect to the United States [Jan. 1, 1995], see section 344(a) of Pub. L. 103–465, set out as a note under section 2512 of this title.

§ 2518. Definitions

As used in this subchapter—

(1) Agreement

The term ''Agreement'' means the Agreement on Government Procurement referred to in section 3511(d)(17) of this title, as submitted to the Congress, but including rectifications, modifications, and amendments which are accepted by the United States.

(2) Civil aircraft

The term ''civil aircraft and related articles'' means—

(A) all aircraft other than aircraft to be purchased for use by the Department of Defense or the United States Coast Guard;

(B) the engines (and parts and components for incorporation therein) of such aircraft;

(C) any other parts, components, and subassemblies for incorporation in such aircraft; and

(D) any ground flight simulators, and parts and components thereof, for use with respect to such aircraft,

whether to be purchased for use as original or replacement equipment in the manufacture, repair, maintenance, rebuilding, modification, or conversion of such aircraft, and without regard to whether such aircraft or articles receive duty-free treatment pursuant to section 601(a)(2).

(3) Developed countries

The term ''developed countries'' means countries so designated by the President.

(4) Eligible product

(A) In general

The term ''eligible product'' means, with respect to any foreign country or instrumentality that is—

(i) a party to the Agreement, a product or service of that country or instrumentality which is covered under the Agreement for procurement by the United States; or

(ii) a party to the North American Free Trade Agreement, a product or service of that country or instrumentality which is covered under the North American Free Trade Agreement for procurement by the United States.

(B) Rule of origin

An article is a product of a country or instrumentality only if (i) it is wholly the growth, product, or manufacture of that country or instrumentality, or (ii) in the case of an article which consists in whole or in part of materials from another country or instrumentality, it has been substantially transformed into a new and different article of commerce with a name, character, or use distinct from that of the article or articles from which it was so transformed.

(C) Lowered threshold for certain products as a consequence of United States-Israel free trade area provisions

The term ''eligible product'' includes a product or service of Israel for which the United States is obligated to waive Buy National restrictions under—

(i) the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel, regardless of the thresholds provided for in the Agreement (as defined in paragraph (1)), or

(ii) any subsequent agreement between the United States and Israel which lowers on a reciprocal basis the applicable threshold for entities covered by the Agreement.

(D) Lowered threshold for certain products as a consequence of United States-Canada Free-Trade Agreement

Except as otherwise agreed by the United States and Canada under paragraph 3 of article 1304 of the United States-Canada Free-Trade Agreement, the term ''eligible product'' includes a product or service of Canada having a contract value of $25,000 or more that would be covered for procurement by the United States under the the[1] Agreement (as defined in paragraph (1)), but for the thresholds provided for in the Agreement.

(5) Instrumentality

The term ''instrumentality'' shall not be construed to include an agency or division of the government of a country, but may be construed to include such arrangements as the European Economic Community.

(6) Least developed country

The term ''least developed country'' means any country on the United Nations General Assembly list of least developed countries.

(7) Major industrial country

The term ''major industrial country'' means any such country as defined in section 2136 of this title and any instrumentality of such a country.

(Pub. L. 96–39, title III, § 308, July 26, 1979, 93 Stat. 241; Pub. L. 99–47, § 7, June 11, 1985, 99 Stat. 84; Pub. L. 100–449, title III, § 306, Sept. 28, 1988,

[1] So in original.

102 Stat. 1876; Pub. L. 103–182, title III, § 381(c), Dec. 8, 1993, 107 Stat. 2129; Pub. L. 103–465, title III, § 342(f), Dec. 8, 1994, 108 Stat. 4953.)

REFERENCES IN TEXT

Section 601(a)(2), referred to in par. (2), is section 601(a)(2) of Pub. L. 96–39 title VI, July 26, 1979, 93 Stat. 267, which directed a duty rate of ''Free'' in the rate column numbered 1 of the Tariff Schedules of the United States for articles classified under specified items between 518.51 and 772.65 which the President determines would provide coverage comparable to that provided by foreign countries in the Annex to the Agreement on Trade in Civil Aircraft if such articles were certified for use in civil aircraft in accordance with headnote 3 to schedule 6, part 6, subpart C of the Tariff Schedules of the United States. The Tariff Schedules of the United States were replaced by the Harmonized Tariff Schedule of the United States, which is not set out in the Code. See Publication of Harmonized Tariff Schedule note set out under section 1202 of the title.

