

TRADE FACILITATION AND TRADE ENFORCEMENT ACT OF  
2015

\_\_\_\_\_, 2015.—Ordered to be printed

Mr. Brady of Texas, from the committee of conference,  
submitted the following

CONFERENCE REPORT

[To accompany H.R. 644]

The committee of conference on the disagreeing votes of the two Houses on the amendment of the House to the amendment of the Senate to the bill (H.R. 644), to reauthorize trade facilitation and trade enforcement functions and activities, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its disagreement to the amendment of the House to the amendment of the Senate and agree to the same with an amendment as follows:

In lieu of the matter proposed to be inserted by the House amendment, insert the following:

**1 SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the  
3 “Trade Facilitation and Trade Enforcement Act of 2015”.

4 (b) TABLE OF CONTENTS.—The table of contents for  
5 this Act is follows:

Sec. 1. Short title; table of contents.

Sec. 2. Definitions.

**TITLE I—TRADE FACILITATION AND TRADE ENFORCEMENT**

Sec. 101. Improving partnership programs.

Sec. 102. Report on effectiveness of trade enforcement activities.

Sec. 103. Priorities and performance standards for customs modernization,  
trade facilitation, and trade enforcement functions and pro-  
grams.

Sec. 104. Educational seminars to improve efforts to classify and appraise im-  
ported articles, to improve trade enforcement efforts, and to  
otherwise facilitate legitimate international trade.

Sec. 105. Joint strategic plan.

Sec. 106. Automated Commercial Environment.

Sec. 107. International Trade Data System.

Sec. 108. Consultations with respect to mutual recognition arrangements.

Sec. 109. Commercial Customs Operations Advisory Committee.

Sec. 110. Centers of Excellence and Expertise.

Sec. 111. Commercial risk assessment targeting and trade alerts.

Sec. 112. Report on oversight of revenue protection and enforcement measures.

Sec. 113. Report on security and revenue measures with respect to merchandise  
transported in bond.

Sec. 114. Importer of record program.

Sec. 115. Establishment of importer risk assessment program.

Sec. 116. Customs broker identification of importers.

Sec. 117. Priority trade issues.

Sec. 118. Appropriate congressional committees defined.

**TITLE II—IMPORT HEALTH AND SAFETY**

Sec. 201. Interagency import safety working group.

Sec. 202. Joint import safety rapid response plan.

Sec. 203. Training.

**TITLE III—IMPORT-RELATED PROTECTION OF INTELLECTUAL  
PROPERTY RIGHTS**

Sec. 301. Definition of intellectual property rights.

Sec. 302. Exchange of information related to trade enforcement.

Sec. 303. Seizure of circumvention devices.

- Sec. 304. Enforcement by U.S. Customs and Border Protection of works for which copyright registration is pending.
- Sec. 305. National Intellectual Property Rights Coordination Center.
- Sec. 306. Joint strategic plan for the enforcement of intellectual property rights.
- Sec. 307. Personnel dedicated to the enforcement of intellectual property rights.
- Sec. 308. Training with respect to the enforcement of intellectual property rights.
- Sec. 309. International cooperation and information sharing.
- Sec. 310. Report on intellectual property rights enforcement.
- Sec. 311. Information for travelers regarding violations of intellectual property rights.

#### TITLE IV—PREVENTION OF EVASION OF ANTIDUMPING AND COUNTERVAILING DUTY ORDERS

- Sec. 401. Short title.
- Sec. 402. Definitions.
- Sec. 403. Application to Canada and Mexico.

##### Subtitle A—Actions Relating to Enforcement of Trade Remedy Laws

- Sec. 411. Trade remedy law enforcement division.
- Sec. 412. Collection of information on evasion of trade remedy laws.
- Sec. 413. Access to information.
- Sec. 414. Cooperation with foreign countries on preventing evasion of trade remedy laws.
- Sec. 415. Trade negotiating objectives.

##### Subtitle B—Investigation of Evasion of Trade Remedy Laws

- Sec. 421. Procedures for investigating claims of evasion of antidumping and countervailing duty orders.

##### Subtitle C—Other Matters

- Sec. 431. Allocation and training of personnel.
- Sec. 432. Annual report on prevention and investigation of evasion of anti-dumping and countervailing duty orders.
- Sec. 433. Addressing circumvention by new shippers.

#### TITLE V—SMALL BUSINESS TRADE ISSUES AND STATE TRADE COORDINATION

- Sec. 501. Short title.
- Sec. 502. Outreach and input from small businesses to trade promotion authority.
- Sec. 503. State Trade Expansion Program.
- Sec. 504. State and Federal Export Promotion Coordination.
- Sec. 505. State trade coordination.

#### TITLE VI—ADDITIONAL ENFORCEMENT PROVISIONS

- Sec. 601. Trade enforcement priorities.
- Sec. 602. Exercise of WTO authorization to suspend concessions or other obligations under trade agreements.
- Sec. 603. Trade monitoring.

- Sec. 604. Establishment of Interagency Center on Trade Implementation, Monitoring, and Enforcement.
- Sec. 605. Inclusion of interest in certain distributions of antidumping duties and countervailing duties.
- Sec. 606. Illicitly imported, exported, or trafficked cultural property, archaeological or ethnological materials, and fish, wildlife, and plants.
- Sec. 607. Enforcement under title III of the Trade Act of 1974 with respect to certain acts, policies, and practices.
- Sec. 608. Honey transshipment.
- Sec. 609. Establishment of Chief Innovation and Intellectual Property Negotiator.
- Sec. 610. Measures relating to countries that deny adequate protection for intellectual property rights.
- Sec. 611. Trade Enforcement Trust Fund.

#### TITLE VII—ENGAGEMENT ON CURRENCY EXCHANGE RATE AND ECONOMIC POLICIES

- Sec. 701. Enhancement of engagement on currency exchange rate and economic policies with certain major trading partners of the United States.
- Sec. 702. Advisory Committee on International Exchange Rate Policy.

#### TITLE VIII—MATTERS RELATING TO U.S. CUSTOMS AND BORDER PROTECTION

##### Subtitle A—Establishment of U.S. Customs and Border Protection

- Sec. 801. Short title.
- Sec. 802. Establishment of U.S. Customs and Border Protection.

##### Subtitle B—Preclearance Operations

- Sec. 811. Short title.
- Sec. 812. Definitions.
- Sec. 813. Establishment of preclearance operations.
- Sec. 814. Notification and certification to Congress.
- Sec. 815. Protocols.
- Sec. 816. Lost and stolen passports.
- Sec. 817. Recovery of initial U.S. Customs and Border Protection preclearance operations costs.
- Sec. 818. Collection and disposition of funds collected for immigration inspection services and preclearance activities.
- Sec. 819. Application to new and existing preclearance operations.

#### TITLE IX—MISCELLANEOUS PROVISIONS

- Sec. 901. De minimis value.
- Sec. 902. Consultation on trade and customs revenue functions.
- Sec. 903. Penalties for customs brokers.
- Sec. 904. Amendments to chapter 98 of the Harmonized Tariff Schedule of the United States.
- Sec. 905. Exemption from duty of residue of bulk cargo contained in instruments of international traffic previously exported from the United States.
- Sec. 906. Drawback and refunds.
- Sec. 907. Report on certain U.S. Customs and Border Protection agreements.

- Sec. 908. Charter flights.
- Sec. 909. United States-Israel trade and commercial enhancement.
- Sec. 910. Elimination of consumptive demand exception to prohibition on importation of goods made with convict labor, forced labor, or indentured labor; report.
- Sec. 911. Voluntary reliquidations by U.S. Customs and Border Protection.
- Sec. 912. Tariff classification of recreational performance outerwear.
- Sec. 913. Modifications to duty treatment of protective active footwear.
- Sec. 914. Amendments to Bipartisan Congressional Trade Priorities and Accountability Act of 2015.
- Sec. 915. Trade preferences for Nepal.
- Sec. 916. Agreement by Asia-Pacific Economic Cooperation members to reduce rates of duty on certain environmental goods.
- Sec. 917. Amendment to Tariff Act of 1930 to require country of origin marking of certain castings.
- Sec. 918. Inclusion of certain information in submission of nomination for appointment as Deputy United States Trade Representative.
- Sec. 919. Sense of Congress on the need for a miscellaneous tariff bill process.
- Sec. 920. Customs user fees.
- Sec. 921. Increase in penalty for failure to file return of tax.
- Sec. 922. Permanent moratorium on Internet access taxes and on multiple and discriminatory taxes on electronic commerce.

**1 SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) AUTOMATED COMMERCIAL ENVIRON-  
4 MENT.—The term “Automated Commercial Environ-  
5 ment” means the Automated Commercial Environ-  
6 ment computer system authorized under section  
7 13031(f)(4) of the Consolidated Omnibus Budget  
8 Reconciliation Act of 1985 (19 U.S.C. 58c(f)(4)).

9 (2) COMMERCIAL OPERATIONS OF U.S. CUSTOMS  
10 AND BORDER PROTECTION.—The term “commercial  
11 operations of U.S. Customs and Border Protection”  
12 includes—

13 (A) administering any customs revenue  
14 function (as defined in section 415 of the

1 Homeland Security Act of 2002 (6 U.S.C.  
2 215));

3 (B) coordinating efforts of the Department  
4 of Homeland Security with respect to trade fa-  
5 cilitation and trade enforcement;

6 (C) coordinating with the Director of U.S.  
7 Immigration and Customs Enforcement with re-  
8 spect to—

9 (i) investigations relating to trade en-  
10 forcement; and

11 (ii) the development and implementa-  
12 tion of the joint strategic plan required by  
13 section 105;

14 (D) coordinating, on behalf of the Depart-  
15 ment of Homeland Security, efforts among Fed-  
16 eral agencies to facilitate legitimate trade and  
17 to enforce the customs and trade laws of the  
18 United States, including representing the De-  
19 partment of Homeland Security in interagency  
20 fora addressing such efforts;

21 (E) coordinating with customs authorities  
22 of foreign countries to facilitate legitimate  
23 international trade and enforce the customs and  
24 trade laws of the United States and the cus-  
25 toms and trade laws of foreign countries;

1 (F) collecting, assessing, and disseminating  
2 information as appropriate and in accordance  
3 with any law regarding cargo destined for the  
4 United States—

5 (i) to ensure that such cargo complies  
6 with the customs and trade laws of the  
7 United States; and

8 (ii) to facilitate the legitimate inter-  
9 national trade of such cargo;

10 (G) soliciting and considering on a regular  
11 basis input from private sector entities, includ-  
12 ing the Commercial Customs Operations Advi-  
13 sory Committee established by section 109 and  
14 the Trade Support Network, with respect to, as  
15 appropriate—

16 (i) the implementation of changes to  
17 the customs and trade laws of the United  
18 States; and

19 (ii) the development, implementation,  
20 or revision of policies or regulations admin-  
21 istered by U.S. Customs and Border Pro-  
22 tection; and

23 (H) otherwise advising the Secretary of  
24 Homeland Security with respect to the develop-  
25 ment of policies associated with facilitating le-

1           gitimate trade and enforcing the customs and  
2           trade laws of the United States.

3           (3) COMMISSIONER.—The term “Commis-  
4           sioner” means the Commissioner of U.S. Customs  
5           and Border Protection, as described in section  
6           411(b) of the Homeland Security Act of 2002, as  
7           amended by section 802(a) of this Act.

8           (4) CUSTOMS AND TRADE LAWS OF THE  
9           UNITED STATES.—The term “customs and trade  
10          laws of the United States” includes the following:

11               (A) The Tariff Act of 1930 (19 U.S.C.  
12               1202 et seq.).

13               (B) Section 249 of the Revised Statutes  
14               (19 U.S.C. 3).

15               (C) Section 2 of the Act of March 4, 1923  
16               (42 Stat. 1453, chapter 251; 19 U.S.C. 6).

17               (D) The Act of March 3, 1927 (44 Stat.  
18               1381, chapter 348; 19 U.S.C. 2071 et seq.).

19               (E) Section 13031 of the Consolidated  
20               Omnibus Budget Reconciliation Act of 1985  
21               (19 U.S.C. 58c).

22               (F) Section 251 of the Revised Statutes  
23               (19 U.S.C. 66).

24               (G) Section 1 of the Act of June 26, 1930  
25               (46 Stat. 817, chapter 617; 19 U.S.C. 68).



1           (H) The Act of June 18, 1934 (48 Stat.  
2           998, chapter 590; 19 U.S.C. 81a et seq.; com-  
3           monly known as the “Foreign Trade Zones  
4           Act”).

5           (I) Section 1 of the Act of March 2, 1911  
6           (36 Stat. 965, chapter 191; 19 U.S.C. 198).

7           (J) The Trade Act of 1974 (19 U.S.C.  
8           2101 et seq.).

9           (K) The Trade Agreements Act of 1979  
10          (19 U.S.C. 2501 et seq.).

11          (L) The North American Free Trade  
12          Agreement Implementation Act (19 U.S.C.  
13          3301 et seq.).

14          (M) The Uruguay Round Agreements Act  
15          (19 U.S.C. 3501 et seq.).

16          (N) The Caribbean Basin Economic Recov-  
17          ery Act (19 U.S.C. 2701 et seq.).

18          (O) The Andean Trade Preference Act (19  
19          U.S.C. 3201 et seq.).

20          (P) The African Growth and Opportunity  
21          Act (19 U.S.C. 3701 et seq.).

22          (Q) The Customs Enforcement Act of  
23          1986 (Public Law 99–570; 100 Stat. 3207–79).

24          (R) The Customs and Trade Act of 1990  
25          (Public Law 101–382; 104 Stat. 629).

1 (S) The Customs Procedural Reform and  
2 Simplification Act of 1978 (Public Law 95–  
3 410; 92 Stat. 888).

4 (T) The Trade Act of 2002 (Public Law  
5 107–210; 116 Stat. 933).

6 (U) The Convention on Cultural Property  
7 Implementation Act (19 U.S.C. 2601 et seq.).

8 (V) The Act of March 28, 1928 (45 Stat.  
9 374, chapter 266; 19 U.S.C. 2077 et seq.).

10 (W) The Act of August 7, 1939 (53 Stat.  
11 1262, chapter 566).

12 (X) The Bipartisan Congressional Trade  
13 Priorities and Accountability Act of 2015 (Pub-  
14 lic Law 114–26; 19 U.S.C. 4201 et seq.).

15 (Y) The Trade Preferences Extension Act  
16 of 2015 (Public Law 114–27; 129 Stat. 362).

17 (Z) Any other provision of law imple-  
18 menting a trade agreement.

19 (AA) Any other provision of law vesting  
20 customs revenue functions in the Secretary of  
21 the Treasury.

22 (BB) Any other provision of law relating  
23 to trade facilitation or trade enforcement that is  
24 administered by U.S. Customs and Border Pro-  
25 tection on behalf of any Federal agency that is

1 required to participate in the International  
2 Trade Data System established under section  
3 411(d) of the Tariff Act of 1930 (19 U.S.C.  
4 1411(d)).

5 (CC) Any other provision of customs or  
6 trade law administered by U.S. Customs and  
7 Border Protection or U.S. Immigration and  
8 Customs Enforcement.

9 (5) PRIVATE SECTOR ENTITY.—The term “pri-  
10 vate sector entity” means—

11 (A) an importer;

12 (B) an exporter;

13 (C) a forwarder;

14 (D) an air, sea, or land carrier or shipper;

15 (E) a contract logistics provider;

16 (F) a customs broker; or

17 (G) any other person (other than an em-  
18 ployee of a government) affected by the imple-  
19 mentation of the customs and trade laws of the  
20 United States.

21 (6) TRADE ENFORCEMENT.—The term “trade  
22 enforcement” means the enforcement of the customs  
23 and trade laws of the United States.

24 (7) TRADE FACILITATION.—The term “trade  
25 facilitation” refers to policies and activities of U.S.

1 Customs and Border Protection with respect to fa-  
2 cilitating the movement of merchandise into and out  
3 of the United States in a manner that complies with  
4 the customs and trade laws of the United States.

5 **TITLE I—TRADE FACILITATION**  
6 **AND TRADE ENFORCEMENT**

7 **SEC. 101. IMPROVING PARTNERSHIP PROGRAMS.**

8 (a) IN GENERAL.—In order to advance the security,  
9 trade enforcement, and trade facilitation missions of U.S.  
10 Customs and Border Protection, the Commissioner shall  
11 ensure that partnership programs of U.S. Customs and  
12 Border Protection established before the date of the enact-  
13 ment of this Act, such as the Customs–Trade Partnership  
14 Against Terrorism established under subtitle B of title II  
15 of the Security and Accountability for Every Port Act of  
16 2006 (6 U.S.C. 961 et seq.), and partnership programs  
17 of U.S. Customs and Border Protection established on or  
18 after such date of enactment, provide trade benefits to pri-  
19 vate sector entities that meet the requirements for partici-  
20 pation in those programs established by the Commissioner  
21 under this section.

22 (b) ELEMENTS.—In developing and operating part-  
23 nership programs under subsection (a), the Commissioner  
24 shall—

1           (1) consult with private sector entities, the pub-  
2       lic, and other Federal agencies when appropriate, to  
3       ensure that participants in those programs receive  
4       commercially significant and measurable trade bene-  
5       fits, including providing preclearance of merchandise  
6       for qualified persons that demonstrate the highest  
7       levels of compliance with the customs and trade laws  
8       of the United States, regulations of U.S. Customs  
9       and Border Protection, and other requirements the  
10      Commissioner determines to be necessary;

11          (2) ensure an integrated and transparent sys-  
12      tem of trade benefits and compliance requirements  
13      for all partnership programs of U.S. Customs and  
14      Border Protection;

15          (3) consider consolidating partnership programs  
16      in situations in which doing so would support the  
17      objectives of such programs, increase participation in  
18      such programs, enhance the trade benefits provided  
19      to participants in such programs, and enhance the  
20      allocation of the resources of U.S. Customs and Bor-  
21      der Protection;

22          (4) coordinate with the Director of U.S. Immi-  
23      gration and Customs Enforcement, and other Fed-  
24      eral agencies with authority to detain and release  
25      merchandise entering the United States—

1 (A) to ensure coordination in the release of  
2 such merchandise through the Automated Com-  
3 mercial Environment, or its predecessor, and  
4 the International Trade Data System estab-  
5 lished under section 411(d) of the Tariff Act of  
6 1930 (19 U.S.C. 1411(d));

7 (B) to ensure that the partnership pro-  
8 grams of those agencies are compatible with the  
9 partnership programs of U.S. Customs and  
10 Border Protection;

11 (C) to develop criteria for authorizing the  
12 release, on an expedited basis, of merchandise  
13 for which documentation is required from one  
14 or more of those agencies to clear or license the  
15 merchandise for entry into the United States;  
16 and

17 (D) to create pathways, within and among  
18 the appropriate Federal agencies, for qualified  
19 persons that demonstrate the highest levels of  
20 compliance with the customs and trade laws of  
21 the United States to receive immediate clear-  
22 ance absent information that a transaction may  
23 pose a national security or compliance threat;  
24 and

1           (5) ensure that trade benefits are provided to  
2 participants in partnership programs.

3       (c) REPORT REQUIRED.—Not later than the date  
4 that is 180 days after the date of the enactment of this  
5 Act, and not later than December 31 of each calendar year  
6 thereafter, the Commissioner shall submit to the appro-  
7 priate congressional committees a report that—

8           (1) identifies each partnership program referred  
9 to in subsection (a);

10          (2) for each such program, identifies—

11               (A) the requirements for participants in  
12 the program;

13               (B) the commercially significant and meas-  
14 urable trade benefits provided to participants in  
15 the program;

16               (C) the number of participants in the pro-  
17 gram; and

18               (D) in the case of a program that provides  
19 for participation at multiple tiers, the number  
20 of participants at each such tier;

21          (3) identifies the number of participants en-  
22 rolled in more than one such partnership program;

23          (4) assesses the effectiveness of each such part-  
24 nership program in advancing the security, trade en-  
25 forcement, and trade facilitation missions of U.S.

1 Customs and Border Protection, based on historical  
2 developments, the level of participation in the pro-  
3 gram, and the evolution of benefits provided to par-  
4 ticipants in the program;

5 (5) summarizes the efforts of U.S. Customs and  
6 Border Protection to work with other Federal agen-  
7 cies with authority to detain and release merchan-  
8 dise entering the United States to ensure that part-  
9 nership programs of those agencies are compatible  
10 with partnership programs of U.S. Customs and  
11 Border Protection;

12 (6) summarizes criteria developed with those  
13 agencies for authorizing the release, on an expedited  
14 basis, of merchandise for which documentation is re-  
15 quired from one or more of those agencies to clear  
16 or license the merchandise for entry into the United  
17 States;

18 (7) summarizes the efforts of U.S. Customs and  
19 Border Protection to work with private sector enti-  
20 ties and the public to develop and improve such  
21 partnership programs;

22 (8) describes measures taken by U.S. Customs  
23 and Border Protection to make private sector enti-  
24 ties aware of the trade benefits available to partici-  
25 pants in such partnership programs; and



1 (9) summarizes the plans, targets, and goals of  
2 U.S. Customs and Border Protection with respect to  
3 such partnership programs for the 2 years following  
4 the submission of the report.

5 **SEC. 102. REPORT ON EFFECTIVENESS OF TRADE EN-**  
6 **FORCEMENT ACTIVITIES.**

7 (a) IN GENERAL.—Not later than one year after the  
8 date of the enactment of this Act, the Comptroller General  
9 of the United States shall submit to the appropriate con-  
10 gressional committees a report on the effectiveness of  
11 trade enforcement activities of U.S. Customs and Border  
12 Protection.

13 (b) CONTENTS.—The report required by subsection  
14 (a) shall include—

15 (1) a description of the use of resources, results  
16 of audits and verifications, targeting, organization,  
17 and training of personnel of U.S. Customs and Bor-  
18 der Protection;

19 (2) a description of trade enforcement activities  
20 to address undervaluation, transshipment, legitimacy  
21 of entities making entry, protection of revenues,  
22 fraud prevention and detection, and penalties, in-  
23 cluding intentional misclassification, inadequate  
24 bonding, and other misrepresentations; and

1 (3) a description of trade enforcement activities  
2 with respect to the priority trade issues described in  
3 section 117, including—

4 (A) methodologies used in such enforce-  
5 ment activities, such as targeting;

6 (B) recommendations for improving such  
7 enforcement activities; and

8 (C) a description of the implementation of  
9 previous recommendations for improving such  
10 enforcement activities.

11 (c) FORM OF REPORT.—The report required by sub-  
12 section (a) shall be submitted in unclassified form, but  
13 may include a classified annex.

14 **SEC. 103. PRIORITIES AND PERFORMANCE STANDARDS**  
15 **FOR CUSTOMS MODERNIZATION, TRADE FA-**  
16 **CILITATION, AND TRADE ENFORCEMENT**  
17 **FUNCTIONS AND PROGRAMS.**

18 (a) PRIORITIES AND PERFORMANCE STANDARDS.—

19 (1) IN GENERAL.—The Commissioner, in con-  
20 sultation with the appropriate congressional commit-  
21 tees, shall establish priorities and performance  
22 standards to measure the development and levels of  
23 achievement of the customs modernization, trade fa-  
24 cilitation, and trade enforcement functions and pro-  
25 grams described in subsection (b).

1           (2) MINIMUM PRIORITIES AND STANDARDS.—

2       Such priorities and performance standards shall, at  
3       a minimum, include priorities and standards relating  
4       to efficiency, outcome, output, and other types of ap-  
5       plicable measures.

6       (b) FUNCTIONS AND PROGRAMS DESCRIBED.—The  
7       functions and programs referred to in subsection (a) are  
8       the following:

9           (1) The Automated Commercial Environment.

10          (2) Each of the priority trade issues described  
11       in section 117.

12          (3) The Centers of Excellence and Expertise de-  
13       scribed in section 110.

14          (4) Drawback for exported merchandise under  
15       section 313 of the Tariff Act of 1930 (19 U.S.C.  
16       1313), as amended by section 906 of this Act.

17          (5) Transactions relating to imported merchan-  
18       dise in bond.

19          (6) Collection of countervailing duties assessed  
20       under subtitle A of title VII of the Tariff Act of  
21       1930 (19 U.S.C. 1671 et seq.) and antidumping du-  
22       ties assessed under subtitle B of title VII of the Tar-  
23       iff Act of 1930 (19 U.S.C. 1673 et seq.).

24          (7) The expedited clearance of cargo.

25          (8) The issuance of regulations and rulings.

1 (9) The issuance of Regulatory Audit Reports.

2 (c) CONSULTATIONS AND NOTIFICATION.—

3 (1) CONSULTATIONS.—The consultations re-  
4 quired by subsection (a)(1) shall occur, at a min-  
5 imum, on an annual basis.

6 (2) NOTIFICATION.—The Commissioner shall  
7 notify the appropriate congressional committees of  
8 any changes to the priorities or performance stand-  
9 ards referred to in subsection (a) not later than 30  
10 days before such changes are to take effect.

11 **SEC. 104. EDUCATIONAL SEMINARS TO IMPROVE EFFORTS**  
12 **TO CLASSIFY AND APPRAISE IMPORTED AR-**  
13 **TICLES, TO IMPROVE TRADE ENFORCEMENT**  
14 **EFFORTS, AND TO OTHERWISE FACILITATE**  
15 **LEGITIMATE INTERNATIONAL TRADE.**

16 (a) ESTABLISHMENT.—The Commissioner and the  
17 Director shall establish and carry out on a fiscal year basis  
18 educational seminars to—

19 (1) improve the ability of personnel of U.S.  
20 Customs and Border Protection to classify and ap-  
21 praise articles imported into the United States in ac-  
22 cordance with the customs and trade laws of the  
23 United States;

24 (2) improve the trade enforcement efforts of  
25 personnel of U.S. Customs and Border Protection

1 and personnel of U.S. Immigration and Customs  
2 Enforcement; and

3 (3) otherwise improve the ability and effective-  
4 ness of personnel of U.S. Customs and Border Pro-  
5 tection and personnel of U.S. Immigration and Cus-  
6 toms Enforcement to facilitate legitimate inter-  
7 national trade.

8 (b) CONTENT.—

9 (1) CLASSIFYING AND APPRAISING IMPORTED  
10 ARTICLES.—In carrying out subsection (a)(1), the  
11 Commissioner, the Director, and interested parties  
12 in the private sector selected under subsection (c)  
13 shall provide instruction and related instructional  
14 materials at each educational seminar carried out  
15 under this section to personnel of U.S. Customs and  
16 Border Protection and, as appropriate, to personnel  
17 of U.S. Immigration and Customs Enforcement on  
18 the following:

19 (A) Conducting a physical inspection of an  
20 article imported into the United States, includ-  
21 ing testing of samples of the article, to deter-  
22 mine if the article is mislabeled in the manifest  
23 or other accompanying documentation.

24 (B) Reviewing the manifest and other ac-  
25 companying documentation of an article im-

1           ported into the United States to determine if  
2           the country of origin of the article listed in the  
3           manifest or other accompanying documentation  
4           is accurate.

5                   (C) Customs valuation.

6                   (D) Industry supply chains and other re-  
7           lated matters as determined to be appropriate  
8           by the Commissioner.

9           (2) TRADE ENFORCEMENT EFFORTS.—In car-  
10          rying out subsection (a)(2), the Commissioner, the  
11          Director, and interested parties in the private sector  
12          selected under subsection (c) shall provide instruc-  
13          tion and related instructional materials at each edu-  
14          cational seminar carried out under this section to  
15          personnel of U.S. Customs and Border Protection  
16          and, as appropriate, to personnel of U.S. Immigra-  
17          tion and Customs Enforcement to identify opportu-  
18          nities to enhance enforcement of the following:

19                   (A) Collection of countervailing duties as-  
20          sessed under subtitle A of title VII of the Tariff  
21          Act of 1930 (19 U.S.C. 1671 et seq.) and anti-  
22          dumping duties assessed under subtitle B of  
23          title VII of the Tariff Act of 1930 (19 U.S.C.  
24          1673 et seq.).

1 (B) Addressing evasion of duties on im-  
2 ports of textiles.

3 (C) Protection of intellectual property  
4 rights.

5 (D) Enforcement of child labor laws.

6 (3) APPROVAL OF COMMISSIONER AND DIREC-  
7 TOR.—The instruction and related instructional ma-  
8 terials at each educational seminar carried out under  
9 this section shall be subject to the approval of the  
10 Commissioner and the Director.

11 (c) SELECTION PROCESS.—

12 (1) IN GENERAL.—The Commissioner shall es-  
13 tablish a process to solicit, evaluate, and select inter-  
14 ested parties in the private sector for purposes of as-  
15 sisting in providing instruction and related instruc-  
16 tional materials described in subsection (b) at each  
17 educational seminar carried out under this section.

18 (2) CRITERIA.—The Commissioner shall evalu-  
19 ate and select interested parties in the private sector  
20 under the process established under paragraph (1)  
21 based on—

22 (A) availability and usefulness;

23 (B) the volume, value, and incidence of  
24 mislabeling or misidentification of origin of im-  
25 ported articles; and

1 (C) other appropriate criteria established  
2 by the Commissioner.

3 (3) PUBLIC AVAILABILITY.—The Commissioner  
4 and the Director shall publish in the Federal Reg-  
5 ister a detailed description of the process established  
6 under paragraph (1) and the criteria established  
7 under paragraph (2).

8 (d) SPECIAL RULE FOR ANTIDUMPING AND COUN-  
9 TERVAILING DUTY ORDERS.—

10 (1) IN GENERAL.—The Commissioner shall give  
11 due consideration to carrying out an educational  
12 seminar under this section in whole or in part to im-  
13 prove the ability of personnel of U.S. Customs and  
14 Border Protection to enforce a countervailing or  
15 antidumping duty order issued under section 706 or  
16 736 of the Tariff Act of 1930 (19 U.S.C. 1671e or  
17 1673e) upon the request of a petitioner in an action  
18 underlying such countervailing or antidumping duty  
19 order.

20 (2) INTERESTED PARTY.—A petitioner de-  
21 scribed in paragraph (1) shall be treated as an inter-  
22 ested party in the private sector for purposes of the  
23 requirements of this section.

24 (e) PERFORMANCE STANDARDS.—The Commissioner  
25 and the Director shall establish performance standards to



1 measure the development and level of achievement of edu-  
2 cational seminars carried out under this section.

3 (f) REPORTING.—Not later than September 30,  
4 2016, and annually thereafter, the Commissioner and the  
5 Director shall submit to the appropriate congressional  
6 committees a report on the effectiveness of educational  
7 seminars carried out under this section.

8 (g) DEFINITIONS.—In this section:

9 (1) DIRECTOR.—The term “Director” means  
10 the Director of U.S. Immigration and Customs En-  
11 forcement.

12 (2) UNITED STATES.—The term “United  
13 States” means the customs territory of the United  
14 States, as defined in General Note 2 to the Har-  
15 monized Tariff Schedule of the United States.

16 (3) U.S. CUSTOMS AND BORDER PROTECTION  
17 PERSONNEL.—The term “U.S. Customs and Border  
18 Protection personnel” means import specialists,  
19 auditors, and other appropriate employees of the  
20 U.S. Customs and Border Protection.

21 (4) U.S. IMMIGRATION AND CUSTOMS ENFORCE-  
22 MENT PERSONNEL.—The term “U.S. Immigration  
23 and Customs Enforcement personnel” means Home-  
24 land Security Investigations Directorate personnel

1 and other appropriate employees of U.S. Immigra-  
2 tion and Customs Enforcement.

3 **SEC. 105. JOINT STRATEGIC PLAN.**

4 (a) IN GENERAL.—Not later than one year after the  
5 date of the enactment of this Act, and every 2 years there-  
6 after, the Commissioner and the Director of U.S. Immi-  
7 gration and Customs Enforcement shall jointly develop  
8 and submit to the appropriate congressional committees  
9 a joint strategic plan.

10 (b) CONTENTS.—The joint strategic plan required  
11 under this section shall be comprised of a comprehensive  
12 multiyear plan for trade enforcement and trade facilita-  
13 tion, and shall include—

14 (1) a summary of actions taken during the 2-  
15 year period preceding the submission of the plan to  
16 improve trade enforcement and trade facilitation, in-  
17 cluding a description and analysis of specific per-  
18 formance measures to evaluate the progress of U.S.  
19 Customs and Border Protection and U.S. Immigra-  
20 tion and Customs Enforcement in meeting each such  
21 responsibility;

22 (2) a statement of objectives and plans for fur-  
23 ther improving trade enforcement and trade facilita-  
24 tion;

1           (3) a specific identification of the priority trade  
2       issues described in section 117 that can be ad-  
3       dressed in order to enhance trade enforcement and  
4       trade facilitation, and a description of strategies and  
5       plans for addressing each such issue, including—

6           (A) a description of the targeting meth-  
7       odologies used for enforcement activities with  
8       respect to each such issue;

9           (B) recommendations for improving such  
10      enforcement activities; and

11          (C) a description of the implementation of  
12      previous recommendations for improving such  
13      enforcement activities;

14          (4) a description of efforts made to improve  
15      consultation and coordination among and within  
16      Federal agencies, and in particular between U.S.  
17      Customs and Border Protection and U.S. Immigra-  
18      tion and Customs Enforcement, regarding trade en-  
19      forcement and trade facilitation;

20          (5) a description of the training that has oc-  
21      curred to date within U.S. Customs and Border Pro-  
22      tection and U.S. Immigration and Customs Enforce-  
23      ment to improve trade enforcement and trade facili-  
24      tation, including training at educational seminars  
25      carried out under section 104;

1           (6) a description of efforts to work with the  
2       World Customs Organization and other international  
3       organizations, in consultation with other Federal  
4       agencies as appropriate, with respect to enhancing  
5       trade enforcement and trade facilitation;

6           (7) a description of U.S. Custom and Border  
7       Protection organizational benchmarks for optimizing  
8       staffing and wait times at ports of entry;

9           (8) a specific identification of any domestic or  
10      international best practices that may further im-  
11      prove trade enforcement and trade facilitation;

12          (9) any legislative recommendations to further  
13      improve trade enforcement and trade facilitation;  
14      and

15          (10) a description of efforts made to improve  
16      consultation and coordination with the private sector  
17      to enhance trade enforcement and trade facilitation.

18      (c) CONSULTATIONS.—

19          (1) IN GENERAL.—In developing the joint stra-  
20      tegic plan required under this section, the Commis-  
21      sioner and the Director of U.S. Immigration and  
22      Customs Enforcement shall consult with—

23              (A) appropriate officials from relevant  
24      Federal agencies, including—

25                  (i) the Department of the Treasury;

- 1 (ii) the Department of Agriculture;
- 2 (iii) the Department of Commerce;
- 3 (iv) the Department of Justice;
- 4 (v) the Department of the Interior;
- 5 (vi) the Department of Health and
- 6 Human Services;
- 7 (vii) the Food and Drug Administra-
- 8 tion;
- 9 (viii) the Consumer Product Safety
- 10 Commission; and

- 11 (ix) the Office of the United States
- 12 Trade Representative; and

- 13 (B) the Commercial Customs Operations
- 14 Advisory Committee established by section 109.

- 15 (2) OTHER CONSULTATIONS.—In developing
- 16 the joint strategic plan required under this section,
- 17 the Commissioner and the Director shall seek to
- 18 consult with—

- 19 (A) appropriate officials from relevant for-
- 20 eign law enforcement agencies and international
- 21 organizations, including the World Customs Or-
- 22 ganization; and

- 23 (B) interested parties in the private sector.

1 (d) FORM OF PLAN.—The joint strategic plan re-  
2 quired under this section shall be submitted in unclassified  
3 form, but may include a classified annex.

4 **SEC. 106. AUTOMATED COMMERCIAL ENVIRONMENT.**

5 (a) FUNDING.—Section 13031(f)(4)(B) of the Con-  
6 solidated Omnibus Budget Reconciliation Act of 1985 (19  
7 U.S.C. 58c(f)(4)(B)) is amended—

8 (1) by striking “2003 through 2005” and in-  
9 serting “2016 through 2018”;

10 (2) by striking “such amounts as are available  
11 in that Account” and inserting “not less than  
12 \$153,736,000”; and

13 (3) by striking “for the development” and in-  
14 serting “to complete the development and implemen-  
15 tation”.

16 (b) REPORT.—

17 (1) IN GENERAL.—Not later than December 31,  
18 2016, the Commissioner shall submit to the Com-  
19 mittee on Appropriations and the Committee on Fi-  
20 nance of the Senate and the Committee on Appro-  
21 priations and the Committee on Ways and Means of  
22 the House of Representatives a report detailing—

23 (A) U.S. Customs and Border Protection’s  
24 incorporation of all core trade processing capa-  
25 bilities, including cargo release, entry summary,

1 cargo manifest, cargo financial data, and export  
2 data elements, into the Automated Commercial  
3 Environment not later than September 30,  
4 2016, to conform with the admissibility criteria  
5 of agencies participating in the International  
6 Trade Data System identified pursuant to para-  
7 graph (4)(A)(iii) of section 411(d) of the Tariff  
8 Act of 1930 (19 U.S.C. 1411(d)), as added by  
9 section 107 of this Act;

10 (B) U.S. Customs and Border Protection's  
11 remaining priorities for processing entry sum-  
12 mary data elements, cargo manifest data ele-  
13 ments, cargo financial data elements, and ex-  
14 port elements in the Automated Commercial  
15 Environment, and the objectives and plans for  
16 implementing these remaining priorities;

17 (C) the components of the National Cus-  
18 toms Automation Program specified in section  
19 411(a)(2) of the Tariff Act of 1930 that have  
20 not been implemented; and

21 (D) any additional components of the Na-  
22 tional Customs Automation Program initiated  
23 by the Commissioner to complete the develop-  
24 ment, establishment, and implementation of the  
25 Automated Commercial Environment.

1           (2) UPDATE OF REPORTS.—Not later than Sep-  
2           tember 30, 2017, the Commissioner shall submit to  
3           the Committee on Appropriations and the Com-  
4           mittee on Finance of the Senate and the Committee  
5           on Appropriations and the Committee on Ways and  
6           Means of the House of Representatives an updated  
7           report addressing each of the matters referred to in  
8           paragraph (1), and—

9                   (A) evaluating the effectiveness of the im-  
10                  plementation of the Automated Commercial En-  
11                  vironment; and

12                   (B) detailing the percentage of trade proc-  
13                  essed in the Automated Commercial Environ-  
14                  ment every month since September 30, 2016.

15           (3) REPEAL.—Section 311(b) of the Customs  
16           Border Security Act of 2002 (19 U.S.C. 2075 note)  
17           is amended by striking paragraph (3).

18           (c) GOVERNMENT ACCOUNTABILITY OFFICE RE-  
19           PORT.—Not later than December 31, 2017, the Comp-  
20           troller General of the United States shall submit to the  
21           Committee on Appropriations and the Committee on Fi-  
22           nance of the Senate and the Committee on Appropriations  
23           and the Committee on Ways and Means of the House of  
24           Representatives a report—



1           (1) assessing the progress of other Federal  
2 agencies in accessing and utilizing the Automated  
3 Commercial Environment; and

4           (2) assessing the potential cost savings to the  
5 United States Government and importers and ex-  
6 porters and the potential benefits to enforcement of  
7 the customs and trade laws of the United States if  
8 the elements identified in subparagraphs (A)  
9 through (D) of subsection (b)(1) are implemented.

10 **SEC. 107. INTERNATIONAL TRADE DATA SYSTEM.**

11       Section 411(d) of the Tariff Act of 1930 (19 U.S.C.  
12 1411(d)) is amended—

13           (1) by redesignating paragraphs (4) through  
14 (7) as paragraphs (5) through (8), respectively;

15           (2) by inserting after paragraph (3) the fol-  
16 lowing:

17           “(4) INFORMATION TECHNOLOGY INFRASTRUC-  
18 TURE.—

19           “(A) IN GENERAL.—The Secretary shall  
20 work with the head of each agency participating  
21 in the ITDS and the Interagency Steering  
22 Committee to ensure that each agency—

23           “(i) develops and maintains the nec-  
24 essary information technology infrastruc-  
25 ture to support the operation of the ITDS

1 and to submit all data to the ITDS elec-  
2 tronically;

3 “(ii) enters into a memorandum of  
4 understanding, or takes such other action  
5 as is necessary, to provide for the informa-  
6 tion sharing between the agency and U.S.  
7 Customs and Border Protection necessary  
8 for the operation and maintenance of the  
9 ITDS;

10 “(iii) not later than June 30, 2016,  
11 identifies and transmits to the Commis-  
12 sioner of U.S. Customs and Border Protec-  
13 tion the admissibility criteria and data ele-  
14 ments required by the agency to authorize  
15 the release of cargo by U.S. Customs and  
16 Border Protection for incorporation into  
17 the operational functionality of the Auto-  
18 mated Commercial Environment computer  
19 system authorized under section  
20 13031(f)(4) of the Consolidated Omnibus  
21 Budget and Reconciliation Act of 1985 (19  
22 U.S.C. 58c(f)(4)); and

23 “(iv) not later than December 31,  
24 2016, utilizes the ITDS as the primary  
25 means of receiving from users the standard

1 set of data and other relevant documenta-  
2 tion, exclusive of applications for permits,  
3 licenses, or certifications required for the  
4 release of imported cargo and clearance of  
5 cargo for export.

6 “(B) RULE OF CONSTRUCTION.—Nothing  
7 in this paragraph shall be construed to require  
8 any action to be taken that would compromise  
9 an ongoing law enforcement investigation or  
10 would compromise national security.”; and

11 (3) in paragraph (8), as redesignated, by strik-  
12 ing “section 9503(c) of the Omnibus Budget Rec-  
13 onciliation Act of 1987 (19 U.S.C. 2071 note)” and  
14 inserting “section 109 of the Trade Facilitation and  
15 Trade Enforcement Act of 2015”.

16 **SEC. 108. CONSULTATIONS WITH RESPECT TO MUTUAL**  
17 **RECOGNITION ARRANGEMENTS.**

18 (a) CONSULTATIONS.—The Secretary of Homeland  
19 Security, with respect to any proposed mutual recognition  
20 arrangement or similar agreement between the United  
21 States and a foreign government providing for mutual rec-  
22 ognition of supply chain security programs and customs  
23 revenue functions, shall consult with the appropriate con-  
24 gressional committees—

1           (1) not later than 30 days before initiating ne-  
2       negotiations to enter into any such arrangement or  
3       similar agreement; and

4           (2) not later than 30 days before entering into  
5       any such arrangement or similar agreement.