AMENDMENTS

1994—Par. (1). Pub. L. 103–465, § 342(f)(1), substituted ''section 3511(d)(17) of this title'' for ''section 2503(c) of this title''.

Par. (4)(C). Pub. L. 103–465, § 342(f)(2)(A), substituted ''for which the United States is obligated to waive Buy National restrictions under—'' and cls. (i) and (ii) for ''having a contract value of $50,000 or more which would be covered for procurement by the United States under the Agreement on Government Procurement as in effect on the date on which the Agreement on the Establishment of a Free Trade Area between the Government of the United States of America and the Government of Israel enters into force, but for the SDR 150,000 threshold provided for in article I(1)(b) of the Agreement on Government Procurement.''

Par. (4)(D). Pub. L. 103–465, § 342(f)(2)(B), substituted ''the Agreement (as defined in paragraph (1)), but for the thresholds provided for in the Agreement.'' for ''GATT Agreement on Government Procurement, but for the SDR threshold provided for in article I(1)(b) of the GATT Agreement on Government Procurement.''

1993—Par. (4)(A). Pub. L. 103–182 amended subpar. (A) generally. Prior to amendment, subpar. (A) read as follows: ''The term 'eligible product' means, with respect to any foreign country or instrumentality, a product or service of that country or instrumentality which is covered under the Agreement for procurement by the United States.''

1988—Par. (4)(D). Pub. L. 100–449 added subpar. (D).

1985—Par. (4)(C). Pub. L. 99–47 added subpar. (C).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the Agreement on Government Procurement, referred to in section 3511(d)(17) of this title, enters into force with respect to the United States [Jan. 1, 1995], see section 344(a) of Pub. L. 103–465, set out as a note under section 2512 of this title.

EFFECTIVE DATE OF 1993 AMENDMENT

Amendment by Pub. L. 103–182 effective on the date the North American Free Trade Agreement enters into force with respect to the United States [Jan. 1, 1994], see section 381(e) of Pub. L. 103–182, set out as a note under section 2511 of this title.

EFFECTIVE AND TERMINATION DATES OF 1988 AMENDMENT

Amendment by Pub. L. 100–449 effective on date United States-Canada Free-Trade Agreement enters into force (Jan. 1, 1989), and to cease to have effect on date Agreement ceases to be in force, see section 501(a), (c) of Pub. L. 100–449, set out in a note under section 2112 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2515 of this title; title 41 section 10b–1.

SUBCHAPTER II—TECHNICAL BARRIERS TO TRADE (STANDARDS)

PART A—OBLIGATIONS OF THE UNITED STATES

§ 2531. Certain standards-related activities

(a) No bar to engaging in standards activity

Nothing in this subchapter may be construed—

(1) to prohibit a Federal agency from engaging in activity related to standards-related measures, including any such measure relating to safety, the protection of human, animal, or plant life or health, the environment, or consumers; or

(2) to limit the authority of a Federal agency to determine the level it considers appropriate of safety or of protection of human, animal, or plant life or health, the environment, or consumers.

(b) Unnecessary Obstacles

Nothing in this subchapter may be construed as prohibiting any private person, Federal agency, or State agency from engaging in standards-related activities that do not create unnecessary obstacles to the foreign commerce of the United States. No standards-related activity of any private person, Federal agency, or State agency shall be deemed to constitute an unnecessary obstacle to the foreign commerce of the United States if the demonstrable purpose of the standards-related activity is to achieve a legitimate domestic objective including, but not limited to, the protection of legitimate health or safety, essential security, environmental, or consumer interests and if such activity does not operate to exclude imported products which fully meet the objectives of such activity.

(Pub. L. 96–39, title IV, § 401, July 26, 1979, 93 Stat. 242; Pub. L. 103–465, title III, § 351(b), Dec. 8, 1994, 108 Stat. 4955.)

AMENDMENTS

1994—Pub. L. 103–465 added subsec. (a), designated existing provisions as subsec. (b), and inserted subsec. (b) heading.

EFFECTIVE DATE OF 1994 AMENDMENT

Section 352 of title III of Pub. L. 103–465 provided that: ''This subtitle [subtitle F (§§ 351, 352) of title III of Pub. L. 103–465, amending this section and sections 2532, 2544, 2571, and 2573 of this title and repealing provisions set out below] and the amendments made by this subtitle take effect on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995].''