6       (b) NEGOTIATING OBJECTIVE.—It shall be a negoti-  
7   ating objective of the United States in any negotiation for  
8   a mutual recognition arrangement or similar agreement  
9   with a foreign country on partnership programs, such as  
10  the Customs–Trade Partnership Against Terrorism estab-  
11  lished under subtitle B of title II of the Security and Ac-  
12  countability for Every Port Act of 2006 (6 U.S.C. 961  
13  et seq.), to seek to ensure the compatibility of the partner-  
14  ship programs of that country with the partnership pro-  
15  grams of U.S. Customs and Border Protection to enhance  
16  security, trade facilitation, and trade enforcement.

17 **SEC. 109. COMMERCIAL CUSTOMS OPERATIONS ADVISORY**  
18 **COMMITTEE.**

19       (a) ESTABLISHMENT.—Not later than the date that  
20  is 60 days after the date of the enactment of this Act,  
21  the Secretary of the Treasury and the Secretary of Home-  
22  land Security shall jointly establish a Commercial Customs  
23  Operations Advisory Committee (in this section referred  
24  to as the “Advisory Committee”).

25       (b) MEMBERSHIP.—

1           (1) IN GENERAL.—The Advisory Committee  
2 shall be comprised of—

3           (A) 20 individuals appointed under para-  
4 graph (2);

5           (B) the Assistant Secretary for Tax Policy  
6 of the Department of the Treasury and the  
7 Commissioner, who shall jointly co-chair meet-  
8 ings of the Advisory Committee; and

9           (C) the Assistant Secretary for Policy and  
10 the Director of U.S. Immigration and Customs  
11 Enforcement, who shall serve as deputy co-  
12 chairs of meetings of the Advisory Committee.

13       (2) APPOINTMENT.—

14           (A) IN GENERAL.—The Secretary of the  
15 Treasury and the Secretary of Homeland Secu-  
16 rity shall jointly appoint 20 individuals from  
17 the private sector to the Advisory Committee.

18           (B) REQUIREMENTS.—In making appoint-  
19 ments under subparagraph (A), the Secretary  
20 of the Treasury and the Secretary of Homeland  
21 Security shall appoint members—

22           (i) to ensure that the membership of  
23 the Advisory Committee is representative  
24 of the individuals and firms affected by the

1 commercial operations of U.S. Customs  
2 and Border Protection; and

3 (ii) without regard to political affili-  
4 ation.

5 (C) TERMS.—Each individual appointed to  
6 the Advisory Committee under this paragraph  
7 shall be appointed for a term of not more than  
8 3 years, and may be reappointed to subsequent  
9 terms, but may not serve more than 2 terms se-  
10 quentially.

11 (3) TRANSFER OF MEMBERSHIP.—The Sec-  
12 retary of the Treasury and the Secretary of Home-  
13 land Security may transfer members serving on the  
14 Advisory Committee on Commercial Operations of  
15 the United States Customs Service established under  
16 section 9503(c) of the Omnibus Budget Reconcili-  
17 ation Act of 1987 (19 U.S.C. 2071 note) on the day  
18 before the date of the enactment of this Act to the  
19 Advisory Committee established under subsection  
20 (a).

21 (c) DUTIES.—The Advisory Committee established  
22 under subsection (a) shall—

23 (1) advise the Secretary of the Treasury and  
24 the Secretary of Homeland Security on all matters  
25 involving the commercial operations of U.S. Customs

1 and Border Protection, including advising with re-  
2 spect to significant changes that are proposed with  
3 respect to regulations, policies, or practices of U.S.  
4 Customs and Border Protection;

5 (2) provide recommendations to the Secretary  
6 of the Treasury and the Secretary of Homeland Se-  
7 curity on improvements to the commercial operations  
8 of U.S. Customs and Border Protection;

9 (3) collaborate in developing the agenda for Ad-  
10 visory Committee meetings; and

11 (4) perform such other functions relating to the  
12 commercial operations of U.S. Customs and Border  
13 Protection as prescribed by law or as the Secretary  
14 of the Treasury and the Secretary of Homeland Se-  
15 curity jointly direct.

16 (d) MEETINGS.—Notwithstanding section 10(f) of  
17 the Federal Advisory Committee Act (5 U.S.C. App.), the  
18 Advisory Committee shall meet at the call of the Secretary  
19 of the Treasury and the Secretary of Homeland Security,  
20 or at the call of not less than  $\frac{2}{3}$  of the membership of  
21 the Advisory Committee. The Advisory Committee shall  
22 meet at least 4 times each calendar year.

23 (e) ANNUAL REPORT.—Not later than December 31,  
24 2016, and annually thereafter, the Advisory Committee  
25 shall submit to the Committee on Finance of the Senate

1 and the Committee on Ways and Means of the House of  
2 Representatives a report that—

3 (1) describes the activities of the Advisory Com-  
4 mittee during the preceding fiscal year; and

5 (2) sets forth any recommendations of the Advi-  
6 sory Committee regarding the commercial operations  
7 of U.S. Customs and Border Protection.

8 (f) TERMINATION.—Section 14(a)(2) of the Federal  
9 Advisory Committee Act (5 U.S.C. App.; relating to the  
10 termination of advisory committees) shall not apply to the  
11 Advisory Committee.

12 (g) CONFORMING AMENDMENT.—

13 (1) IN GENERAL.—Effective on the date on  
14 which the Advisory Committee is established under  
15 subsection (a), section 9503(c) of the Omnibus  
16 Budget Reconciliation Act of 1987 (19 U.S.C. 2071  
17 note) is repealed.

18 (2) REFERENCE.—Any reference in law to the  
19 Advisory Committee on Commercial Operations of  
20 the United States Customs Service established under  
21 section 9503(c) of the Omnibus Budget Reconcili-  
22 ation Act of 1987 (19 U.S.C. 2071 note) made on  
23 or after the date on which the Advisory Committee  
24 is established under subsection (a), shall be deemed  
25 a reference to the Commercial Customs Operations



1       Advisory Committee established under subsection  
2       (a).

3       **SEC. 110. CENTERS OF EXCELLENCE AND EXPERTISE.**

4       (a) IN GENERAL.—The Commissioner shall, in con-  
5       sultation with the appropriate congressional committees  
6       and the Commercial Customs Operations Advisory Com-  
7       mittee established under section 109, develop and imple-  
8       ment Centers of Excellence and Expertise throughout U.S.  
9       Customs and Border Protection that—

10               (1) enhance the economic competitiveness of the  
11       United States by consistently enforcing the laws and  
12       regulations of the United States at all ports of entry  
13       of the United States and by facilitating the flow of  
14       legitimate trade through increasing industry-based  
15       knowledge;

16               (2) improve enforcement efforts, including en-  
17       forcement of priority trade issues described in sec-  
18       tion 117, in specific industry sectors through the ap-  
19       plication of targeting information from the National  
20       Targeting Center under section 111 and from other  
21       means of verification;

22               (3) build upon the expertise of U.S. Customs  
23       and Border Protection in particular industry oper-  
24       ations, supply chains, and compliance requirements;

1           (4) promote the uniform implementation at  
2 each port of entry of the United States of policies  
3 and regulations relating to imports;

4           (5) centralize the trade enforcement and trade  
5 facilitation efforts of U.S. Customs and Border Pro-  
6 tection;

7           (6) formalize an account-based approach to  
8 apply, as the Commissioner determines appropriate,  
9 to the importation of merchandise into the United  
10 States;

11          (7) foster partnerships through the expansion of  
12 trade programs and other trusted partner programs;

13          (8) develop applicable performance measure-  
14 ments to meet internal efficiency and effectiveness  
15 goals; and

16          (9) whenever feasible, facilitate a more efficient  
17 flow of information between Federal agencies.

18       (b) REPORT.—Not later than December 31, 2016,  
19 the Commissioner shall submit to the appropriate congres-  
20 sional committees a report describing—

21           (1) the scope, functions, and structure of each  
22 Center of Excellence and Expertise developed and  
23 implemented under subsection (a);

24           (2) the effectiveness of each such Center of Ex-  
25 cellence and Expertise in improving enforcement ef-

1        forts, including enforcement of priority trade issues  
2        described in section 117, and facilitating legitimate  
3        trade;

4            (3) the quantitative and qualitative benefits of  
5        each such Center of Excellence and Expertise to the  
6        trade community, including through fostering part-  
7        nerships through the expansion of trade programs  
8        such as the Importer Self Assessment program and  
9        other trusted partner programs;

10           (4) all applicable performance measurements  
11        with respect to each such Center of Excellence and  
12        Expertise, including performance measures with re-  
13        spect to meeting internal efficiency and effectiveness  
14        goals;

15           (5) the performance of each such Center of Ex-  
16        cellence and Expertise in increasing the accuracy  
17        and completeness of data with respect to inter-  
18        national trade and facilitating a more efficient flow  
19        of information between Federal agencies; and

20           (6) any planned changes in the number, scope,  
21        functions, or any other aspect of the Centers of Ex-  
22        cellence and Expertise developed and implemented  
23        under subsection (a).

1 **SEC. 111. COMMERCIAL RISK ASSESSMENT TARGETING**  
2 **AND TRADE ALERTS.**

3 (a) COMMERCIAL RISK ASSESSMENT TARGETING.—

4 In carrying out its duties under section 411(g)(4) of the  
5 Homeland Security Act of 2002, as added by section  
6 802(a) of this Act, the National Targeting Center, in co-  
7 ordination with the Office of Trade established under sec-  
8 tion 4 of the Act of March 3, 1927 (44 Stat. 1381, chapter  
9 348; 19 U.S.C. 2071 et seq.), as added by section 802(h)  
10 of this Act, as appropriate, shall—

11 (1) establish targeted risk assessment meth-  
12 odologies and standards—

13 (A) for evaluating the risk that cargo des-  
14 tined for the United States may violate the cus-  
15 toms and trade laws of the United States, par-  
16 ticularly those laws applicable to merchandise  
17 subject to the priority trade issues described in  
18 section 117; and

19 (B) for issuing, as appropriate, Trade  
20 Alerts described in subsection (b);

21 (2) to the extent practicable and otherwise au-  
22 thorized by law, use, to administer the methodologies  
23 and standards established under paragraph (1)—

24 (A) publicly available information;

25 (B) information available from the Auto-  
26 mated Commercial System, the Automated

1 Commercial Environment, the Automated Tar-  
2 geting System, the Automated Export System,  
3 the International Trade Data System estab-  
4 lished under section 411(d) of the Tariff Act of  
5 1930 (19 U.S.C. 1411(d)), the TECS (formerly  
6 known as the “Treasury Enforcement Commu-  
7 nications System”), the case management sys-  
8 tem of U.S. Immigration and Customs Enforce-  
9 ment, and any successor systems; and

10 (C) information made available to the Na-  
11 tional Targeting Center, including information  
12 provided by private sector entities;

13 (3) provide for the receipt and transmission to  
14 the appropriate U.S. Customs and Border Protec-  
15 tion offices of allegations from interested parties in  
16 the private sector of violations of customs and trade  
17 laws of the United States with respect to merchan-  
18 dise relating to the priority trade issues described in  
19 section 117; and

20 (4) notify, on a timely basis, each interested  
21 party in the private sector that has submitted an al-  
22 legation of any violation of the customs and trade  
23 laws of the United States of any civil or criminal ac-  
24 tions taken by U.S. Customs and Border Protection

1 or any other Federal agency resulting from the alle-  
2 gation.

3 (b) TRADE ALERTS.—

4 (1) ISSUANCE.—In carrying out its duties  
5 under section 411(g)(4) of the Homeland Security  
6 Act of 2002, as added by section 802(a) of this Act,  
7 and based upon the application of the targeted risk  
8 assessment methodologies and standards established  
9 under subsection (a), the Executive Director of the  
10 National Targeting Center may issue Trade Alerts  
11 to directors of United States ports of entry directing  
12 further inspection, or physical examination or test-  
13 ing, of specific merchandise to ensure compliance  
14 with all applicable customs and trade laws of the  
15 United States and regulations administered by U.S.  
16 Customs and Border Protection.

17 (2) DETERMINATIONS NOT TO IMPLEMENT  
18 TRADE ALERTS.—The director of a United States  
19 port of entry may determine not to conduct further  
20 inspections, or physical examination or testing, pur-  
21 suant to a Trade Alert issued under paragraph (1)  
22 if the director—

23 (A) finds that such a determination is jus-  
24 tified by port security interests; and

1 (B) not later than 48 hours after making  
2 the determination, notifies the Assistant Com-  
3 missioner of the Office of Field Operations of  
4 U.S. Customs and Border Protection of the de-  
5 termination and the reasons for the determina-  
6 tion.

7 (3) SUMMARY OF DETERMINATIONS NOT TO IM-  
8 PLEMENT.—The Assistant Commissioner of the Of-  
9 fice of Field Operations of U.S. Customs and Border  
10 Protection shall—

11 (A) compile an annual summary of all de-  
12 terminations by directors of United States ports  
13 of entry under paragraph (2) and the reasons  
14 for those determinations;

15 (B) conduct an evaluation of the utilization  
16 of Trade Alerts issued under paragraph (1);  
17 and

18 (C) not later than December 31 of each  
19 calendar year, submit the summary to the ap-  
20 propriate congressional committees.

21 (4) INSPECTION DEFINED.—In this subsection,  
22 the term “inspection” means the comprehensive  
23 evaluation process used by U.S. Customs and Bor-  
24 der Protection, other than physical examination or  
25 testing, to permit the entry of merchandise into the

1 United States, or the clearance of merchandise for  
2 transportation in bond through the United States,  
3 for purposes of—

4 (A) assessing duties;

5 (B) identifying restricted or prohibited  
6 items; and

7 (C) ensuring compliance with all applicable  
8 customs and trade laws of the United States  
9 and regulations administered by U.S. Customs  
10 and Border Protection.

11 (c) USE OF TRADE DATA FOR COMMERCIAL EN-  
12 FORCEMENT PURPOSES.—Section 343(a)(3)(F) of the  
13 Trade Act of 2002 (19 U.S.C. 2071 note) is amended to  
14 read as follows:

15 “(F) The information collected pursuant to  
16 the regulations shall be used exclusively for en-  
17 suring cargo safety and security, preventing  
18 smuggling, and commercial risk assessment tar-  
19 geting, and shall not be used for any commer-  
20 cial enforcement purposes, including for deter-  
21 mining merchandise entry. Notwithstanding the  
22 preceding sentence, nothing in this section shall  
23 be treated as amending, repealing, or otherwise  
24 modifying title IV of the Tariff Act of 1930 or  
25 regulations promulgated thereunder.”.



1   **SEC. 112. REPORT ON OVERSIGHT OF REVENUE PROTEC-**  
2                   **TION AND ENFORCEMENT MEASURES.**

3           (a) IN GENERAL.—Not later than June 30, 2016,  
4 and not later than March 31 of each second year there-  
5 after, the Inspector General of the Department of the  
6 Treasury shall submit to the Committee on Finance of the  
7 Senate and the Committee on Ways and Means of the  
8 House of Representatives a report assessing, with respect  
9 to the period covered by the report, as specified in sub-  
10 section (b), the following:

11           (1) The effectiveness of the measures taken by  
12       U.S. Customs and Border Protection with respect to  
13       protection of revenue, including—

14           (A) the collection of countervailing duties  
15       assessed under subtitle A of title VII of the  
16       Tariff Act of 1930 (19 U.S.C. 1671 et seq.)  
17       and antidumping duties assessed under subtitle  
18       B of title VII of the Tariff Act of 1930 (19  
19       U.S.C. 1673 et seq.);

20           (B) the assessment, collection, and mitiga-  
21       tion of commercial fines and penalties;

22           (C) the use of bonds, including continuous  
23       and single transaction bonds, to secure that  
24       revenue; and

25           (D) the adequacy of the policies of U.S.  
26       Customs and Border Protection with respect to

1 the monitoring and tracking of merchandise  
2 transported in bond and collecting duties, as  
3 appropriate.

4 (2) The effectiveness of actions taken by U.S.  
5 Customs and Border Protection to measure account-  
6 ability and performance with respect to protection of  
7 revenue.

8 (3) The number and outcome of investigations  
9 instituted by U.S. Customs and Border Protection  
10 with respect to the underpayment of duties.

11 (4) The effectiveness of training with respect to  
12 the collection of duties provided for personnel of  
13 U.S. Customs and Border Protection.

14 (b) PERIOD COVERED BY REPORT.—Each report re-  
15 quired by subsection (a) shall cover the period of 2 fiscal  
16 years ending on September 30 of the calendar year pre-  
17 ceding the submission of the report.

18 **SEC. 113. REPORT ON SECURITY AND REVENUE MEASURES**  
19 **WITH RESPECT TO MERCHANDISE TRANS-**  
20 **PORTED IN BOND.**

21 (a) IN GENERAL.—Not later than December 31 of  
22 2016, 2017, and 2018, the Secretary of Homeland Secu-  
23 rity and the Secretary of the Treasury shall jointly submit  
24 to the Committee on Finance of the Senate and the Com-  
25 mittee on Ways and Means of the House of Representa-

1 tives a report on efforts undertaken by U.S. Customs and  
2 Border Protection to ensure the secure transportation of  
3 merchandise in bond through the United States and the  
4 collection of revenue owed upon the entry of such mer-  
5 chandise into the United States for consumption.

6 (b) ELEMENTS.—Each report required by subsection  
7 (a) shall include, for the fiscal year preceding the submis-  
8 sion of the report, information on—

9 (1) the overall number of entries of merchan-  
10 dise for transportation in bond through the United  
11 States;

12 (2) the ports at which merchandise arrives in  
13 the United States for transportation in bond and at  
14 which records of the arrival of such merchandise are  
15 generated;

16 (3) the average time taken to reconcile such  
17 records with the records at the final destination of  
18 the merchandise in the United States to demonstrate  
19 that the merchandise reaches its final destination or  
20 is re-exported;

21 (4) the average time taken to transport mer-  
22 chandise in bond from the port at which the mer-  
23 chandise arrives in the United States to its final des-  
24 tination in the United States;

1           (5) the total amount of duties, taxes, and fees  
2       owed with respect to shipments of merchandise  
3       transported in bond and the total amount of such  
4       duties, taxes, and fees paid;

5           (6) the total number of notifications by carriers  
6       of merchandise being transported in bond that the  
7       destination of the merchandise has changed; and

8           (7) the number of entries that remain  
9       unreconciled.

10 **SEC. 114. IMPORTER OF RECORD PROGRAM.**

11       (a) ESTABLISHMENT.—Not later than the date that  
12 is 180 days after the date of the enactment of this Act,  
13 the Secretary of Homeland Security shall establish an im-  
14 porter of record program to assign and maintain importer  
15 of record numbers.

16       (b) REQUIREMENTS.—The Secretary shall ensure  
17 that, as part of the importer of record program, U.S. Cus-  
18 toms and Border Protection—

19           (1) develops criteria that importers must meet  
20       in order to obtain an importer of record number, in-  
21       cluding—

22                (A) criteria to ensure sufficient informa-  
23       tion is collected to allow U.S. Customs and Bor-  
24       der Protection to verify the existence of the im-

1           porter requesting the importer of record num-  
2           ber;

3           (B) criteria to ensure sufficient informa-  
4           tion is collected to allow U.S. Customs and Bor-  
5           der Protection to identify linkages or other af-  
6           filiations between importers that are requesting  
7           or have been assigned importer of record num-  
8           bers; and

9           (C) criteria to ensure sufficient informa-  
10          tion is collected to allow U.S. Customs and Bor-  
11          der Protection to identify changes in address  
12          and corporate structure of importers;

13          (2) provides a process by which importers are  
14          assigned importer of record numbers;

15          (3) maintains a centralized database of im-  
16          porter of record numbers, including a history of im-  
17          porter of record numbers associated with each im-  
18          porter, and the information described in subpara-  
19          graphs (A), (B), and (C) of paragraph (1);

20          (4) evaluates and maintains the accuracy of the  
21          database if such information changes; and

22          (5) takes measures to ensure that duplicate im-  
23          porter of record numbers are not issued.

24          (c) REPORT.—Not later than one year after the date  
25          of the enactment of this Act, the Secretary shall submit

1 to the Committee on Finance of the Senate and the Com-  
2 mittee on Ways and Means of the House of Representa-  
3 tives a report on the importer of record program estab-  
4 lished under subsection (a).

5 (d) NUMBER DEFINED.—In this section, the term  
6 “number”, with respect to an importer of record, means  
7 a filing identification number described in section 24.5 of  
8 title 19, Code of Federal Regulations (or any cor-  
9 responding similar regulation) that fully supports the re-  
10 quirements of subsection (b) with respect to the collection  
11 and maintenance of information.

12 **SEC. 115. ESTABLISHMENT OF IMPORTER RISK ASSESS-**  
13 **MENT PROGRAM.**

14 (a) IN GENERAL.—Not later than the date that is  
15 180 days after the date of the enactment of this Act, the  
16 Commissioner shall establish a program that directs U.S.  
17 Customs and Border Protection to adjust bond amounts  
18 for importers, including new importers and nonresident  
19 importers, based on risk assessments of such importers  
20 conducted by U.S. Customs and Border Protection, in  
21 order to protect the revenue of the Federal Government.

22 (b) REQUIREMENTS.—The Commissioner shall en-  
23 sure that, as part of the program established under sub-  
24 section (a), U.S. Customs and Border Protection—

1           (1) develops risk assessment guidelines for im-  
2           porters, including new importers and nonresident  
3           importers, to determine if and to what extent—

4                   (A) to adjust bond amounts of imported  
5           products of such importers; and

6                   (B) to increase screening of imported prod-  
7           ucts of such importers;

8           (2) develops procedures to ensure increased  
9           oversight of imported products of new importers, in-  
10          cluding nonresident importers, relating to the en-  
11          forcement of the priority trade issues described in  
12          section 117;

13          (3) develops procedures to ensure increased  
14          oversight of imported products of new importers, in-  
15          cluding new nonresident importers, by Centers of  
16          Excellence and Expertise established under section  
17          110; and

18          (4) establishes a centralized database of new  
19          importers, including new nonresident importers, to  
20          ensure accuracy of information that is required to be  
21          provided by such importers to U.S. Customs and  
22          Border Protection.