EFFECTIVE DATE

Section 454 of Pub. L. 96–39, which provided that this subchapter was to take effect on Jan. 1, 1980, if the Agreement on Technical Barriers to Trade entered into force with respect to the United States by that date, was repealed by Pub. L. 103–465, title III, § 351(g), Dec. 8, 1994, 108 Stat. 4957.

§ 2532. Federal standards-related activities

No Federal agency may engage in any standards-related activity that creates unnecessary

obstacles to the foreign commerce of the United States, including, but not limited to, standards-related activities that violate any of the following requirements:

(1) Nondiscriminatory treatment

Each Federal agency shall ensure, in applying standards-related activities with respect to any imported product, that such product is treated no less favorably than are like domestic or imported products, including, but not limited to, when applying tests or test methods, no less favorable treatment with respect to—

(A) the acceptance of the product for testing in comparable situations;

(B) the administration of the tests in comparable situations;

(C) the fees charged for tests;

(D) the release of test results to the exporter, importer, or agents;

(E) the siting of testing facilities and the selection of samples for testing; and

(F) the treatment of confidential information pertaining to the product.

(2) Use of international standards

(A) In general

Except as provided in subparagraph (B)(ii), each Federal agency, in developing standards, shall take into consideration international standards and shall, if appropriate, base the standards on international standards.

(B) Application of requirement

For purposes of this paragraph, the following apply:

(i) International standards not appropriate

The reasons for which the basing of a standard on an international standard may not be appropriate include, but are not limited to, the following:

(I) National security requirements.

(II) The prevention of deceptive practices.

(III) The protection of human health or safety, animal or plant life or health, or the environment.

(IV) Fundamental climatic or other geographical factors.

(V) Fundamental technological problems.

(ii) Regional standards

In developing standards, a Federal agency may, but is not required to, take into consideration any international standard promulgated by an international standards organization the membership of which is described in section 2571(6)(A)(ii)[1] of this title.

(3) Performance criteria

Each Federal agency shall, if appropriate, develop standards based on performance criteria, such as those relating to the intended use of a product and the level of performance that the product must achieve under defined conditions, rather than on design criteria, such as those relating to the physical form of the product or the types of material of which the product is made.

(4) Access for foreign suppliers

Each Federal agency shall, with respect to any conformity assessment procedure used by it, permit access for obtaining an assessment of conformity and the mark of the system, if any[1] to foreign suppliers of a product on the same basis as access is permitted to suppliers of like products, whether of domestic or other foreign origin.

(Pub. L. 96–39, title IV, § 402, July 26, 1979, 93 Stat. 242; Pub. L. 103–465, title III, § 351(c), Dec. 8, 1994, 108 Stat. 4956.)

REFERENCES IN TEXT

Section 2571(6)(A) of this title, referred to in par. (2)(B)(ii), was amended generally by Pub. L. 103–465, title III, § 351(e)(4), Dec. 8, 1994, 108 Stat. 4956, and, as so amended, no longer contains clauses.

AMENDMENTS

1994—Par. (4). Pub. L. 103–465 substituted ''Access'' for ''Certification access'' in heading, and, in text, substituted ''conformity assessment procedure'' for ''certification system'' and ''an assessment of conformity and the mark of the system, if any'' for ''certification under that system''.

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 352 of Pub. L. 103–465, set out as a note under section 2531 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2533 of this title.

§ 2533. State and private standards-related activities

(a) In general

It is the sense of the Congress that no State agency and no private person should engage in any standards-related activity that creates unnecessary obstacles to the foreign commerce of the United States.

(b) Presidential action

The President shall take such reasonable measures as may be available to promote the observance by State agencies and private persons, in carrying out standards-related activities, of requirements equivalent to those imposed on Federal agencies under section 2532 of this title, and of procedures that provide for notification, participation, and publication with respect to such activities.

(Pub. L. 96–39, title IV, § 403, July 26, 1979, 93 Stat. 243.)

PART B—FUNCTIONS OF FEDERAL AGENCIES

§ 2541. Functions of Trade Representative

(a) In general

The Trade Representative shall coordinate the consideration of international trade policy is-

[1] See References in Text note below.