23          (c) EXCLUSION OF CERTAIN IMPORTERS.—This sec-  
24          tion shall not apply to an importer that is a validated Tier  
25          2 or Tier 3 participant in the Customs–Trade Partnership

1 Against Terrorism program established under subtitle B  
2 of title II of the Security and Accountability for Every  
3 Port Act of 2006 (6 U.S.C. 961 et seq.).

4 (d) REPORT.—Not later than the date that is 2 years  
5 after the date of the enactment of this Act, the Inspector  
6 General of the Department of the Treasury shall submit  
7 to the Committee on Finance of the Senate and the Com-  
8 mittee on Ways and Means of the House of Representa-  
9 tives a report detailing—

10 (1) the risk assessment guidelines developed  
11 under subsection (b)(1);

12 (2) the procedures developed under subsection  
13 (b)(2) to ensure increased oversight of imported  
14 products of new importers, including new non-  
15 resident importers, relating to the enforcement of  
16 priority trade issues described in section 117;

17 (3) the procedures developed under subsection  
18 (b)(3) to ensure increased oversight of imported  
19 products of new importers, including new non-  
20 resident importers, by Centers of Excellence and Ex-  
21 pertise established under section 110; and

22 (4) the number of bonds adjusted based on the  
23 risk assessment guidelines developed under sub-  
24 section (b)(1).

25 (e) DEFINITIONS.—In this section:



1 (1) IMPORTER.—The term “importer” means  
2 one of the parties qualifying as an importer of  
3 record under section 484(a)(2)(B) of the Tariff Act  
4 of 1930 (19 U.S.C. 1484(a)(2)(B)).

5 (2) NONRESIDENT IMPORTER.—The term “non-  
6 resident importer” means an importer who is—

7 (A) an individual who is not a citizen of  
8 the United States or an alien lawfully admitted  
9 for permanent residence in the United States;  
10 or

11 (B) a partnership, corporation, or other  
12 commercial entity that is not organized under  
13 the laws of a jurisdiction within the customs  
14 territory of the United States (as such term is  
15 defined in General Note 2 of the Harmonized  
16 Tariff Schedule of the United States) or in the  
17 Virgin Islands of the United States.

18 **SEC. 116. CUSTOMS BROKER IDENTIFICATION OF IMPORT-**  
19 **ERS.**

20 (a) IN GENERAL.—Section 641 of the Tariff Act of  
21 1930 (19 U.S.C. 1641) is amended by adding at the end  
22 the following:

23 “(i) IDENTIFICATION OF IMPORTERS.—

24 “(1) IN GENERAL.—The Secretary shall pre-  
25 scribe regulations setting forth the minimum stand-

1       ards for customs brokers and importers, including  
2       nonresident importers, regarding the identity of the  
3       importer that shall apply in connection with the im-  
4       portation of merchandise into the United States.

5           “(2) MINIMUM REQUIREMENTS.—The regula-  
6       tions required under paragraph (1) shall, at a min-  
7       imum—

8           “(A) identify the information that an im-  
9       porter, including a nonresident importer, is re-  
10      quired to submit to a broker and that a broker  
11      is required to collect in order to verify the iden-  
12      tity of the importer;

13          “(B) identify reasonable procedures that a  
14      broker is required to follow in order to verify  
15      the authenticity of information collected from  
16      an importer; and

17          “(C) require a broker to maintain records  
18      of the information collected by the broker to  
19      verify the identity of an importer.

20          “(3) PENALTIES.—Any customs broker who  
21      fails to collect information required under the regu-  
22      lations prescribed under this subsection shall be lia-  
23      ble to the United States, at the discretion of the  
24      Secretary, for a monetary penalty not to exceed  
25      \$10,000 for each violation of those regulations and

1 shall be subject to revocation or suspension of a li-  
2 cense or permit of the customs broker pursuant to  
3 the procedures set forth in subsection (d). This pen-  
4 alty shall be assessed in the same manner and under  
5 the same procedures as the monetary penalties pro-  
6 vided for in subsection (d)(2)(A).

7 “(4) DEFINITIONS.—In this subsection:

8 “(A) IMPORTER.—The term ‘importer’  
9 means one of the parties qualifying as an im-  
10 porter of record under section 484(a)(2)(B).

11 “(B) NONRESIDENT IMPORTER.—The  
12 term ‘nonresident importer’ means an importer  
13 who is—

14 “(i) an individual who is not a citizen  
15 of the United States or an alien lawfully  
16 admitted for permanent residence in the  
17 United States; or

18 “(ii) a partnership, corporation, or  
19 other commercial entity that is not orga-  
20 nized under the laws of a jurisdiction with-  
21 in the customs territory of the United  
22 States (as such term is defined in General  
23 Note 2 of the Harmonized Tariff Schedule  
24 of the United States) or in the Virgin Is-  
25 lands of the United States.”.

1 (b) STUDY AND REPORT REQUIRED.—Not later than  
2 the date that is 180 days after the date of the enactment  
3 of this Act, the Commissioner shall submit to the Com-  
4 mittee on Finance of the Senate and the Committee on  
5 Ways and Means of the House of Representatives a report  
6 containing recommendations for—

7 (1) determining the most timely and effective  
8 way to require foreign nationals to provide customs  
9 brokers with appropriate and accurate information,  
10 comparable to that which is required of United  
11 States nationals, concerning the identity, address,  
12 and other related information relating to such for-  
13 eign nationals necessary to enable customs brokers  
14 to comply with the requirements of section 641(i) of  
15 the Tariff Act of 1930 (as added by subsection (a)  
16 of this section); and

17 (2) establishing a system for customs brokers to  
18 review information maintained by relevant Federal  
19 agencies for purposes of verifying the identities of  
20 importers, including nonresident importers, seeking  
21 to import merchandise into the United States.

22 **SEC. 117. PRIORITY TRADE ISSUES.**

23 (a) IN GENERAL.—The Commissioner shall establish  
24 the following as priority trade issues:

25 (1) Agriculture programs.

- 1           (2) Antidumping and countervailing duties.
- 2           (3) Import safety.
- 3           (4) Intellectual property rights.
- 4           (5) Revenue.
- 5           (6) Textiles and wearing apparel.
- 6           (7) Trade agreements and preference programs.

7       (b) MODIFICATION.—The Commissioner is author-  
8 ized to establish new priority trade issues and eliminate,  
9 consolidate, or otherwise modify the priority trade issues  
10 described in subsection (a) if the Commissioner—

11           (1) determines it necessary and appropriate to  
12 do so; and

13           (2)(A) in the case of new priority trade issues,  
14 submits to the appropriate congressional committees  
15 a summary of proposals to establish such new pri-  
16 ority trade issues not later than 30 days after such  
17 new priority trade issues are to take effect; and

18           (B) in the case of existing priority trade issues,  
19 submits to the appropriate congressional committees  
20 a summary of proposals to eliminate, consolidate, or  
21 otherwise modify such existing priority trade issues  
22 not later than 60 days before such changes are to  
23 take effect.

1 **SEC. 118. APPROPRIATE CONGRESSIONAL COMMITTEES**

2 **DEFINED.**

3 In this title, the term “appropriate congressional  
4 committees” means—

5 (1) the Committee on Finance and the Com-  
6 mittee on Homeland Security and Governmental Af-  
7 fairs of the Senate; and

8 (2) the Committee on Ways and Means and the  
9 Committee on Homeland Security of the House of  
10 Representatives.

11 **TITLE II—IMPORT HEALTH AND**  
12 **SAFETY**

13 **SEC. 201. INTERAGENCY IMPORT SAFETY WORKING GROUP.**

14 (a) ESTABLISHMENT.—There is established an inter-  
15 agency Import Safety Working Group.

16 (b) MEMBERSHIP.—The interagency Import Safety  
17 Working Group shall consist of the following officials or  
18 their designees:

19 (1) The Secretary of Homeland Security, who  
20 shall serve as the Chair.

21 (2) The Secretary of Health and Human Serv-  
22 ices, who shall serve as the Vice Chair.

23 (3) The Secretary of the Treasury.

24 (4) The Secretary of Commerce.

25 (5) The Secretary of Agriculture.

26 (6) The United States Trade Representative.

1           (7) The Director of the Office of Management  
2           and Budget.

3           (8) The Commissioner of Food and Drugs.

4           (9) The Commissioner of U.S. Customs and  
5           Border Protection.

6           (10) The Chairman of the Consumer Product  
7           Safety Commission.

8           (11) The Director of U.S. Immigration and  
9           Customs Enforcement.

10          (12) The head of any other Federal agency des-  
11          ignated by the President to participate in the inter-  
12          agency Import Safety Working Group, as appro-  
13          priate.

14          (c) DUTIES.—The duties of the interagency Import  
15          Safety Working Group shall include—

16               (1) consulting on the development of the joint  
17               import safety rapid response plan required by sec-  
18               tion 202;

19               (2) periodically evaluating the adequacy of the  
20               plans, practices, and resources of the Federal Gov-  
21               ernment dedicated to ensuring the safety of mer-  
22               chandise imported into the United States and the  
23               expeditious entry of such merchandise, including—

24                       (A) minimizing the duplication of efforts  
25               among Federal agencies the heads of which are

1 members of the interagency Import Safety  
2 Working Group and ensuring the compatibility  
3 of the policies and regulations of those agencies;  
4 and

5 (B) recommending additional administra-  
6 tive actions, as appropriate, designed to ensure  
7 the safety of merchandise imported into the  
8 United States and the expeditious entry of such  
9 merchandise and considering the impact of  
10 those actions on private sector entities;

11 (3) reviewing the engagement and cooperation  
12 of foreign governments and foreign manufacturers in  
13 facilitating the inspection and certification, as appro-  
14 priate, of such merchandise to be imported into the  
15 United States and the facilities producing such mer-  
16 chandise to ensure the safety of the merchandise  
17 and the expeditious entry of the merchandise into  
18 the United States;

19 (4) identifying best practices, in consultation  
20 with private sector entities as appropriate, to assist  
21 United States importers in taking all appropriate  
22 steps to ensure the safety of merchandise imported  
23 into the United States, including with respect to—

24 (A) the inspection of manufacturing facili-  
25 ties in foreign countries;



1 (B) the inspection of merchandise destined  
2 for the United States before exportation from a  
3 foreign country or before distribution in the  
4 United States; and

5 (C) the protection of the international sup-  
6 ply chain (as defined in section 2 of the Secu-  
7 rity and Accountability For Every Port Act of  
8 2006 (6 U.S.C. 901));

9 (5) identifying best practices to assist Federal,  
10 State, and local governments and agencies, and port  
11 authorities, to improve communication and coordina-  
12 tion among such agencies and authorities with re-  
13 spect to ensuring the safety of merchandise imported  
14 into the United States and the expeditious entry of  
15 such merchandise; and

16 (6) otherwise identifying appropriate steps to  
17 increase the accountability of United States import-  
18 ers and the engagement of foreign government agen-  
19 cies with respect to ensuring the safety of merchan-  
20 dise imported into the United States and the expedi-  
21 tious entry of such merchandise.

22 **SEC. 202. JOINT IMPORT SAFETY RAPID RESPONSE PLAN.**

23 (a) IN GENERAL.—Not later than December 31,  
24 2016, the Secretary of Homeland Security, in consultation  
25 with the interagency Import Safety Working Group estab-

lished under section 201, shall develop a plan (to be known as the “joint import safety rapid response plan”) that sets forth protocols and defines practices for U.S. Customs and Border Protection to use—

(1) in taking action in response to, and coordinating Federal responses to, an incident in which cargo destined for or merchandise entering the United States has been identified as posing a threat to the health or safety of consumers in the United States; and

(2) in recovering from or mitigating the effects of actions and responses to an incident described in paragraph (1).

(b) CONTENTS.—The joint import safety rapid response plan shall address—

(1) the statutory and regulatory authorities and responsibilities of U.S. Customs and Border Protection and other Federal agencies in responding to an incident described in subsection (a)(1);

(2) the protocols and practices to be used by U.S. Customs and Border Protection when taking action in response to, and coordinating Federal responses to, such an incident;

(3) the measures to be taken by U.S. Customs and Border Protection and other Federal agencies in

1 recovering from or mitigating the effects of actions  
2 taken in response to such an incident after the inci-  
3 dent to ensure the resumption of the entry of mer-  
4 chandise into the United States; and

5 (4) exercises that U.S. Customs and Border  
6 Protection may conduct in conjunction with Federal,  
7 State, and local agencies, and private sector entities,  
8 to simulate responses to such an incident.

9 (c) UPDATES OF PLAN.—The Secretary of Homeland  
10 Security shall review and update the joint import safety  
11 rapid response plan, as appropriate, after conducting exer-  
12 cises under subsection (d).

13 (d) IMPORT HEALTH AND SAFETY EXERCISES.—

14 (1) IN GENERAL.—The Secretary of Homeland  
15 Security and the Commissioner shall periodically en-  
16 gage in the exercises referred to in subsection (b)(4),  
17 in conjunction with Federal, State, and local agen-  
18 cies and private sector entities, as appropriate, to  
19 test and evaluate the protocols and practices identi-  
20 fied in the joint import safety rapid response plan at  
21 United States ports of entry.

22 (2) REQUIREMENTS FOR EXERCISES.—In con-  
23 ducting exercises under paragraph (1), the Secretary  
24 and the Commissioner shall—

1           (A) make allowance for the resources,  
2           needs, and constraints of United States ports of  
3           entry of different sizes in representative geo-  
4           graphic locations across the United States;

5           (B) base evaluations on current risk as-  
6           sessments of merchandise entering the United  
7           States at representative United States ports of  
8           entry located across the United States;

9           (C) ensure that such exercises are con-  
10          ducted in a manner consistent with the Na-  
11          tional Incident Management System, the Na-  
12          tional Response Plan, the National Infrastruc-  
13          ture Protection Plan, the National Prepared-  
14          ness Guidelines, the Maritime Transportation  
15          System Security Plan, and other such national  
16          initiatives of the Department of Homeland Se-  
17          curity, as appropriate; and

18          (D) develop metrics with respect to the re-  
19          sumption of the entry of merchandise into the  
20          United States after an incident described in  
21          subsection (a)(1).

22          (3) REQUIREMENTS FOR TESTING AND EVALUA-  
23          TION.—The Secretary and the Commissioner shall  
24          ensure that the testing and evaluation carried out in  
25          conducting exercises under paragraph (1)—

1 (A) are performed using clear and objec-  
2 tive performance measures; and

3 (B) result in the identification of specific  
4 recommendations or best practices for respond-  
5 ing to an incident described in subsection  
6 (a)(1).

7 (4) DISSEMINATION OF RECOMMENDATIONS  
8 AND BEST PRACTICES.—The Secretary and the  
9 Commissioner shall—

10 (A) share the recommendations or best  
11 practices identified under paragraph (3)(B)  
12 among the members of the interagency Import  
13 Safety Working Group established under sec-  
14 tion 201 and with, as appropriate—

15 (i) State, local, and tribal govern-  
16 ments;

17 (ii) foreign governments; and

18 (iii) private sector entities; and

19 (B) use such recommendations and best  
20 practices to update the joint import safety rapid  
21 response plan.

22 **SEC. 203. TRAINING.**

23 The Commissioner shall ensure that personnel of  
24 U.S. Customs and Border Protection assigned to United  
25 States ports of entry are trained to effectively administer

1 the provisions of this title and to otherwise assist in ensur-  
2 ing the safety of merchandise imported into the United  
3 States and the expeditious entry of such merchandise.

4 **TITLE III—IMPORT-RELATED**  
5 **PROTECTION OF INTELLEC-**  
6 **TUAL PROPERTY RIGHTS**

7 **SEC. 301. DEFINITION OF INTELLECTUAL PROPERTY**  
8 **RIGHTS.**

9 In this title, the term “intellectual property rights”  
10 refers to copyrights, trademarks, and other forms of intel-  
11 lectual property rights that are enforced by U.S. Customs  
12 and Border Protection or U.S. Immigration and Customs  
13 Enforcement.

14 **SEC. 302. EXCHANGE OF INFORMATION RELATED TO**  
15 **TRADE ENFORCEMENT.**

16 (a) IN GENERAL.—The Tariff Act of 1930 is amend-  
17 ed by inserting after section 628 (19 U.S.C. 1628) the  
18 following new section:

19 **“SEC. 628A. EXCHANGE OF INFORMATION RELATED TO**  
20 **TRADE ENFORCEMENT.**

21 “(a) IN GENERAL.—Subject to subsections (c) and  
22 (d), if the Commissioner of U.S. Customs and Border Pro-  
23 tection suspects that merchandise is being imported into  
24 the United States in violation of section 526 of this Act  
25 or section 602, 1201(a)(2), or 1201(b)(1) of title 17,

1 United States Code, and determines that the examination  
2 or testing of the merchandise by a person described in sub-  
3 section (b) would assist the Commissioner in determining  
4 if the merchandise is being imported in violation of that  
5 section, the Commissioner, to permit the person to con-  
6 duct the examination and testing—

7 “(1) shall provide to the person information  
8 that appears on the merchandise and its packaging  
9 and labels, including unredacted images of the mer-  
10 chandise and its packaging and labels; and

11 “(2) may, subject to any applicable bonding re-  
12 quirements, provide to the person unredacted sam-  
13 ples of the merchandise.

14 “(b) PERSON DESCRIBED.—A person described in  
15 this subsection is—

16 “(1) in the case of merchandise suspected of  
17 being imported in violation of section 526, the owner  
18 of the trademark suspected of being copied or simu-  
19 lated by the merchandise;

20 “(2) in the case of merchandise suspected of  
21 being imported in violation of section 602 of title 17,  
22 United States Code, the owner of the copyright sus-  
23 pected of being infringed by the merchandise;

24 “(3) in the case of merchandise suspected of  
25 being primarily designed or produced for the pur-

1       pose of circumventing a technological measure that  
2       effectively controls access to a work protected under  
3       that title, and being imported in violation of section  
4       1201(a)(2) of that title, the owner of a copyright in  
5       the work; and

6           “(4) in the case of merchandise suspected of  
7       being primarily designed or produced for the pur-  
8       pose of circumventing protection afforded by a tech-  
9       nological measure that effectively protects a right of  
10      an owner of a copyright in a work or a portion of  
11      a work, and being imported in violation of section  
12      1201(b)(1) of that title, the owner of the copyright.

13      “(c) LIMITATION.—Subsection (a) applies only with  
14      respect to merchandise suspected of infringing a trade-  
15      mark or copyright that is recorded with U.S. Customs and  
16      Border Protection.

17      “(d) EXCEPTION.—The Commissioner may not pro-  
18      vide under subsection (a) information, photographs, or  
19      samples to a person described in subsection (b) if pro-  
20      viding such information, photographs, or samples would  
21      compromise an ongoing law enforcement investigation or  
22      national security.”.

23      (b) TERMINATION OF PREVIOUS AUTHORITY.—Not-  
24      withstanding paragraph (2) of section 818(g) of the Na-  
25      tional Defense Authorization Act for Fiscal Year 2012



1 (Public Law 112–81; 125 Stat. 1496; 10 U.S.C. 2302  
2 note), paragraph (1) of that section shall have no force  
3 or effect on or after the date of the enactment of this Act.

4 **SEC. 303. SEIZURE OF CIRCUMVENTION DEVICES.**

5 (a) IN GENERAL.—Section 596(c)(2) of the Tariff  
6 Act of 1930 (19 U.S.C. 1595a(c)(2)) is amended—

7 (1) in subparagraph (E), by striking “or”;

8 (2) in subparagraph (F), by striking the period  
9 at the end and inserting “; or”; and

10 (3) by adding at the end the following:

11 “(G) U.S. Customs and Border Protection  
12 determines it is a technology, product, service,  
13 device, component, or part thereof the importa-  
14 tion of which is prohibited under subsection  
15 (a)(2) or (b)(1) of section 1201 of title 17,  
16 United States Code.”.

17 (b) NOTIFICATION OF PERSONS INJURED.—

18 (1) IN GENERAL.—Not later than the date that  
19 is 30 business days after seizing merchandise pursu-  
20 ant to subparagraph (G) of section 596(c)(2) of the  
21 Tariff Act of 1930, as added by subsection (a), the  
22 Commissioner shall provide to any person identified  
23 under paragraph (2) information regarding the mer-  
24 chandise seized that is equivalent to information  
25 provided to copyright owners under regulations of

1 U.S. Customs and Border Protection for merchan-  
2 dise seized for violation of the copyright laws.

3 (2) PERSONS TO BE PROVIDED INFORMA-  
4 TION.—Any person injured by the violation of sub-  
5 section (a)(2) or (b)(1) of section 1201 of title 17,  
6 United States Code, that resulted in the seizure of  
7 the merchandise shall be provided information under  
8 paragraph (1), if that person is included on a list to  
9 be established and maintained by the Commissioner.  
10 The Commissioner shall publish notice of the estab-  
11 lishment of and revisions to the list in the Federal  
12 Register.