[1] So in original. Probably should be followed by a comma.

sues that arise as a result of, and shall develop international trade policy as it relates to, the implementation of this subchapter.

(b) Negotiating functions

The Trade Representative has responsibility for coordinating United States discussions and negotiations with foreign countries for the purpose of establishing mutual arrangements with respect to standards-related activities. In carrying out this responsibility, the Trade Representative shall inform and consult with any Federal agency having expertise in the matters under discussion and negotiation.

(c) Cross reference

For provisions of law regarding general authority of the Trade Representatives with respect to trade agreements, see section 2171 of this title.

(Pub. L. 96–39, title IV, § 411, July 26, 1979, 93 Stat. 243; Pub. L. 103–182, title III, § 351(b)(2), Dec. 8, 1993, 107 Stat. 2122.)

AMENDMENTS

1993—Pub. L. 103–182, § 351(b)(2)(B), substituted ''Trade Representative'' for ''Special Representative'' in section catchline.

Subsecs. (a), (b). Pub. L. 103–182, § 351(b)(2)(A), substituted ''Trade Representative'' for ''Special Representative'' wherever appearing.

Subsec. (c). Pub. L. 103–182, § 351(b)(2)(A), which directed the substitution of ''Trade Representative'' for ''Special Representative'' wherever appearing in this subchapter, was executed by substituting ''Trade Representatives'' for ''Special Representatives'' to reflect the probable intent of Congress.

§ 2542. Establishment and operation of technical offices

(a) Establishment

(1) For nonagricultural products

The Secretary of Commerce shall establish and maintain within the Department of Commerce a technical office that shall carry out the functions prescribed under subsection (b) of this section with respect to nonagricultural products.

(2) For agricultural products

The Secretary of Agriculture shall establish and maintain within the Department of Agriculture a technical office that shall carry out the functions prescribed under subsection (b) of this section with respect to agricultural products.

(b) Functions of offices

The President shall prescribe for each technical office established under subsection (a) of this section such functions as the President deems necessary or appropriate to implement this subchapter.

(Pub. L. 96–39, title IV, § 412, July 26, 1979, 93 Stat. 244.)

DELEGATION OF FUNCTIONS

Functions of President under subsec. (b) of this section delegated to Secretary of Commerce regarding technical office established under subsec. (a)(1) of this section, and to Secretary of Agriculture regarding technical office established under subsec. (a)(2) of this section, see section 1–103(a) of Ex. Ord. No. 12188, Jan. 2, 1980, 45 F.R. 990, set out as a note under section 2171 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2544 of this title.

§ 2543. Representation of United States interests before international standards organizations

(a) Oversight and consultation

The Secretary concerned shall—

(1) inform, and consult and coordinate with, the Trade Representative with respect to international standards-related activities identified under paragraph (2);

(2) keep adequately informed regarding international standards-related activities and identify those that may substantially affect the commerce of the United States; and

(3) carry out such functions as are required under subsections (b) and (c) of this section.

(b) Representation of United States interests by private persons

(1) Definitions

For purposes of this subsection—

(A) Organization member

The term ''organization member'' means the private person who holds membership in a private international standards organization.

(B) Private international standards organization

The term ''private international standards organization'' means any international standards organization before which the interests of the United States are represented by a private person who is officially recognized by that organization for such purpose.

(2) In general

Except as otherwise provided for in this subsection, the representation of United States interests before any private international standards organization shall be carried out by the organization member.

(3) Inadequate representation

If the Secretary concerned, after inquiry instituted on his own motion or at the request of any private person, Federal agency, or State agency having an interest therein, has reason to believe that the participation by the organization member in the proceedings of a private international standards organization will not result in the adequate representation of United States interests that are, or may be, affected by the activities of such organization (particularly with regard to the potential impact of any such activity on the international trade of the United States), the Secretary concerned shall immediately notify the organization member concerned. During any such inquiry, the Secretary concerned may solicit and consider the advice of the appropriate representatives referred to in section 2547 of this title.

(4) Action by organization member

If within the 90-day period after the date on which notification is received under paragraph (3) (or such shorter period as the Secretary concerned determines to be necessary in extraordinary circumstances), the organization

member demonstrates to the Secretary concerned its willingness and ability to represent adequately United States interests before the private international standards organization, the Secretary concerned shall take no further action under this subsection.