13 (3) REGULATIONS.—Not later than the date  
14 that is one year after the date of the enactment of  
15 this Act, the Secretary of the Treasury shall pre-  
16 scribe regulations establishing procedures that im-  
17 plement this subsection.

18 **SEC. 304. ENFORCEMENT BY U.S. CUSTOMS AND BORDER**  
19 **PROTECTION OF WORKS FOR WHICH COPY-**  
20 **RIGHT REGISTRATION IS PENDING.**

21 Not later than the date that is 180 days after the  
22 date of the enactment of this Act, the Secretary of Home-  
23 land Security shall authorize a process pursuant to which  
24 the Commissioner shall enforce a copyright for which the  
25 owner has submitted an application for registration under

1 title 17, United States Code, with the United States Copy-  
2 right Office, to the same extent and in the same manner  
3 as if the copyright were registered with the Copyright Of-  
4 fice, including by sharing information, images, and sam-  
5 ples of merchandise suspected of infringing the copyright  
6 under section 628A of the Tariff Act of 1930, as added  
7 by section 302.

8 **SEC. 305. NATIONAL INTELLECTUAL PROPERTY RIGHTS**  
9 **COORDINATION CENTER.**

10 (a) ESTABLISHMENT.—The Secretary of Homeland  
11 Security shall—

12 (1) establish within U.S. Immigration and Cus-  
13 toms Enforcement a National Intellectual Property  
14 Rights Coordination Center; and

15 (2) appoint an Assistant Director to head the  
16 National Intellectual Property Rights Coordination  
17 Center.

18 (b) DUTIES.—The Assistant Director of the National  
19 Intellectual Property Rights Coordination Center shall—

20 (1) coordinate the investigation of sources of  
21 merchandise that infringe intellectual property rights  
22 to identify organizations and individuals that  
23 produce, smuggle, or distribute such merchandise;

1           (2) conduct and coordinate training with other  
2           domestic and international law enforcement agencies  
3           on investigative best practices—

4                   (A) to develop and expand the capability of  
5           such agencies to enforce intellectual property  
6           rights; and

7                   (B) to develop metrics to assess whether  
8           the training improved enforcement of intellec-  
9           tual property rights;

10          (3) coordinate, with U.S. Customs and Border  
11          Protection, activities conducted by the United States  
12          to prevent the importation or exportation of mer-  
13          chandise that infringes intellectual property rights;

14          (4) support the international interdiction of  
15          merchandise destined for the United States that in-  
16          fringes intellectual property rights;

17          (5) collect and integrate information regarding  
18          infringement of intellectual property rights from do-  
19          mestic and international law enforcement agencies  
20          and other non-Federal sources;

21          (6) develop a means to receive and organize in-  
22          formation regarding infringement of intellectual  
23          property rights from such agencies and other  
24          sources;

1           (7) disseminate information regarding infringe-  
2           ment of intellectual property rights to other Federal  
3           agencies, as appropriate;

4           (8) develop and implement risk-based alert sys-  
5           tems, in coordination with U.S. Customs and Border  
6           Protection, to improve the targeting of persons that  
7           repeatedly infringe intellectual property rights;

8           (9) coordinate with the offices of United States  
9           attorneys in order to develop expertise in, and assist  
10          with the investigation and prosecution of, crimes re-  
11          lating to the infringement of intellectual property  
12          rights; and

13          (10) carry out such other duties as the Sec-  
14          retary of Homeland Security may assign.

15          (c) COORDINATION WITH OTHER AGENCIES.—In  
16          carrying out the duties described in subsection (b), the As-  
17          sistant Director of the National Intellectual Property  
18          Rights Coordination Center shall coordinate with—

19               (1) U.S. Customs and Border Protection;

20               (2) the Food and Drug Administration;

21               (3) the Department of Justice;

22               (4) the Department of Commerce, including the  
23          United States Patent and Trademark Office;

24               (5) the United States Postal Inspection Service;

1           (6) the Office of the United States Trade Rep-  
2     resentative;

3           (7) any Federal, State, local, or international  
4     law enforcement agencies that the Director of U.S.  
5     Immigration and Customs Enforcement considers  
6     appropriate; and

7           (8) any other entities that the Director con-  
8     siders appropriate.

9     (d) PRIVATE SECTOR OUTREACH.—

10           (1) IN GENERAL.—The Assistant Director of  
11     the National Intellectual Property Rights Coordina-  
12     tion Center shall work with U.S. Customs and Bor-  
13     der Protection and other Federal agencies to con-  
14     duct outreach to private sector entities in order to  
15     determine trends in and methods of infringing intel-  
16     lectual property rights.

17           (2) INFORMATION SHARING.—The Assistant Di-  
18     rector shall share information and best practices  
19     with respect to the enforcement of intellectual prop-  
20     erty rights with private sector entities, as appro-  
21     priate, in order to coordinate public and private sec-  
22     tor efforts to combat the infringement of intellectual  
23     property rights.

1   **SEC. 306. JOINT STRATEGIC PLAN FOR THE ENFORCEMENT**  
2                   **OF INTELLECTUAL PROPERTY RIGHTS.**

3           The Commissioner and the Director of U.S. Immigra-  
4   tion and Customs Enforcement shall include in the joint  
5   strategic plan required by section 105—

6           (1) a description of the efforts of the Depart-  
7   ment of Homeland Security to enforce intellectual  
8   property rights;

9           (2) a list of the 10 United States ports of entry  
10   at which U.S. Customs and Border Protection has  
11   seized the most merchandise, both by volume and by  
12   value, that infringes intellectual property rights dur-  
13   ing the most recent 2-year period for which data are  
14   available; and

15           (3) a recommendation for the optimal allocation  
16   of personnel, resources, and technology to ensure  
17   that U.S. Customs and Border Protection and U.S.  
18   Immigration and Customs Enforcement are ade-  
19   quately enforcing intellectual property rights.

20   **SEC. 307. PERSONNEL DEDICATED TO THE ENFORCEMENT**  
21                   **OF INTELLECTUAL PROPERTY RIGHTS.**

22           (a) **PERSONNEL OF U.S. CUSTOMS AND BORDER**  
23   **PROTECTION.**—The Commissioner and the Director of  
24   U.S. Immigration and Customs Enforcement shall ensure  
25   that sufficient personnel are assigned throughout U.S.  
26   Customs and Border Protection and U.S. Immigration

1 and Customs Enforcement, respectively, who have respon-  
2 sibility for preventing the importation into the United  
3 States of merchandise that infringes intellectual property  
4 rights.

5 (b) STAFFING OF NATIONAL INTELLECTUAL PROP-  
6 erty Rights Coordination Center.—The Commis-  
7 sioner shall—

8 (1) assign not fewer than 3 full-time employees  
9 of U.S. Customs and Border Protection to the Na-  
10 tional Intellectual Property Rights Coordination  
11 Center established under section 305; and

12 (2) ensure that sufficient personnel are as-  
13 signed to United States ports of entry to carry out  
14 the directives of the Center.

15 **SEC. 308. TRAINING WITH RESPECT TO THE ENFORCEMENT**  
16 **OF INTELLECTUAL PROPERTY RIGHTS.**

17 (a) TRAINING.—The Commissioner shall ensure that  
18 officers of U.S. Customs and Border Protection are  
19 trained to effectively detect and identify merchandise des-  
20 tined for the United States that infringes intellectual  
21 property rights, including through the use of technologies  
22 identified under subsection (c).

23 (b) CONSULTATION WITH PRIVATE SECTOR.—The  
24 Commissioner shall consult with private sector entities to  
25 better identify opportunities for collaboration between



1 U.S. Customs and Border Protection and such entities  
2 with respect to training for officers of U.S. Customs and  
3 Border Protection in enforcing intellectual property rights.

4 (c) IDENTIFICATION OF NEW TECHNOLOGIES.—In  
5 consultation with private sector entities, the Commissioner  
6 shall identify—

7 (1) technologies with the cost-effective capa-  
8 bility to detect and identify merchandise at United  
9 States ports of entry that infringes intellectual prop-  
10 erty rights; and

11 (2) cost-effective programs for training officers  
12 of U.S. Customs and Border Protection to use such  
13 technologies.

14 (d) DONATIONS OF TECHNOLOGY.—Not later than  
15 the date that is 180 days after the date of the enactment  
16 of this Act, the Commissioner shall prescribe regulations  
17 to enable U.S. Customs and Border Protection to receive  
18 donations of hardware, software, equipment, and similar  
19 technologies, and to accept training and other support  
20 services, from private sector entities, for the purpose of  
21 enforcing intellectual property rights.

22 **SEC. 309. INTERNATIONAL COOPERATION AND INFORMA-**  
23 **TION SHARING.**

24 (a) COOPERATION.—The Secretary of Homeland Se-  
25 curity shall coordinate with the competent law enforce-

1 ment and customs authorities of foreign countries, includ-  
2 ing by sharing information relevant to enforcement ac-  
3 tions, to enhance the efforts of the United States and such  
4 authorities to enforce intellectual property rights.

5 (b) TECHNICAL ASSISTANCE.—The Secretary of  
6 Homeland Security shall provide technical assistance to  
7 competent law enforcement and customs authorities of for-  
8 eign countries to enhance the ability of such authorities  
9 to enforce intellectual property rights.

10 (c) INTERAGENCY COLLABORATION.—The Commis-  
11 sioner and the Director of U.S. Immigration and Customs  
12 Enforcement shall lead interagency efforts to collaborate  
13 with law enforcement and customs authorities of foreign  
14 countries to enforce intellectual property rights.

15 **SEC. 310. REPORT ON INTELLECTUAL PROPERTY RIGHTS**  
16 **ENFORCEMENT.**

17 Not later than September 30, 2016, and annually  
18 thereafter, the Commissioner and the Director of U.S. Im-  
19 migration and Customs Enforcement shall jointly submit  
20 to the Committee on Finance of the Senate, the Com-  
21 mittee on Ways and Means of the House of Representa-  
22 tives, the Committee on Homeland Security and Govern-  
23 mental Affairs of the Senate, and the Committee on  
24 Homeland Security of the House of Representatives a re-  
25 port that contains the following:

1           (1) With respect to the enforcement of intellec-  
2       tual property rights, the following:

3           (A) The number of referrals, during the  
4       preceding year, from U.S. Customs and Border  
5       Protection to U.S. Immigration and Customs  
6       Enforcement relating to infringement of intel-  
7       lectual property rights.

8           (B) The number of investigations relating  
9       to the infringement of intellectual property  
10      rights referred by U.S. Immigration and Cus-  
11      toms Enforcement to a United States attorney  
12      for prosecution and the United States attorneys  
13      to which those investigations were referred.

14          (C) The number of such investigations ac-  
15      cepted by each such United States attorney and  
16      the status or outcome of each such investiga-  
17      tion.

18          (D) The number of such investigations  
19      that resulted in the imposition of civil or crimi-  
20      nal penalties.

21          (E) A description of the efforts of U.S.  
22      Customs and Border Protection and U.S. Immi-  
23      gration and Customs Enforcement to improve  
24      the success rates of investigations and prosecu-

1           tions relating to the infringement of intellectual  
2           property rights.

3           (2) An estimate of the average time required by  
4           the Office of Trade established under section 4 of  
5           the Act of March 3, 1927 (44 Stat. 1381, chapter  
6           348; 19 U.S.C. 2071 et seq.), as added by section  
7           802(h) of this Act, to respond to a request from port  
8           personnel for advice with respect to whether mer-  
9           chandise detained by U.S. Customs and Border Pro-  
10          tection infringed intellectual property rights, distin-  
11          guished by types of intellectual property rights in-  
12          fringed.

13          (3) A summary of the outreach efforts of U.S.  
14          Customs and Border Protection and U.S. Immigra-  
15          tion and Customs Enforcement with respect to—

16                (A) the interdiction and investigation of,  
17                and the sharing of information between those  
18                agencies and other Federal agencies to prevent,  
19                the infringement of intellectual property rights;

20                (B) collaboration with private sector enti-  
21                ties—

22                    (i) to identify trends in the infringe-  
23                    ment of, and technologies that infringe, in-  
24                    tellectual property rights;

1 (ii) to identify opportunities for en-  
2 hanced training of officers of U.S. Cus-  
3 toms and Border Protection and U.S. Im-  
4 migration and Customs Enforcement; and  
5 (iii) to develop best practices to en-  
6 force intellectual property rights; and

7 (C) coordination with foreign governments  
8 and international organizations with respect to  
9 the enforcement of intellectual property rights.

10 (4) A summary of the efforts of U.S. Customs  
11 and Border Protection and U.S. Immigration and  
12 Customs Enforcement to address the challenges with  
13 respect to the enforcement of intellectual property  
14 rights presented by Internet commerce and the tran-  
15 sit of small packages and an identification of the  
16 volume, value, and type of merchandise seized for in-  
17 fringing intellectual property rights as a result of  
18 such efforts.

19 (5) A summary of training relating to the en-  
20 forcement of intellectual property rights conducted  
21 under section 308 and expenditures for such train-  
22 ing.

1 **SEC. 311. INFORMATION FOR TRAVELERS REGARDING VIO-**  
2 **LATIONS OF INTELLECTUAL PROPERTY**  
3 **RIGHTS.**

4 (a) IN GENERAL.—The Secretary of Homeland Secu-  
5 rity shall develop and carry out an educational campaign  
6 to inform travelers entering or leaving the United States  
7 about the legal, economic, and public health and safety  
8 implications of acquiring merchandise that infringes intel-  
9 lectual property rights outside the United States and im-  
10 porting such merchandise into the United States in viola-  
11 tion of United States law.

12 (b) DECLARATION FORMS.—The Commissioner shall  
13 ensure that all versions of Declaration Form 6059B of  
14 U.S. Customs and Border Protection, or a successor form,  
15 including any electronic equivalent of Declaration Form  
16 6059B or a successor form, printed or displayed on or  
17 after the date that is 30 days after the date of the enact-  
18 ment of this Act include a written warning to inform trav-  
19 elers arriving in the United States that importation of  
20 merchandise into the United States that infringes intellec-  
21 tual property rights may subject travelers to civil or crimi-  
22 nal penalties and may pose serious risks to safety or  
23 health.

1 **TITLE IV—PREVENTION OF EVA-**  
2 **SION OF ANTIDUMPING AND**  
3 **COUNTERVAILING DUTY OR-**  
4 **DERS**

5 **SEC. 401. SHORT TITLE.**

6 This title may be cited as the “Enforce and Protect  
7 Act of 2015”.

8 **SEC. 402. DEFINITIONS.**

9 In this title:

10 (1) APPROPRIATE CONGRESSIONAL COMMIT-  
11 TEES.—The term “appropriate congressional com-  
12 mittees” means—

13 (A) the Committee on Finance and the  
14 Committee on Appropriations of the Senate;  
15 and

16 (B) the Committee on Ways and Means  
17 and the Committee on Appropriations of the  
18 House of Representatives.

19 (2) COVERED MERCHANDISE.—The term “cov-  
20 ered merchandise” means merchandise that is sub-  
21 ject to—

22 (A) a countervailing duty order issued  
23 under section 706 of the Tariff Act of 1930 (19  
24 U.S.C. 1671e); or

1 (B) an antidumping duty order issued  
2 under section 736 of the Tariff Act of 1930 (19  
3 U.S.C. 1673e).

4 (3) ELIGIBLE SMALL BUSINESS.—

5 (A) IN GENERAL.—The term “eligible  
6 small business” means any business concern  
7 that, in the judgment of the Commissioner, due  
8 to its small size, has neither adequate internal  
9 resources nor financial ability to obtain quali-  
10 fied outside assistance in preparing and submit-  
11 ting for consideration allegations of evasion.

12 (B) NONREVIEWABILITY.—Any agency de-  
13 cision regarding whether a business concern is  
14 an eligible small business for purposes of sec-  
15 tion 411(b)(4)(E) is not reviewable by any  
16 other agency or by any court.

17 (4) ENTER; ENTRY.—The terms “enter” and  
18 “entry” refer to the entry, or withdrawal from ware-  
19 house for consumption, of merchandise in the cus-  
20 toms territory of the United States.

21 (5) EVADE; EVASION.—The terms “evade” and  
22 “evasion” refer to entering covered merchandise into  
23 the customs territory of the United States by means  
24 of any document or electronically transmitted data  
25 or information, written or oral statement, or act that



1 is material and false, or any omission that is mate-  
2 rial, and that results in any cash deposit or other se-  
3 curity or any amount of applicable antidumping or  
4 countervailing duties being reduced or not being ap-  
5 plied with respect to the merchandise.

6 (6) SECRETARY.—The term “Secretary” means  
7 the Secretary of the Treasury.

8 (7) TRADE REMEDY LAWS.—The term “trade  
9 remedy laws” means title VII of the Tariff Act of  
10 1930 (19 U.S.C. 1671 et seq.).

11 **SEC. 403. APPLICATION TO CANADA AND MEXICO.**

12 Pursuant to article 1902 of the North American Free  
13 Trade Agreement and section 408 of the North American  
14 Free Trade Agreement Implementation Act (19 U.S.C.  
15 3438), this title and the amendments made by this title  
16 shall apply with respect to goods from Canada and Mexico.

17 **Subtitle A—Actions Relating to En-**  
18 **forcement of Trade Remedy**  
19 **Laws**

20 **SEC. 411. TRADE REMEDY LAW ENFORCEMENT DIVISION.**

21 (a) ESTABLISHMENT.—

22 (1) IN GENERAL.—The Secretary of Homeland  
23 Security shall establish and maintain within the Of-  
24 fice of Trade established under section 4 of the Act  
25 of March 3, 1927 (44 Stat. 1381, chapter 348; 19

1 U.S.C. 2071 et seq.), as added by section 802(h) of  
2 this Act, a Trade Remedy Law Enforcement Divi-  
3 sion.

4 (2) COMPOSITION.—The Trade Remedy Law  
5 Enforcement Division shall be composed of—

6 (A) headquarters personnel led by a Direc-  
7 tor, who shall report to the Executive Assistant  
8 Commissioner of the Office of Trade; and

9 (B) a National Targeting and Analysis  
10 Group dedicated to preventing and countering  
11 evasion.

12 (3) DUTIES.—The Trade Remedy Law Enforce-  
13 ment Division shall be dedicated—

14 (A) to the development and administration  
15 of policies to prevent and counter evasion, in-  
16 cluding policies relating to the implementation  
17 of section 517 of the Tariff Act of 1930, as  
18 added by section 421 of this Act;

19 (B) to direct enforcement and compliance  
20 assessment activities concerning evasion;

21 (C) to the development and conduct of  
22 commercial risk assessment targeting with re-  
23 spect to cargo destined for the United States in  
24 accordance with subsection (c);

1 (D) to issuing Trade Alerts described in  
2 subsection (d); and

3 (E) to the development of policies for the  
4 application of single entry and continuous  
5 bonds for entries of covered merchandise to suf-  
6 ficiently protect the collection of antidumping  
7 and countervailing duties commensurate with  
8 the level of risk of noncollection.

9 (b) DUTIES OF DIRECTOR.—The duties of the Direc-  
10 tor of the Trade Remedy Law Enforcement Division shall  
11 include—

12 (1) directing the trade enforcement and compli-  
13 ance assessment activities of U.S. Customs and Bor-  
14 der Protection that concern evasion;

15 (2) facilitating, promoting, and coordinating co-  
16 operation and the exchange of information between  
17 U.S. Customs and Border Protection, U.S. Immigra-  
18 tion and Customs Enforcement, and other relevant  
19 Federal agencies regarding evasion;

20 (3) notifying on a timely basis the admin-  
21 istering authority (as defined in section 771(1) of  
22 the Tariff Act of 1930 (19 U.S.C. 1677(1))) and the  
23 Commission (as defined in section 771(2) of the  
24 Tariff Act of 1930 (19 U.S.C. 1677(2))) of any  
25 finding, determination, civil action, or criminal ac-

1       tion taken by U.S. Customs and Border Protection  
2       or other Federal agency regarding evasion;

3           (4) serving as the primary liaison between U.S.  
4       Customs and Border Protection and the public re-  
5       garding activities concerning evasion, including ac-  
6       tivities relating to investigations conducted under  
7       section 517 of the Tariff Act of 1930, as added by  
8       section 421 of this Act, which include—

9           (A) receiving allegations of evasion from  
10       parties, including allegations described in sec-  
11       tion 517(b)(2) of the Tariff Act of 1930, as so  
12       added;

13           (B) upon request by the party or parties  
14       that submitted such an allegation of evasion,  
15       providing information to such party or parties  
16       on the status of U.S. Customs and Border Pro-  
17       tection's consideration of the allegation and de-  
18       cision to pursue or not pursue any administra-  
19       tive inquiries or other actions, such as changes  
20       in policies, procedures, or resource allocation as  
21       a result of the allegation;

22           (C) as needed, requesting from the party  
23       or parties that submitted such an allegation of  
24       evasion any additional information that may be  
25       relevant for U.S. Customs and Border Protec-

1           tion determining whether to initiate an adminis-  
2           trative inquiry or take any other action regard-  
3           ing the allegation;

4           (D) notifying on a timely basis the party  
5           or parties that submitted such an allegation of  
6           the results of any administrative, civil, or crimi-  
7           nal actions taken by U.S. Customs and Border  
8           Protection or other Federal agency regarding  
9           evasion as a direct or indirect result of the alle-  
10          gation;

11          (E) upon request, providing technical as-  
12          sistance and advice to eligible small businesses  
13          to enable such businesses to prepare and submit  
14          such an allegation of evasion, except that the  
15          Director may deny technical assistance if the  
16          Director concludes that the allegation, if sub-  
17          mitted, would not lead to the initiation of an  
18          administrative inquiry or any other action to  
19          address the allegation;

20          (F) in cooperation with the public, the  
21          Commercial Customs Operations Advisory Com-  
22          mittee established under section 109, the Trade  
23          Support Network, and any other relevant par-  
24          ties and organizations, developing guidelines on  
25          the types and nature of information that may

1 be provided in such an allegation of evasion;  
2 and

3 (G) consulting regularly with the public,  
4 the Commercial Customs Operations Advisory  
5 Committee, the Trade Support Network, and  
6 any other relevant parties and organizations re-  
7 garding the development and implementation of  
8 regulations, interpretations, and policies related  
9 to countering evasion.

10 (c) PREVENTING AND COUNTERING EVASION OF THE  
11 TRADE REMEDY LAWS.—In carrying out its duties with  
12 respect to preventing and countering evasion, the National  
13 Targeting and Analysis Group dedicated to preventing and  
14 countering evasion shall—

15 (1) establish targeted risk assessment meth-  
16 odologies and standards—

17 (A) for evaluating the risk that cargo des-  
18 tined for the United States may constitute  
19 evading covered merchandise; and

20 (B) for issuing, as appropriate, Trade  
21 Alerts described in subsection (d); and

22 (2) to the extent practicable and otherwise au-  
23 thorized by law, use information available from the  
24 Automated Commercial System, the Automated  
25 Commercial Environment, the Automated Targeting

1       System, the Automated Export System, the Inter-  
2       national Trade Data System established under sec-  
3       tion 411(d) of the Tariff Act of 1930 (19 U.S.C.  
4       1411(d)), and the TECS (formerly known as the  
5       “Treasury Enforcement Communications System”),  
6       and any similar and successor systems, to admin-  
7       ister the methodologies and standards established  
8       under paragraph (1).

9       (d) **TRADE ALERTS.**—Based upon the application of  
10      the targeted risk assessment methodologies and standards  
11      established under subsection (c), the Director of the Trade  
12      Remedy Law Enforcement Division shall issue Trade  
13      Alerts or other such means of notification to directors of  
14      United States ports of entry directing further inspection,  
15      physical examination, or testing of merchandise to ensure  
16      compliance with the trade remedy laws and to require ad-  
17      ditional bonds, cash deposits, or other security to ensure  
18      collection of any duties, taxes, and fees owed.

19      **SEC. 412. COLLECTION OF INFORMATION ON EVASION OF**  
20                                      **TRADE REMEDY LAWS.**

21      (a) **AUTHORITY TO COLLECT INFORMATION.**—To de-  
22      termine whether covered merchandise is being entered into  
23      the customs territory of the United States through eva-  
24      sion, the Secretary, acting through the Commissioner—

1 (1) shall exercise all existing authorities to col-  
2 lect information needed to make the determination;  
3 and

4 (2) may collect such additional information as  
5 is necessary to make the determination through such  
6 methods as the Commissioner considers appropriate,  
7 including by issuing questionnaires with respect to  
8 the entry or entries at issue to—

9 (A) a person who filed an allegation with  
10 respect to the covered merchandise;

11 (B) a person who is alleged to have en-  
12 tered the covered merchandise into the customs  
13 territory of the United States through evasion;  
14 or

15 (C) any other person who is determined to  
16 have information relevant to the allegation of  
17 entry of covered merchandise into the customs  
18 territory of the United States through evasion.

19 (b) ADVERSE INFERENCE.—

20 (1) USE OF ADVERSE INFERENCE.—

21 (A) IN GENERAL.—If the Secretary finds  
22 that a person described in subparagraph (B)  
23 has failed to cooperate by not acting to the best  
24 of the person's ability to comply with a request  
25 for information under subsection (a), the Sec-



1           retary may, in making a determination whether  
2           an entry or entries of covered merchandise may  
3           constitute merchandise that is entered into the  
4           customs territory of the United States through  
5           evasion, use an inference that is adverse to the  
6           interests of that person in selecting from among  
7           the facts otherwise available to determine  
8           whether evasion has occurred.

9           (B) PERSON DESCRIBED.—A person de-  
10          scribed in this subparagraph is—

11                 (i) a person who filed an allegation  
12                 with respect to covered merchandise;

13                 (ii) a person alleged to have entered  
14                 covered merchandise into the customs ter-  
15                 ritory of the United States through eva-  
16                 sion; or

17                 (iii) a foreign producer or exporter of  
18                 covered merchandise that is alleged to have  
19                 entered into the customs territory of the  
20                 United States through evasion.

21          (C) APPLICATION.—An inference described  
22          in subparagraph (A) may be used under that  
23          subparagraph with respect to a person de-  
24          scribed in clause (ii) or (iii) of subparagraph  
25          (B) without regard to whether another person

1 involved in the same transaction or transactions  
2 under examination has provided the information  
3 sought by the Secretary, such as import or ex-  
4 port documentation.

5 (2) ADVERSE INFERENCE DESCRIBED.—An ad-  
6 verse inference used under paragraph (1)(A) may in-  
7 clude reliance on information derived from—

8 (A) the allegation of evasion of the trade  
9 remedy laws, if any, submitted to U.S. Customs  
10 and Border Protection;

11 (B) a determination by the Commissioner  
12 in another investigation, proceeding, or other  
13 action regarding evasion of the unfair trade  
14 laws; or

15 (C) any other available information.

16 **SEC. 413. ACCESS TO INFORMATION.**

17 (a) IN GENERAL.—Section 777(b)(1)(A)(ii) of the  
18 Tariff Act of 1930 (19 U.S.C. 1677f(b)(1)(A)(ii)) is  
19 amended by inserting “negligence, gross negligence, or”  
20 after “regarding”.

21 (b) ADDITIONAL INFORMATION.—Notwithstanding  
22 any other provision of law, the Secretary is authorized to  
23 provide to the Secretary of Commerce or the United States  
24 International Trade Commission any information that is  
25 necessary to enable the Secretary of Commerce or the

1 United States International Trade Commission to assist  
2 the Secretary to identify, through risk assessment tar-  
3 geting or otherwise, covered merchandise that is entered  
4 into the customs territory of the United States through  
5 evasion.

6 **SEC. 414. COOPERATION WITH FOREIGN COUNTRIES ON**  
7 **PREVENTING EVASION OF TRADE REMEDY**  
8 **LAWS.**

9 (a) BILATERAL AGREEMENTS.—

10 (1) IN GENERAL.—The Secretary shall seek to  
11 negotiate and enter into bilateral agreements with  
12 the customs authorities or other appropriate authori-  
13 ties of foreign countries for purposes of cooperation  
14 on preventing evasion of the trade remedy laws of  
15 the United States and the trade remedy laws of the  
16 other country.

17 (2) PROVISIONS AND AUTHORITIES.—The Sec-  
18 retary shall seek to include in each such bilateral  
19 agreement the following provisions and authorities:

20 (A) On the request of the importing coun-  
21 try, the exporting country shall provide, con-  
22 sistent with its laws, regulations, and proce-  
23 dures, production, trade, and transit documents  
24 and other information necessary to determine  
25 whether an entry or entries exported from the

1 exporting country are subject to the importing  
2 country's trade remedy laws.

3 (B) On the written request of the import-  
4 ing country, the exporting country shall conduct  
5 a verification for purposes of enabling the im-  
6 porting country to make a determination de-  
7 scribed in subparagraph (A).

8 (C) The exporting country may allow the  
9 importing country to participate in a  
10 verification described in subparagraph (B), in-  
11 cluding through a site visit.

12 (D) If the exporting country does not allow  
13 participation of the importing country in a  
14 verification described in subparagraph (B), the  
15 importing country may take this fact into con-  
16 sideration in its trade enforcement and compli-  
17 ance assessment activities regarding the compli-  
18 ance of the exporting country's exports with the  
19 importing country's trade remedy laws.

20 (b) CONSIDERATION.—The Commissioner is author-  
21 ized to take into consideration whether a country is a sig-  
22 natory to a bilateral agreement described in subsection (a)  
23 and the extent to which the country is cooperating under  
24 the bilateral agreement for purposes of trade enforcement  
25 and compliance assessment activities of U.S. Customs and

1 Border Protection that concern evasion by such country's  
2 exports.

3 (c) REPORT.—Not later than December 31 of each  
4 calendar year beginning after the date of the enactment  
5 of this Act, the Secretary shall submit to the appropriate  
6 congressional committees a report summarizing—

7 (1) the status of any ongoing negotiations of bi-  
8 lateral agreements described in subsection (a), in-  
9 cluding the identities of the countries involved in  
10 such negotiations;

11 (2) the terms of any completed bilateral agree-  
12 ments described in subsection (a); and

13 (3) bilateral cooperation and other activities  
14 conducted pursuant to or enabled by any completed  
15 bilateral agreements described in subsection (a).

16 **SEC. 415. TRADE NEGOTIATING OBJECTIVES.**

17 The principal negotiating objectives of the United  
18 States shall include obtaining the objectives of the bilat-  
19 eral agreements described under section 414(a) for any  
20 trade agreements under negotiation as of the date of the  
21 enactment of this Act or future trade agreement negotia-  
22 tions.

1           **Subtitle B—Investigation of**  
2           **Evasion of Trade Remedy Laws**

3   **SEC. 421. PROCEDURES FOR INVESTIGATING CLAIMS OF**  
4                   **EVASION OF ANTIDUMPING AND COUNTER-**  
5                   **VAILING DUTY ORDERS.**

6           (a) IN GENERAL.—The Tariff Act of 1930 is amend-  
7   ed by inserting after section 516A (19 U.S.C. 1516a) the  
8   following:

9   **“SEC. 517. PROCEDURES FOR INVESTIGATING CLAIMS OF**  
10                   **EVASION OF ANTIDUMPING AND COUNTER-**  
11                   **VAILING DUTY ORDERS.**

12           “(a) DEFINITIONS.—In this section:

13                   “(1) ADMINISTERING AUTHORITY.—The term  
14           ‘administering authority’ has the meaning given that  
15           term in section 771(1).

16                   “(2) COMMISSIONER.—The term ‘Commis-  
17           sioner’ means the Commissioner of U.S. Customs  
18           and Border Protection.

19                   “(3) COVERED MERCHANDISE.—The term ‘cov-  
20           ered merchandise’ means merchandise that is subject  
21           to—

22                           “(A) an antidumping duty order issued  
23                           under section 736; or

24                           “(B) a countervailing duty order issued  
25                           under section 706.

1           “(4) ENTER; ENTRY.—The terms ‘enter’ and  
2           ‘entry’ refer to the entry, or withdrawal from ware-  
3           house for consumption, of merchandise into the cus-  
4           toms territory of the United States.

5           “(5) EVASION.—

6                   “(A) IN GENERAL.—Except as provided in  
7                   subparagraph (B), the term ‘evasion’ refers to  
8                   entering covered merchandise into the customs  
9                   territory of the United States by means of any  
10                  document or electronically transmitted data or  
11                  information, written or oral statement, or act  
12                  that is material and false, or any omission that  
13                  is material, and that results in any cash deposit  
14                  or other security or any amount of applicable  
15                  antidumping or countervailing duties being re-  
16                  duced or not being applied with respect to the  
17                  merchandise.

18                  “(B) EXCEPTION FOR CLERICAL ERROR.—

19                          “(i) IN GENERAL.—Except as pro-  
20                          vided in clause (ii), the term ‘evasion’ does  
21                          not include entering covered merchandise  
22                          into the customs territory of the United  
23                          States by means of—

24                                  “(I) a document or electronically  
25                                  transmitted data or information, writ-

1                   ten or oral statement, or act that is  
2                   false as a result of a clerical error; or  
3                   “(II) an omission that results  
4                   from a clerical error.

5                   “(ii) PATTERNS OF NEGLIGENT CON-  
6                   DUCT.—If the Commissioner determines  
7                   that a person has entered covered mer-  
8                   chandise into the customs territory of the  
9                   United States by means of a clerical error  
10                  referred to in subclause (I) or (II) of  
11                  clause (i) and that the clerical error is part  
12                  of a pattern of negligent conduct on the  
13                  part of that person, the Commissioner may  
14                  determine, notwithstanding clause (i), that  
15                  the person has entered such covered mer-  
16                  chandise into the customs territory of the  
17                  United States through evasion.

18                  “(iii) ELECTRONIC REPETITION OF  
19                  ERRORS.—For purposes of clause (ii), the  
20                  mere nonintentional repetition by an elec-  
21                  tronic system of an initial clerical error  
22                  does not constitute a pattern of negligent  
23                  conduct.

24                  “(iv) RULE OF CONSTRUCTION.—A  
25                  determination by the Commissioner that a



1 person has entered covered merchandise  
2 into the customs territory of the United  
3 States by means of a clerical error referred  
4 to in subclause (I) or (II) of clause (i)  
5 rather than through evasion shall not be  
6 construed to excuse that person from the  
7 payment of any duties applicable to the  
8 merchandise.

9 “(6) INTERESTED PARTY.—

10 “(A) IN GENERAL.—The term ‘interested  
11 party’ means—

12 “(i) a foreign manufacturer, producer,  
13 or exporter, or the United States importer,  
14 of covered merchandise or a trade or busi-  
15 ness association a majority of the members  
16 of which are producers, exporters, or im-  
17 porters of such merchandise;

18 “(ii) a manufacturer, producer, or  
19 wholesaler in the United States of a do-  
20 mestic like product;

21 “(iii) a certified union or recognized  
22 union or group of workers that is rep-  
23 resentative of an industry engaged in the  
24 manufacture, production, or wholesale in

1 the United States of a domestic like prod-  
2 uct;

3 “(iv) a trade or business association a  
4 majority of the members of which manu-  
5 facture, produce, or wholesale a domestic  
6 like product in the United States;

7 “(v) an association a majority of the  
8 members of which is composed of inter-  
9 ested parties described in clause (ii), (iii),  
10 or (iv) with respect to a domestic like  
11 product; and

12 “(vi) if the covered merchandise is a  
13 processed agricultural product, as defined  
14 in section 771(4)(E), a coalition or trade  
15 association that is representative of ei-  
16 ther—

17 “(I) processors;

18 “(II) processors and producers;

19 or

20 “(III) processors and growers.

21 “(B) DOMESTIC LIKE PRODUCT.—For pur-  
22 poses of subparagraph (A), the term ‘domestic  
23 like product’ means a product that is like, or in  
24 the absence of like, most similar in characteris-  
25 tics and uses with, covered merchandise.

1 “(b) INVESTIGATIONS.—

2 “(1) IN GENERAL.—Not later than 15 business  
3 days after receiving an allegation described in para-  
4 graph (2) or a referral described in paragraph (3),  
5 the Commissioner shall initiate an investigation if  
6 the Commissioner determines that the information  
7 provided in the allegation or the referral, as the case  
8 may be, reasonably suggests that covered merchan-  
9 dise has been entered into the customs territory of  
10 the United States through evasion.

11 “(2) ALLEGATION DESCRIBED.—An allegation  
12 described in this paragraph is an allegation that a  
13 person has entered covered merchandise into the  
14 customs territory of the United States through eva-  
15 sion that is—

16 “(A) filed with the Commissioner by an in-  
17 terested party; and

18 “(B) accompanied by information reason-  
19 ably available to the party that filed the allega-  
20 tion.

21 “(3) REFERRAL DESCRIBED.—A referral de-  
22 scribed in this paragraph is information submitted  
23 to the Commissioner by any other Federal agency,  
24 including the Department of Commerce or the  
25 United States International Trade Commission, that

1 reasonably suggests that a person has entered cov-  
2 ered merchandise into the customs territory of the  
3 United States through evasion.

4 “(4) CONSIDERATION BY ADMINISTERING AU-  
5 THORITY.—

6 “(A) IN GENERAL.—If the Commissioner  
7 receives an allegation under paragraph (2) and  
8 is unable to determine whether the merchandise  
9 at issue is covered merchandise, the Commis-  
10 sioner shall—

11 “(i) refer the matter to the admin-  
12 istering authority to determine whether the  
13 merchandise is covered merchandise pursu-  
14 ant to the authority of the administering  
15 authority under title VII; and

16 “(ii) notify the party that filed the al-  
17 legation, and any other interested party  
18 participating in the investigation, of the re-  
19 ferral.

20 “(B) DETERMINATION; TRANSMISSION TO  
21 COMMISSIONER.—After receiving a referral  
22 under subparagraph (A)(i) with respect to mer-  
23 chandise, the administering authority shall de-  
24 termine whether the merchandise is covered

1 merchandise and promptly transmit that deter-  
2 mination to the Commissioner.

3 “(C) STAY OF DEADLINES.—The period  
4 required for any referral and determination  
5 under this paragraph shall not be counted in  
6 calculating any deadline under this section.

7 “(D) RULE OF CONSTRUCTION.—Nothing  
8 in this paragraph shall be construed to affect  
9 the authority of an interested party to com-  
10 mence an action in the United States Court of  
11 International Trade under section 516A(a)(2)  
12 with respect to a determination of the admin-  
13 istering authority under this paragraph.

14 “(5) CONSOLIDATION OF ALLEGATIONS AND  
15 REFERRALS.—

16 “(A) IN GENERAL.—The Commissioner  
17 may consolidate multiple allegations described  
18 in paragraph (2) and referrals described in  
19 paragraph (3) into a single investigation if the  
20 Commissioner determines it is appropriate to do  
21 so.

22 “(B) EFFECT ON TIMING REQUIRE-  
23 MENTS.—If the Commissioner consolidates mul-  
24 tiple allegations or referrals into a single inves-  
25 tigation under subparagraph (A), the date on

1           which the Commissioner receives the first such  
2           allegation or referral shall be used for purposes  
3           of the requirement under paragraph (1) with  
4           respect to the timing of the initiation of the in-  
5           vestigation.

6           “(6) INFORMATION-SHARING TO PROTECT  
7           HEALTH AND SAFETY.—If, during the course of con-  
8           ducting an investigation under paragraph (1) with  
9           respect to covered merchandise, the Commissioner  
10          has reason to suspect that such covered merchandise  
11          may pose a health or safety risk to consumers, the  
12          Commissioner shall provide, as appropriate, informa-  
13          tion to the appropriate Federal agencies for pur-  
14          poses of mitigating the risk.

15          “(7) TECHNICAL ASSISTANCE AND ADVICE.—

16                 “(A) IN GENERAL.—Upon request, the  
17                 Commissioner shall provide technical assistance  
18                 and advice to eligible small businesses to enable  
19                 such businesses to prepare and submit allega-  
20                 tions described in paragraph (2), except that  
21                 the Commissioner may deny technical assist-  
22                 ance if the Commissioner concludes that the al-  
23                 legation, if submitted, would not lead to the ini-  
24                 tiation of an investigation under this subsection  
25                 or any other action to address the allegation.

1                   “(B) ELIGIBLE SMALL BUSINESS DE-  
2                   FINED.—

3                   “(i) IN GENERAL.—In this paragraph,  
4                   the term ‘eligible small business’ means  
5                   any business concern that the Commis-  
6                   sioner determines, due to its small size,  
7                   has neither adequate internal resources nor  
8                   the financial ability to obtain qualified out-  
9                   side assistance in preparing and filing alle-  
10                  gations described in paragraph (2).

11                  “(ii) NON-REVIEWABILITY.—The de-  
12                  termination of the Commissioner regarding  
13                  whether a business concern is an eligible  
14                  small business for purposes of this para-  
15                  graph is not reviewable by any other agen-  
16                  cy or by any court.

17                  “(c) DETERMINATIONS.—

18                  “(1) DETERMINATION OF EVASION.—

19                  “(A) IN GENERAL.—Except as provided in  
20                  subparagraph (B), not later than 300 calendar  
21                  days after the date on which the Commissioner  
22                  initiates an investigation under subsection (b)  
23                  with respect to covered merchandise, the Com-  
24                  missioner shall make a determination, based on  
25                  substantial evidence, with respect to whether

1 such covered merchandise was entered into the  
2 customs territory of the United States through  
3 evasion.

4 “(B) ADDITIONAL TIME.—The Commis-  
5 sioner may extend the time to make a deter-  
6 mination under subparagraph (A) by not more  
7 than 60 calendar days if the Commissioner de-  
8 termines that—

9 “(i) the investigation is extraor-  
10 dinarily complicated because of—

11 “(I) the number and complexity  
12 of the transactions to be investigated;

13 “(II) the novelty of the issues  
14 presented; or

15 “(III) the number of entities to  
16 be investigated; and

17 “(ii) additional time is necessary to  
18 make the determination under subpara-  
19 graph (A).

20 “(2) AUTHORITY TO COLLECT AND VERIFY AD-  
21 DITIONAL INFORMATION.—In making a determina-  
22 tion under paragraph (1) with respect to covered  
23 merchandise, the Commissioner may collect such ad-  
24 ditional information as is necessary to make the de-



1        termination through such methods as the Commis-  
2        sioner considers appropriate, including by—

3                “(A) issuing a questionnaire with respect  
4        to such covered merchandise to—

5                “(i) an interested party that filed an  
6                allegation under paragraph (2) of sub-  
7                section (b) that resulted in the initiation of  
8                an investigation under paragraph (1) of  
9                that subsection with respect to such cov-  
10              ered merchandise;

11              “(ii) a person alleged to have entered  
12              such covered merchandise into the customs  
13              territory of the United States through eva-  
14              sion;

15              “(iii) a person that is a foreign pro-  
16              ducer or exporter of such covered merchan-  
17              dise; or

18              “(iv) the government of a country  
19              from which such covered merchandise was  
20              exported; and

21              “(B) conducting verifications, including on-  
22              site verifications, of any relevant information.