(5) Action by Secretary concerned

If—

(A) within the appropriate period referred to in paragraph (4), the organization member does not respond to the Secretary concerned with respect to the notification, or does respond but does not demonstrate to the Secretary concerned the requisite willingness and ability to represent adequately United States interests; or

(B) there is no organization member of the private international standards organization;

the Secretary concerned shall make appropriate arrangements to provide for the adequate representation of United States interests. In cases where subparagraph (A) applies, such provision shall be made by the Secretary concerned through the appropriate organization member if the private international standards organization involved requires representation by that member.

(c) Representation of United States interests by Federal agencies

With respect to any international standards organization before which the interests of the United States are represented by one or more Federal agencies that are officially recognized by that organization for such purpose, the Secretary concerned shall—

(1) encourage cooperation among interested Federal agencies with a view toward facilitating the development of a uniform position with respect to the technical activities with which the organization is concerned;

(2) encourage such Federal agencies to seek information from, and to cooperate with, the affected domestic interests when undertaking such representation; and

(3) not preempt the responsibilities of any Federal agency that has jurisdiction with respect to the activities undertaken by such organization, unless requested to do so by such agency.

(Pub. L. 96–39, title IV, § 413, July 26, 1979, 93 Stat. 244; Pub. L. 103–182, title III, § 351(b)(2)(A), Dec. 8, 1993, 107 Stat. 2122.)

AMENDMENTS

1993—Subsec. (a)(1). Pub. L. 103–182 substituted ''Trade Representative'' for ''Special Representative''.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in section 2545 of this title.

§ 2544. Standards information center

(a) Establishment

The Secretary of Commerce shall maintain within the Department of Commerce a standards information center.

(b) Functions

The standards information center shall—

(1) serve as the central national collection facility for information relating to (A) standards, technical regulations, conformity assessment procedures,,[1] and standards-related activities, whether such standards, technical regulations, conformity assessment procedures,,[1] or activities are public or private, domestic or foreign, or international, regional, national, or local and (B) the membership and participation of Federal, State, or local government bodies or private bodies in the United States in international and regional standardizing bodies and conformity assessment systems, as well as in bilateral and multilateral arrangements concerning standards-related activities;

(2) make available to the public at such reasonable fee as the Secretary shall prescribe, copies of information required to be collected under paragraph (1) other than information to which paragraph (3) applies;

(3) use its best efforts to make available to the public, at such reasonable fees as the Secretary shall prescribe, copies of information required to be collected under paragraph (1) that is of private origin, on a cooperative basis with the private individual or entity, foreign or domestic, who holds the copyright on the information;

(4) in case of such information that is of foreign origin, provide, at such reasonable fee as the Secretary shall prescribe, such translation services as may be necessary;

(5) serve as the inquiry point for requests for information regarding standards-related activities, whether adopted or proposed, within the United States, except that in carrying out this paragraph, the Secretary of Commerce shall refer all inquiries regarding agricultural products to the technical office established under section 2542(a)(2) of this title within the Department of Agriculture; and

(6) provide such other services as may be appropriate, including but not limited to, such services to the technical offices established under section 2542 of this title as may be requested by those offices in carrying out their functions.

(c) Sanitary and phytosanitary measures

(1) Public information

The standards information center shall, in addition to the functions specified under subsection (b) of this section, make available to the public relevant documents, at such reasonable fees as the Secretary of Commerce may prescribe, and information regarding—

(A) any sanitary or phytosanitary measure of general application, including any inspection procedure or approval procedure proposed, adopted, or maintained by a Federal agency or agency of a State or local government;

(B) the procedures of a Federal agency or an agency of a State or local government for risk assessment and factors the agency considers in conducting the assessment;

(C) the determination of the levels of protection that a Federal agency or an agency

[1] So in original.

of a State or local government considers appropriate; and

(D) the membership and participation of the Federal Government and State and local governments in international and regional sanitary and phytosanitary organizations and systems, and in bilateral and multilateral arrangements regarding sanitary and phytosanitary measures, and the provisions of those systems and arrangements.

(2) Definitions

The definitions in section 2575b of this title apply for purposes of this subsection.

(Pub. L. 96–39, title IV, § 414, July 26, 1979, 93 Stat. 245; Pub. L. 103–465, title III, § 351(d), title IV, § 431(a), Dec. 8, 1994, 108 Stat. 4956, 4966.)

AMENDMENTS

1994—Subsec. (b)(1). Pub. L. 103–465, § 351(d), inserted ''(A)'' after ''relating to'', substituted ''technical regulations, conformity assessment procedures,'' for ''certification systems'' and ''such standards, technical regulations, conformity assessment procedures,'' for ''such standards, systems'', and inserted ''and'' and cl. (B) before semicolon at end.

Subsec. (c). Pub. L. 103–465, § 431(a), added subsec. (c).

EFFECTIVE DATE OF 1994 AMENDMENT

Amendment by section 351(d) of Pub. L. 103–465 effective on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995], see section 352 of Pub. L. 103–465, set out as a note under section 2531 of this title.

Amendment by section 431(a) of Pub. L. 103–465 effective on the date of entry into force of the WTO Agreement with respect to the United States [Jan. 1, 1995], except as otherwise provided, see section 451 of Pub. L. 103–465, set out as an Effective Date note under section 3601 of this title.

SECTION REFERRED TO IN OTHER SECTIONS

This section is referred to in sections 2575a, 2576a of this title.

§ 2545. Contracts and grants

(a) In general

For purposes of carrying out this subchapter, and otherwise encouraging compliance with the Agreement, the Trade Representative and the Secretary concerned may each, with respect to functions for which responsible under this subchapter, make grants to, or enter into contracts with, any other Federal agency, any State agency, or any private person, to assist such agency or person to implement appropriate programs and activities, including, but not limited to, programs and activities—

(1) to increase awareness of proposed and adopted standards-related activities;

(2) to facilitate international trade through the appropriate international and domestic standards-related activities;

(3) to provide, if appropriate, and pursuant to section 2543 of this title, adequate United States representation in international standards-related activities; and

(4) to encourage United States exports through increased awareness of foreign standards-related activities that may affect United States exports.

No contract entered into under this section shall be effective except to such extent, and in such amount, as is provided in advance in appropriation Acts.

(b) Terms and conditions

Any contract entered into, or any grant made, under subsection (a) of this section shall be subject to such terms and conditions as the Trade Representative or Secretary concerned shall by regulation prescribe as being necessary or appropriate to protect the interests of the United States.

(c) Limitations

Financial assistance extended under this section shall not exceed 75 percent of the total costs (as established by the Trade Representative or Secretary concerned, as the case may be) of the program or activity for which assistance is made available. The non-Federal share of such costs shall be made in cash or kind, consistent with the maintenance of the program or activity concerned.

(d) Audit

Each recipient of a grant or contract under this section shall make available to the Trade Representative or the Secretary concerned, as the case may be, and to the Comptroller General of the United States, for purposes of audit and examination, any book, document, paper, and record that is pertinent to the funds received under such grant or contract.

(Pub. L. 96–39, title IV, § 415, July 26, 1979, 93 Stat. 246; Pub. L. 103–182, title III, § 351(b)(2)(A), Dec. 8, 1993, 107 Stat. 2122.)

AMENDMENTS

1993—Pub. L. 103–182 substituted ''Trade Representative'' for ''Special Representative'' wherever appearing.

§ 2546. Technical assistance

The Trade Representative and the Secretary concerned may each, with respect to functions for which responsible under this subchapter, make available, on a reimbursable basis or otherwise, to any other Federal agency, State agency, or private person such assistance, including, but not limited to, employees, services, and facilities, as may be appropriate to assist such agency or person in carrying out standards-related activities in a manner consistent with this subchapter.

(Pub. L. 96–39, title IV, § 416, July 26, 1979, 93 Stat. 247; Pub. L. 103–182, title III, § 351(b)(2)(A), Dec. 8, 1993, 107 Stat. 2122.)

AMENDMENTS

1993—Pub. L. 103–182 substituted ''Trade Representative'' for ''Special Representative''.

§ 2547. Consultations with representatives of domestic interests

In carrying out the functions for which responsible under this subchapter, the Trade Representative and the Secretary concerned shall solicit technical and policy advice from the committees, established under section 2155 of this title, that represent the interests concerned, and may solicit advice from appropriate State agencies and private persons.

(Pub. L. 96–39, title IV, § 417, July 26, 1979, 93 Stat. 247; Pub. L. 103–182, title III, § 351(b)(2)(A), Dec. 8, 1993, 107 Stat. 2122.)