23              “(3) ADVERSE INFERENCE.—

24              “(A) IN GENERAL.—If the Commissioner  
25              finds that a party or person described in clause

1 (i), (ii), or (iii) of paragraph (2)(A) has failed  
2 to cooperate by not acting to the best of the  
3 party or person's ability to comply with a re-  
4 quest for information, the Commissioner may,  
5 in making a determination under paragraph  
6 (1), use an inference that is adverse to the in-  
7 terests of that party or person in selecting from  
8 among the facts otherwise available to make the  
9 determination.

10 “(B) APPLICATION.—An inference de-  
11 scribed in subparagraph (A) may be used under  
12 that subparagraph with respect to a person de-  
13 scribed in clause (ii) or (iii) of paragraph  
14 (2)(A) without regard to whether another per-  
15 son involved in the same transaction or trans-  
16 actions under examination has provided the in-  
17 formation sought by the Commissioner, such as  
18 import or export documentation.

19 “(C) ADVERSE INFERENCE DESCRIBED.—  
20 An adverse inference used under subparagraph  
21 (A) may include reliance on information derived  
22 from—

23 “(i) the allegation of evasion of the  
24 trade remedy laws, if any, submitted to  
25 U.S. Customs and Border Protection;

1                   “(ii) a determination by the Commis-  
2                   sioner in another investigation, proceeding,  
3                   or other action regarding evasion of the  
4                   unfair trade laws; or

5                   “(iii) any other available information.

6                   “(4) NOTIFICATION.—Not later than 5 business  
7                   days after making a determination under paragraph  
8                   (1) with respect to covered merchandise, the Com-  
9                   missioner—

10                  “(A) shall provide to each interested party  
11                  that filed an allegation under paragraph (2) of  
12                  subsection (b) that resulted in the initiation of  
13                  an investigation under paragraph (1) of that  
14                  subsection with respect to such covered mer-  
15                  chandise a notification of the determination and  
16                  may, in addition, include an explanation of the  
17                  basis for the determination; and

18                  “(B) may provide to importers, in such  
19                  manner as the Commissioner determines appro-  
20                  priate, information discovered in the investiga-  
21                  tion that the Commissioner determines will help  
22                  educate importers with respect to importing  
23                  merchandise into the customs territory of the  
24                  United States in accordance with all applicable  
25                  laws and regulations.

1 “(d) EFFECT OF DETERMINATIONS.—

2 “(1) IN GENERAL.—If the Commissioner makes  
3 a determination under subsection (c) that covered  
4 merchandise was entered into the customs territory  
5 of the United States through evasion, the Commis-  
6 sioner shall—

7 “(A)(i) suspend the liquidation of unliqui-  
8 dated entries of such covered merchandise that  
9 are subject to the determination and that enter  
10 on or after the date of the initiation of the in-  
11 vestigation under subsection (b) with respect to  
12 such covered merchandise and on or before the  
13 date of the determination; or

14 “(ii) if the Commissioner has already sus-  
15 pended the liquidation of such entries pursuant  
16 to subsection (e)(1), continue to suspend the  
17 liquidation of such entries;

18 “(B) pursuant to the Commissioner’s au-  
19 thority under section 504(b)—

20 “(i) extend the period for liquidating  
21 unliquidated entries of such covered mer-  
22 chandise that are subject to the determina-  
23 tion and that entered before the date of  
24 the initiation of the investigation; or

1 “(ii) if the Commissioner has already  
2 extended the period for liquidating such  
3 entries pursuant to subsection (e)(1), con-  
4 tinue to extend the period for liquidating  
5 such entries;

6 “(C) notify the administering authority of  
7 the determination and request that the admin-  
8 istering authority—

9 “(i) identify the applicable anti-  
10 dumping or countervailing duty assessment  
11 rates for entries described in subpara-  
12 graphs (A) and (B); or

13 “(ii) if no such assessment rate for  
14 such an entry is available at the time,  
15 identify the applicable cash deposit rate to  
16 be applied to the entry, with the applicable  
17 antidumping or countervailing duty assess-  
18 ment rate to be provided as soon as that  
19 rate becomes available;

20 “(D) require the posting of cash deposits  
21 and assess duties on entries described in sub-  
22 paragraphs (A) and (B) in accordance with the  
23 instructions received from the administering au-  
24 thority under paragraph (2); and

1           “(E) take such additional enforcement  
2 measures as the Commissioner determines ap-  
3 propriate, such as—

4           “(i) initiating proceedings under sec-  
5 tion 592 or 596;

6           “(ii) implementing, in consultation  
7 with the relevant Federal agencies, rule  
8 sets or modifications to rule sets for identi-  
9 fying, particularly through the Automated  
10 Targeting System and the Automated  
11 Commercial Environment authorized under  
12 section 13031(f)(4) of the Consolidated  
13 Omnibus Budget Reconciliation Act of  
14 1985 (19 U.S.C. 58c(f)(4)), importers,  
15 other parties, and merchandise that may  
16 be associated with evasion;

17           “(iii) requiring, with respect to mer-  
18 chandise for which the importer has re-  
19 peatedly provided incomplete or erroneous  
20 entry summary information in connection  
21 with determinations of evasion, the im-  
22 porter to deposit estimated duties at the  
23 time of entry; and

24           “(iv) referring the record in whole or  
25 in part to U.S. Immigration and Customs

1 Enforcement for civil or criminal investiga-  
2 tion.

3 “(2) COOPERATION OF ADMINISTERING AU-  
4 THORITY.—

5 “(A) IN GENERAL.—Upon receiving a noti-  
6 fication from the Commissioner under para-  
7 graph (1)(C), the administering authority shall  
8 promptly provide to the Commissioner the ap-  
9 plicable cash deposit rates and antidumping or  
10 countervailing duty assessment rates and any  
11 necessary liquidation instructions.

12 “(B) SPECIAL RULE FOR CASES IN WHICH  
13 THE PRODUCER OR EXPORTER IS UNKNOWN.—  
14 If the Commissioner and the administering au-  
15 thority are unable to determine the producer or  
16 exporter of the merchandise with respect to  
17 which a notification is made under paragraph  
18 (1)(C), the administering authority shall iden-  
19 tify, as the applicable cash deposit rate or anti-  
20 dumping or countervailing duty assessment  
21 rate, the cash deposit or duty (as the case may  
22 be) in the highest amount applicable to any  
23 producer or exporter, including the ‘all-others’  
24 rate of the merchandise subject to an anti-  
25 dumping order or countervailing duty order

1 under section 736 or 706, respectively, or a  
2 finding issued under the Antidumping Act,  
3 1921, or any administrative review conducted  
4 under section 751.

5 “(e) INTERIM MEASURES.—Not later than 90 cal-  
6 endar days after initiating an investigation under sub-  
7 section (b) with respect to covered merchandise, the Com-  
8 missioner shall decide based on the investigation if there  
9 is a reasonable suspicion that such covered merchandise  
10 was entered into the customs territory of the United  
11 States through evasion and, if the Commissioner decides  
12 there is such a reasonable suspicion, the Commissioner  
13 shall—

14 “(1) suspend the liquidation of each unliqui-  
15 dated entry of such covered merchandise that en-  
16 tered on or after the date of the initiation of the in-  
17 vestigation;

18 “(2) pursuant to the Commissioner’s authority  
19 under section 504(b), extend the period for liqui-  
20 dating each unliquidated entry of such covered mer-  
21 chandise that entered before the date of the initi-  
22 ation of the investigation; and

23 “(3) pursuant to the Commissioner’s authority  
24 under section 623, take such additional measures as  
25 the Commissioner determines necessary to protect



1 the revenue of the United States, including requiring  
2 a single transaction bond or additional security or  
3 the posting of a cash deposit with respect to such  
4 covered merchandise.

5 “(f) ADMINISTRATIVE REVIEW.—

6 “(1) IN GENERAL.—Not later than 30 business  
7 days after the Commissioner makes a determination  
8 under subsection (c) with respect to whether covered  
9 merchandise was entered into the customs territory  
10 of the United States through evasion, a person de-  
11 termined to have entered such covered merchandise  
12 through evasion or an interested party that filed an  
13 allegation under paragraph (2) of subsection (b)  
14 that resulted in the initiation of an investigation  
15 under paragraph (1) of that subsection with respect  
16 to such covered merchandise may file an appeal with  
17 the Commissioner for de novo review of the deter-  
18 mination.

19 “(2) TIMELINE FOR REVIEW.—Not later than  
20 60 business days after an appeal of a determination  
21 is filed under paragraph (1), the Commissioner shall  
22 complete the review of the determination.

23 “(g) JUDICIAL REVIEW.—

24 “(1) IN GENERAL.—Not later than 30 business  
25 days after the Commissioner completes a review

1 under subsection (f) of a determination under sub-  
2 section (c) with respect to whether covered merchan-  
3 dise was entered into the customs territory of the  
4 United States through evasion, a person determined  
5 to have entered such covered merchandise through  
6 evasion or an interested party that filed an allega-  
7 tion under paragraph (2) of subsection (b) that re-  
8 sulted in the initiation of an investigation under  
9 paragraph (1) of that subsection with respect to  
10 such covered merchandise may seek judicial review  
11 of the determination under subsection (c) and the  
12 review under subsection (f) in the United States  
13 Court of International Trade to determine whether  
14 the determination and review is conducted in accord-  
15 ance with subsections (c) and (f).

16 “(2) STANDARD OF REVIEW.—In determining  
17 whether a determination under subsection (c) or re-  
18 view under subsection (f) is conducted in accordance  
19 with those subsections, the United States Court of  
20 International Trade shall examine—

21 “(A) whether the Commissioner fully com-  
22 plied with all procedures under subsections (c)  
23 and (f); and

24 “(B) whether any determination, finding,  
25 or conclusion is arbitrary, capricious, an abuse

1           of discretion, or otherwise not in accordance  
2           with law.

3           “(3) RULE OF CONSTRUCTION.—Nothing in  
4           this subsection shall affect the availability of judicial  
5           review to an interested party under any other provi-  
6           sion of law.

7           “(h) RULE OF CONSTRUCTION WITH RESPECT TO  
8           OTHER CIVIL AND CRIMINAL PROCEEDINGS AND INVES-  
9           TIGATIONS.—No determination under subsection (c), re-  
10          view under subsection (f), or action taken by the Commis-  
11          sioner pursuant to this section shall preclude any indi-  
12          vidual or entity from proceeding, or otherwise affect or  
13          limit the authority of any individual or entity to proceed,  
14          with any civil, criminal, or administrative investigation or  
15          proceeding pursuant to any other provision of Federal or  
16          State law, including sections 592 and 596.”.

17          (b) CONFORMING AMENDMENT.—Section 1581(c) of  
18          title 28, United States Code, is amended by inserting “or  
19          517” after “516A”.

20          (c) EFFECTIVE DATE.—The amendments made by  
21          this section shall take effect on the date that is 180 days  
22          after the date of the enactment of this Act.

23          (d) REGULATIONS.—Not later than the date that is  
24          180 days after the date of the enactment of this Act, the

1 Secretary shall prescribe such regulations as may be nec-  
2 essary to implement the amendments made by this section.

### 3 **Subtitle C—Other Matters**

#### 4 **SEC. 431. ALLOCATION AND TRAINING OF PERSONNEL.**

5 The Commissioner shall, to the maximum extent pos-  
6 sible, ensure that U.S. Customs and Border Protection—

7 (1) employs sufficient personnel who have ex-  
8 pertise in, and responsibility for, preventing and in-  
9 vestigating the entry of covered merchandise into the  
10 customs territory of the United States through eva-  
11 sion;

12 (2) on the basis of risk assessment metrics, as-  
13 signs sufficient personnel with primary responsibility  
14 for preventing the entry of covered merchandise into  
15 the customs territory of the United States through  
16 evasion to the ports of entry in the United States at  
17 which the Commissioner determines potential eva-  
18 sion presents the most substantial threats to the rev-  
19 enue of the United States; and

20 (3) provides adequate training to relevant per-  
21 sonnel to increase expertise and effectiveness in the  
22 prevention and identification of entries of covered  
23 merchandise into the customs territory of the United  
24 States through evasion.

1 **SEC. 432. ANNUAL REPORT ON PREVENTION AND INVES-**  
2 **TIGATION OF EVASION OF ANTIDUMPING**  
3 **AND COUNTERVAILING DUTY ORDERS.**

4 (a) IN GENERAL.—Not later than January 15 of  
5 each calendar year that begins on or after the date that  
6 is 270 days after the date of the enactment of this Act,  
7 the Commissioner, in consultation with the Secretary of  
8 Commerce and the Director of U.S. Immigration and Cus-  
9 toms Enforcement, shall submit to the Committee on Fi-  
10 nance of the Senate and the Committee on Ways and  
11 Means of the House of Representatives a report on the  
12 efforts being taken to prevent and investigate the entry  
13 of covered merchandise into the customs territory of the  
14 United States through evasion.

15 (b) CONTENTS.—Each report required under sub-  
16 section (a) shall include—

17 (1) for the calendar year preceding the submis-  
18 sion of the report—

19 (A) a summary of the efforts of U.S. Cus-  
20 toms and Border Protection to prevent and in-  
21 vestigate the entry of covered merchandise into  
22 the customs territory of the United States  
23 through evasion;

24 (B) the number of allegations of evasion  
25 received, including allegations received under  
26 subsection (b) of section 517 of the Tariff Act

1 of 1930, as added by section 421 of this Act,  
2 and the number of such allegations resulting in  
3 investigations by U.S. Customs and Border  
4 Protection or any other Federal agency;

5 (C) a summary of investigations initiated,  
6 including investigations initiated under sub-  
7 section (b) of such section 517, including—

8 (i) the number and nature of the in-  
9 vestigations initiated, conducted, or com-  
10 pleted; and

11 (ii) the resolution of each completed  
12 investigation;

13 (D) the amount of additional duties that  
14 were determined to be owed as a result of such  
15 investigations, the amount of such duties that  
16 were collected, and, for any such duties not col-  
17 lected, a description of the reasons those duties  
18 were not collected;

19 (E) with respect to each such investigation  
20 that led to the imposition of a penalty, the  
21 amount of the penalty;

22 (F) an identification of the countries of or-  
23 igin of covered merchandise determined under  
24 subsection (c) of such section 517 to be entered

1 into the customs territory of the United States  
2 through evasion;

3 (G) the amount of antidumping and coun-  
4 tervening duties collected as a result of any in-  
5 vestigations or other actions by U.S. Customs  
6 and Border Protection or any other Federal  
7 agency;

8 (H) a description of the allocation of per-  
9 sonnel and other resources of U.S. Customs and  
10 Border Protection and U.S. Immigration and  
11 Customs Enforcement to prevent and inves-  
12 tigate evasion, including any assessments con-  
13 ducted regarding the allocation of such per-  
14 sonnel and resources; and

15 (I) a description of training conducted to  
16 increase expertise and effectiveness in the pre-  
17 vention and investigation of evasion; and

18 (2) a description of processes and procedures of  
19 U.S. Customs and Border Protection to prevent and  
20 investigate evasion, including—

21 (A) the specific guidelines, policies, and  
22 practices used by U.S. Customs and Border  
23 Protection to ensure that allegations of evasion  
24 are promptly evaluated and acted upon in a  
25 timely manner;

1 (B) an evaluation of the efficacy of those  
2 guidelines, policies, and practices;

3 (C) an identification of any changes since  
4 the last report required by this section, if any,  
5 that have materially improved or reduced the  
6 effectiveness of U.S. Customs and Border Pro-  
7 tection in preventing and investigating evasion;

8 (D) a description of the development and  
9 implementation of policies for the application of  
10 single entry and continuous bonds for entries of  
11 covered merchandise to sufficiently protect the  
12 collection of antidumping and countervailing  
13 duties commensurate with the level of risk of  
14 not collecting those duties;

15 (E) a description of the processes and pro-  
16 cedures for increased cooperation and informa-  
17 tion sharing with the Department of Commerce,  
18 U.S. Immigration and Customs Enforcement,  
19 and any other relevant Federal agencies to pre-  
20 vent and investigate evasion; and

21 (F) an identification of any recommended  
22 policy changes for other Federal agencies or  
23 legislative changes to improve the effectiveness  
24 of U.S. Customs and Border Protection in pre-  
25 venting and investigating evasion.



1 (c) PUBLIC SUMMARY.—The Commissioner shall  
2 make available to the public a summary of the report re-  
3 quired by subsection (a) that includes, at a minimum—

4 (1) a description of the type of merchandise  
5 with respect to which investigations were initiated  
6 under subsection (b) of section 517 of the Tariff Act  
7 of 1930, as added by section 421 of this Act;

8 (2) the amount of additional duties determined  
9 to be owed as a result of such investigations and the  
10 amount of such duties that were collected;

11 (3) an identification of the countries of origin  
12 of covered merchandise determined under subsection  
13 (c) of such section 517 to be entered into the cus-  
14 toms territory of the United States through evasion;  
15 and

16 (4) a description of the types of measures used  
17 by U.S. Customs and Border Protection to prevent  
18 and investigate evasion.

19 **SEC. 433. ADDRESSING CIRCUMVENTION BY NEW SHIP-**  
20 **PERS.**

21 Section 751(a)(2)(B) of the Tariff Act of 1930 (19  
22 U.S.C. 1675(a)(2)(B)) is amended—

23 (1) by striking clause (iii);

24 (2) by redesignating clause (iv) as clause (iii);

25 and

1           (3) by inserting after clause (iii), as redesign-  
2           nated by paragraph (2) of this section, the following:

3                   “(iv) DETERMINATIONS BASED ON  
4                   BONA FIDE SALES.—Any weighted average  
5                   dumping margin or individual counter-  
6                   vailing duty rate determined for an ex-  
7                   porter or producer in a review conducted  
8                   under clause (i) shall be based solely on  
9                   the bona fide United States sales of an ex-  
10                  porter or producer, as the case may be,  
11                  made during the period covered by the re-  
12                  view. In determining whether the United  
13                  States sales of an exporter or producer  
14                  made during the period covered by the re-  
15                  view were bona fide, the administering au-  
16                  thority shall consider, depending on the  
17                  circumstances surrounding such sales—

18                       “(I) the prices of such sales;

19                       “(II) whether such sales were  
20                       made in commercial quantities;

21                       “(III) the timing of such sales;

22                       “(IV) the expenses arising from  
23                       such sales;

24                       “(V) whether the subject mer-  
25                       chandise involved in such sales was

1 resold in the United States at a prof-  
2 it;

3 “(VI) whether such sales were  
4 made on an arms-length basis; and

5 “(VII) any other factor the ad-  
6 ministering authority determines to be  
7 relevant as to whether such sales are,  
8 or are not, likely to be typical of those  
9 the exporter or producer will make  
10 after completion of the review.”.

11 **TITLE V—SMALL BUSINESS**  
12 **TRADE ISSUES AND STATE**  
13 **TRADE COORDINATION**

14 **SECTION 501. SHORT TITLE.**

15 This title may be cited as the “Small Business Trade  
16 Enhancement Act of 2015” or the “State Trade Coordina-  
17 tion Act”.

18 **SEC. 502. OUTREACH AND INPUT FROM SMALL BUSINESSES**  
19 **TO TRADE PROMOTION AUTHORITY.**

20 Section 203 of Public Law 94–305 (15 U.S.C. 634c)  
21 is amended—

22 (1) in the matter preceding paragraph (1), by  
23 striking “The Office of Advocacy” and inserting the  
24 following:

25 “(a) IN GENERAL.—The Office of Advocacy”; and

1 (2) by adding at the end the following:

2 “(b) OUTREACH AND INPUT FROM SMALL BUSI-  
3 NESSES ON TRADE PROMOTION AUTHORITY.—

4 “(1) DEFINITIONS.—In this subsection—

5 “(A) the term ‘agency’ has the meaning  
6 given the term in section 551 of title 5, United  
7 States Code;

8 “(B) the term ‘Chief Counsel for Advo-  
9 cacy’ means the Chief Counsel for Advocacy of  
10 the Small Business Administration;

11 “(C) the term ‘covered trade agreement’  
12 means a trade agreement being negotiated pur-  
13 suant to section 103(b) of the Bipartisan Con-  
14 gressional Trade Priorities and Accountability  
15 Act of 2015 (Public Law 114–26; 19 U.S.C.  
16 4202(b)); and

17 “(D) the term ‘Working Group’ means the  
18 Interagency Working Group convened under  
19 paragraph (2)(A).

20 “(2) WORKING GROUP.—

21 “(A) IN GENERAL.—Not later than 30  
22 days after the date on which the President sub-  
23 mits the notification required under section  
24 105(a) of the Bipartisan Congressional Trade  
25 Priorities and Accountability Act of 2015 (Pub-

1           lic Law 114–26; 19 U.S.C. 4204(a)), the Chief  
2           Counsel for Advocacy shall convene an Inter-  
3           agency Working Group, which shall consist of  
4           an employee from each of the following agen-  
5           cies, as selected by the head of the agency or  
6           an official delegated by the head of the agency:

7                   “(i) The Office of the United States  
8                   Trade Representative.

9                   “(ii) The Department of Commerce.

10                  “(iii) The Department of Agriculture.

11                  “(iv) Any other agency that the Chief  
12                  Counsel for Advocacy, in consultation with  
13                  the United States Trade Representative,  
14                  determines to be relevant with respect to  
15                  the subject of the covered trade agreement.

16                  “(B) VIEWS OF SMALL BUSINESSES.—Not  
17                  later than 30 days after the date on which the  
18                  Chief Counsel for Advocacy convenes the Work-  
19                  ing Group under subparagraph (A), the Chief  
20                  Counsel for Advocacy shall identify a diverse  
21                  group of small businesses, representatives of  
22                  small businesses, or a combination thereof, to  
23                  provide to the Working Group the views of  
24                  small businesses in the manufacturing, services,

1 and agriculture industries on the potential eco-  
2 nomic effects of the covered trade agreement.

3 “(3) REPORT.—

4 “(A) IN GENERAL.—Not later than 180  
5 days after the date on which the Chief Counsel  
6 for Advocacy convenes the Working Group  
7 under paragraph (2)(A), the Chief Counsel for  
8 Advocacy shall submit to the Committee on  
9 Small Business and Entrepreneurship and the  
10 Committee on Finance of the Senate and the  
11 Committee on Small Business and the Com-  
12 mittee on Ways and Means of the House of  
13 Representatives a report on the economic im-  
14 pacts of the covered trade agreement on small  
15 businesses, which shall—

16 “(i) identify the most important prior-  
17 ities, opportunities, and challenges to var-  
18 ious industries from the covered trade  
19 agreement;

20 “(ii) assess the impact for new small  
21 businesses to start exporting, or increase  
22 their exports, to markets in countries that  
23 are parties to the covered trade agreement;

1 “(iii) analyze the competitive position  
2 of industries likely to be significantly af-  
3 fected by the covered trade agreement;

4 “(iv) identify—

5 “(I) any State-owned enterprises  
6 in each country participating in nego-  
7 tiations for the covered trade agree-  
8 ment that could pose a threat to small  
9 businesses; and

10 “(II) any steps to take to create  
11 a level playing field for those small  
12 businesses;

13 “(v) identify any rule of an agency  
14 that should be modified to become compli-  
15 ant with the covered trade agreement; and

16 “(vi) include an overview of the meth-  
17 odology used to develop the report, includ-  
18 ing the number of small business partici-  
19 pants by industry, how those small busi-  
20 nesses were selected, and any other factors  
21 that the Chief Counsel for Advocacy may  
22 determine appropriate.

23 “(B) DELAYED SUBMISSION.—To ensure  
24 that negotiations for the covered trade agree-  
25 ment are not disrupted, the President may re-

1           quire that the Chief Counsel for Advocacy delay  
2           submission of the report under subparagraph  
3           (A) until after the negotiations for the covered  
4           trade agreement are concluded, provided that  
5           the delay allows the Chief Counsel for Advocacy  
6           to submit the report to Congress not later than  
7           45 days before the Senate or the House of Rep-  
8           resentatives acts to approve or disapprove the  
9           covered trade agreement.

10           “(C) AVOIDANCE OF DUPLICATION.—The  
11           Chief Counsel for Advocacy shall, to the extent  
12           practicable, coordinate the submission of the re-  
13           port under this paragraph with the United  
14           States International Trade Commission, the  
15           United States Trade Representative, other  
16           agencies, and trade advisory committees to  
17           avoid unnecessary duplication of reporting re-  
18           quirements.”.

19   **SEC. 503. STATE TRADE EXPANSION PROGRAM.**

20           Section 22 of the Small Business Act (15 U.S.C. 649)  
21   is amended—

22           (1) by redesignating subsection (l) as subsection  
23           (m); and

24           (2) by inserting after subsection (k) the fol-  
25   lowing:



1 “(I) STATE TRADE EXPANSION PROGRAM.—

2 “(1) DEFINITIONS.—In this subsection—

3 “(A) the term ‘eligible small business con-  
4 cern’ means a business concern that—

5 “(i) is organized or incorporated in  
6 the United States;

7 “(ii) is operating in the United States;

8 “(iii) meets—

9 “(I) the applicable industry-based  
10 small business size standard estab-  
11 lished under section 3; or

12 “(II) the alternate size standard  
13 applicable to the program under sec-  
14 tion 7(a) of this Act and the loan pro-  
15 grams under title V of the Small  
16 Business Investment Act of 1958 (15  
17 U.S.C. 695 et seq.);

18 “(iv) has been in business for not less  
19 than 1 year, as of the date on which assist-  
20 ance using a grant under this subsection  
21 commences; and

22 “(v) has access to sufficient resources  
23 to bear the costs associated with trade, in-  
24 cluding the costs of packing, shipping,  
25 freight forwarding, and customs brokers;

1           “(B) the term ‘program’ means the State  
2           Trade Expansion Program established under  
3           paragraph (2);

4           “(C) the term ‘rural small business con-  
5           cern’ means an eligible small business concern  
6           located in a rural area, as that term is defined  
7           in section 1393(a)(2) of the Internal Revenue  
8           Code of 1986;

9           “(D) the term ‘socially and economically  
10          disadvantaged small business concern’ has the  
11          meaning given that term in section 8(a)(4)(A)  
12          of the Small Business Act (15 U.S.C.  
13          637(a)(4)(A)); and

14          “(E) the term ‘State’ means each of the  
15          several States, the District of Columbia, the  
16          Commonwealth of Puerto Rico, the Virgin Is-  
17          lands, Guam, the Commonwealth of the North-  
18          ern Mariana Islands, and American Samoa.

19          “(2) ESTABLISHMENT OF PROGRAM.—The As-  
20          sociate Administrator shall establish a trade expan-  
21          sion program, to be known as the ‘State Trade Ex-  
22          pansion Program’, to make grants to States to carry  
23          out programs that assist eligible small business con-  
24          cerns in—

1           “(A) participation in foreign trade mis-  
2           sions;

3           “(B) a subscription to services provided by  
4           the Department of Commerce;

5           “(C) the payment of website fees;

6           “(D) the design of marketing media;

7           “(E) a trade show exhibition;

8           “(F) participation in training workshops;

9           “(G) a reverse trade mission;

10          “(H) procurement of consultancy services  
11          (after consultation with the Department of  
12          Commerce to avoid duplication); or

13          “(I) any other initiative determined appro-  
14          priate by the Associate Administrator.

15          “(3) GRANTS.—

16               “(A) JOINT REVIEW.—In carrying out the  
17               program, the Associate Administrator may  
18               make a grant to a State to increase the number  
19               of eligible small business concerns in the State  
20               exploring significant new trade opportunities.

21               “(B) CONSIDERATIONS.—In making  
22               grants under this subsection, the Associate Ad-  
23               ministrators may give priority to an application  
24               by a State that proposes a program that—

1 “(i) focuses on eligible small business  
2 concerns as part of a trade expansion pro-  
3 gram;

4 “(ii) demonstrates intent to promote  
5 trade expansion by—

6 “(I) socially and economically  
7 disadvantaged small business con-  
8 cerns;

9 “(II) small business concerns  
10 owned or controlled by women; and

11 “(III) rural small business con-  
12 cerns;

13 “(iii) promotes trade facilitation from  
14 a State that is not 1 of the 10 States with  
15 the highest percentage of eligible small  
16 business concerns that are engaged in  
17 international trade, based upon the most  
18 recent data from the Department of Com-  
19 merce; and

20 “(iv) includes—

21 “(I) activities which have re-  
22 sulted in the highest return on invest-  
23 ment based on the most recent year;  
24 and

1                   “(II) the adoption of shared best  
2                   practices included in the annual re-  
3                   port of the Administration.

4                   “(C) LIMITATIONS.—

5                   “(i) SINGLE APPLICATION.—A State  
6                   may not submit more than 1 application  
7                   for a grant under the program in any 1  
8                   fiscal year.

9                   “(ii) PROPORTION OF AMOUNTS.—The  
10                  total value of grants made under the pro-  
11                  gram during a fiscal year to the 10 States  
12                  with the highest percentage of eligible  
13                  small business concerns, based upon the  
14                  most recent data available from the De-  
15                  partment of Commerce, shall be not more  
16                  than 40 percent of the amounts appro-  
17                  priated for the program for that fiscal  
18                  year.

19                  “(iii) DURATION.—The Associate Ad-  
20                  ministrators shall award a grant under this  
21                  program for a period of not more than 2  
22                  years.

23                  “(D) APPLICATION.—

24                  “(i) IN GENERAL.—A State desiring a  
25                  grant under the program shall submit an

1 application at such time, in such manner,  
2 and accompanied by such information as  
3 the Associate Administrator may establish.

4 “(ii) CONSULTATION TO REDUCE DU-  
5 PLICATION.—A State desiring a grant  
6 under the program shall—

7 “(I) before submitting an appli-  
8 cation under clause (i), consult with  
9 applicable trade agencies of the Fed-  
10 eral Government on the scope and  
11 mission of the activities the State pro-  
12 poses to carry out using the grant, to  
13 ensure proper coordination and reduce  
14 duplication in services; and

15 “(II) document the consultation  
16 conducted under subclause (I) in the  
17 application submitted under clause (i).

18 “(4) COMPETITIVE BASIS.—The Associate Ad-  
19 ministrator shall award grants under the program  
20 on a competitive basis.

21 “(5) FEDERAL SHARE.—The Federal share of  
22 the cost of a trade expansion program carried out  
23 using a grant under the program shall be—

1           “(A) for a State that has a high trade vol-  
2           ume, as determined by the Associate Adminis-  
3           trator, not more than 65 percent; and

4           “(B) for a State that does not have a high  
5           trade volume, as determined by the Associate  
6           Administrator, not more than 75 percent.

7           “(6) NON-FEDERAL SHARE.—The non-Federal  
8           share of the cost of a trade expansion program car-  
9           ried out using a grant under the program shall be  
10          comprised of not less than 50 percent cash and not  
11          more than 50 percent of indirect costs and in-kind  
12          contributions, except that no such costs or contribu-  
13          tions may be derived from funds from any other  
14          Federal program.

15          “(7) REPORTS.—

16               “(A) INITIAL REPORT.—Not later than  
17               120 days after the date of enactment of this  
18               subsection, the Associate Administrator shall  
19               submit to the Committee on Small Business  
20               and Entrepreneurship of the Senate and the  
21               Committee on Small Business of the House of  
22               Representatives a report, which shall include—

23                       “(i) a description of the structure of  
24                       and procedures for the program;

1 “(ii) a management plan for the pro-  
2 gram; and

3 “(iii) a description of the merit-based  
4 review process to be used in the program.

5 “(B) ANNUAL REPORTS.—

6 “(i) IN GENERAL.—The Associate Ad-  
7 ministrator shall publish on the website of  
8 the Administration an annual report re-  
9 garding the program, which shall include—

10 “(I) the number and amount of  
11 grants made under the program dur-  
12 ing the preceding year;

13 “(II) a list of the States receiving  
14 a grant under the program during the  
15 preceding year, including the activities  
16 being performed with each grant;

17 “(III) the effect of each grant on  
18 the eligible small business concerns in  
19 the State receiving the grant;

20 “(IV) the total return on invest-  
21 ment for each State; and

22 “(V) a description of best prac-  
23 tices by States that showed high re-  
24 turns on investment and significant



1 progress in helping more eligible small  
2 business concerns.

3 “(ii) NOTICE TO CONGRESS.—On the  
4 date on which the Associate Administrator  
5 publishes a report under clause (i), the As-  
6 sociate Administrator shall notify the Com-  
7 mittee on Small Business and Entrepre-  
8 neurship of the Senate and the Committee  
9 on Small Business of the House of Rep-  
10 resentatives that the report has been pub-  
11 lished.

12 “(8) REVIEWS BY INSPECTOR GENERAL.—

13 “(A) IN GENERAL.—The Inspector General  
14 of the Administration shall conduct a review  
15 of—

16 “(i) the extent to which recipients of  
17 grants under the program are measuring  
18 the performance of the activities being con-  
19 ducted and the results of the measure-  
20 ments; and

21 “(ii) the overall management and ef-  
22 fectiveness of the program.

23 “(B) REPORTS.—

24 “(i) PILOT PROGRAM.—Not later than  
25 6 months after the date of enactment of

1           this subsection, the Inspector General of  
2           the Administration shall submit to the  
3           Committee on Small Business and Entre-  
4           preneurship of the Senate and the Com-  
5           mittee on Small Business of the House of  
6           Representatives a report regarding the use  
7           of amounts made available under the State  
8           Trade and Export Promotion Grant Pro-  
9           gram under section 1207 of the Small  
10          Business Jobs Act of 2010 (15 U.S.C.  
11          649b note).

12                 “(ii) NEW STEP PROGRAM.—Not later  
13           than 18 months after the date on which  
14           the first grant is awarded under this sub-  
15           section, the Inspector General of the Ad-  
16           ministration shall submit to the Committee  
17           on Small Business and Entrepreneurship  
18           of the Senate and the Committee on Small  
19           Business of the House of Representatives a  
20           report regarding the review conducted  
21           under subparagraph (A).

22                 “(9) AUTHORIZATION OF APPROPRIATIONS.—  
23           There is authorized to be appropriated to carry out  
24           the program \$30,000,000 for each of fiscal years  
25           2016 through 2020.”.

1   **SEC. 504. STATE AND FEDERAL EXPORT PROMOTION CO-**  
2                   **ORDINATION.**

3           (a) STATE AND FEDERAL EXPORT PROMOTION CO-  
4   ORDINATION WORKING GROUP.—Subtitle C of the Export  
5   Enhancement Act of 1988 (15 U.S.C. 4721 et seq.) is  
6   amended by inserting after section 2313 the following:

7   **“SEC. 2313A. STATE AND FEDERAL EXPORT PROMOTION**  
8                   **COORDINATION WORKING GROUP.**

9           “(a) STATEMENT OF POLICY.—It is the policy of the  
10   United States to promote exports as an opportunity for  
11   small businesses. In exercising their powers and functions  
12   in order to advance that policy, all Federal agencies shall  
13   work constructively with State and local agencies engaged  
14   in export promotion and export financing activities.

15          “(b) ESTABLISHMENT.—The President shall estab-  
16   lish a State and Federal Export Promotion Coordination  
17   Working Group (in this section referred to as the ‘Work-  
18   ing Group’) as a subcommittee of the Trade Promotion  
19   Coordination Committee (in this section referred to as the  
20   ‘TPCC’).

21          “(c) PURPOSES.—The purposes of the Working  
22   Group are—

23               “(1) to identify issues related to the coordina-  
24   tion of Federal resources relating to export pro-  
25   motion and export financing with such resources  
26   provided by State and local governments;

1           “(2) to identify ways to improve coordination  
2           with respect to export promotion and export financ-  
3           ing activities through the strategic plan developed  
4           under section 2312(c);

5           “(3) to develop a strategy for improving coordi-  
6           nation of Federal and State resources relating to ex-  
7           port promotion and export financing, including  
8           methods to eliminate duplication of effort and over-  
9           lapping functions; and

10          “(4) to develop a strategic plan for considering  
11          and implementing the suggestions of the Working  
12          Group as part of the strategic plan developed under  
13          section 2312(c).

14          “(d) MEMBERSHIP.—The Secretary of Commerce  
15          shall select the members of the Working Group, who shall  
16          include—

17               “(1) representatives from State trade agencies  
18               representing regionally diverse areas; and

19               “(2) representatives of the departments and  
20               agencies that are represented on the TPCC, who are  
21               designated by the heads of their respective depart-  
22               ments or agencies to advise the head on ways of pro-  
23               moting the exportation of United States goods and  
24               services.”.

1 (b) REPORT ON IMPROVEMENTS TO EXPORT.GOV AS  
2 A SINGLE WINDOW FOR EXPORT INFORMATION.—

3 (1) IN GENERAL.—Not later than 180 days  
4 after the date of enactment of this Act, the Asso-  
5 ciate Administrator for International Trade of the  
6 Small Business Administration shall, after consulta-  
7 tion with the entities specified in paragraph (2), sub-  
8 mit to the appropriate congressional committees a  
9 report that includes the recommendations of the As-  
10 sociate Administrator for improving the experience  
11 provided by the Internet website Export.gov (or a  
12 successor website) as—

13 (A) a comprehensive resource for informa-  
14 tion about exporting articles from the United  
15 States; and

16 (B) a single website for exporters to sub-  
17 mit all information required by the Federal  
18 Government with respect to the exportation of  
19 articles from the United States.

20 (2) ENTITIES SPECIFIED.—The entities speci-  
21 fied in this paragraph are—

22 (A) small business concerns (as defined in  
23 section 3 of the Small Business Act (15 U.S.C.  
24 632)) that are exporters; and

1 (B) the President’s Export Council, State  
2 agencies with responsibility for export pro-  
3 motion or export financing, district export coun-  
4 cils, and trade associations.

5 (3) APPROPRIATE CONGRESSIONAL COMMIT-  
6 TEES DEFINED.—In this subsection, the term “ap-  
7 propriate congressional committees” means—

8 (A) the Committee on Small Business and  
9 Entrepreneurship and the Committee on Bank-  
10 ing, Housing, and Urban Affairs of the Senate;  
11 and

12 (B) the Committee on Small Business and  
13 the Committee on Foreign Affairs of the House  
14 of Representatives.

15 (c) AVAILABILITY OF STATE RESOURCES GUIDES ON  
16 EXPORT.GOV.—The Secretary of Commerce shall make  
17 available on the Internet website Export.gov (or a suc-  
18 cessor website) information on the resources relating to  
19 export promotion and export financing available in each  
20 State—

21 (1) organized by State; and

22 (2) including information on State agencies  
23 with responsibility for export promotion or export fi-  
24 nancing and district export councils and trade asso-  
25 ciations located in the State.

1 **SEC. 505. STATE TRADE COORDINATION.**

2 (a) MEMBERSHIP OF REPRESENTATIVES OF STATE  
3 TRADE PROMOTION AGENCIES ON TRADE PROMOTION  
4 COORDINATING COMMITTEE.—Section 2312 of the Export  
5 Enhancement Act of 1988 (15 U.S.C. 4727) is amended—

6 (1) in subsection (d)—

7 (A) by redesignating paragraph (2) as  
8 paragraph (3); and

9 (B) by inserting after paragraph (1) the  
10 following:

11 “(2) REPRESENTATIVES FROM STATE TRADE  
12 PROMOTION AGENCIES.—The TPCC shall also in-  
13 clude 1 or more members appointed by the President  
14 who are representatives of State trade promotion  
15 agencies.”; and

16 (2) in subsection (e), in the first sentence, by  
17 inserting “(other than members described in sub-  
18 section (d)(2))” after “Members of the TPCC”.

19 (b) FEDERAL AND STATE EXPORT PROMOTION CO-  
20 ORDINATION PLAN.—

21 (1) IN GENERAL.—The Secretary of Commerce,  
22 acting through the Trade Promotion Coordinating  
23 Committee and in coordination with representatives  
24 of State trade promotion agencies, shall develop a  
25 comprehensive plan to integrate the resources and

1 strategies of State trade promotion agencies into the  
2 overall Federal trade promotion program.

3 (2) MATTERS TO BE INCLUDED.—The plan re-  
4 quired under paragraph (1) shall include the fol-  
5 lowing:

6 (A) A description of the role of State trade  
7 promotion agencies in assisting exporters.

8 (B) An outline of the role of State trade  
9 promotion agencies and how it is different from  
10 Federal agencies located within or providing  
11 services within the State.

12 (C) A plan on how to utilize State trade  
13 promotion agencies in the Federal trade pro-  
14 motion program.

15 (D) An explanation of how Federal and  
16 State agencies will share information and re-  
17 sources.

18 (E) A description of how Federal and  
19 State agencies will coordinate education and  
20 trade events in the United States and abroad.

21 (F) A description of the efforts to increase  
22 efficiency and reduce duplication.

23 (G) A clear identification of where busi-  
24 nesses can receive appropriate international  
25 trade information under the plan.



1           (3) DEADLINE.—The plan required under para-  
2       graph (1) shall be finalized and submitted to Con-  
3       gress not later than 12 months after the date of the  
4       enactment of this Act.

5       (c) ANNUAL FEDERAL-STATE EXPORT STRATEGY.—

6           (1) IN GENERAL.—The Secretary of Commerce,  
7       acting through the head of the United States For-  
8       eign and Commercial Service, shall develop an an-  
9       nual Federal-State export strategy for each State  
10      that submits to the Secretary of Commerce its ex-  
11      port strategy for the upcoming calendar year. In de-  
12      veloping an annual Federal-State export strategy  
13      under this paragraph, the Secretary of Commerce  
14      shall take into account the Federal and State export  
15      promotion coordination plan developed under sub-  
16      section (b).

17          (2) MATTERS TO BE INCLUDED.—The Federal-  
18      State export strategy required under paragraph (1)  
19      shall include the following:

20           (A) The State's export strategy and eco-  
21      nomic goals.

22           (B) The State's key sectors and industries  
23      of focus.

24           (C) Possible foreign and domestic trade  
25      events.

1 (D) Efforts to increase efficiencies and re-  
2 duce duplication.

3 (3) REPORT.—The Federal-State export strat-  
4 egy required under paragraph (1) shall be submitted  
5 to the Trade Promotion Coordinating Committee not  
6 later than February 1, 2017, and February 1 of  
7 each year thereafter.

8 (d) COORDINATED METRICS AND INFORMATION  
9 SHARING.—

10 (1) IN GENERAL.—The Secretary of Commerce,  
11 in coordination with representatives of State trade  
12 promotion agencies, shall develop a framework to  
13 share export success information, and develop a co-  
14 ordinated set of reporting metrics.

15 (2) REPORT TO CONGRESS.—Not later than one  
16 year after the date of the enactment of this Act, the  
17 Secretary of Commerce shall submit to Congress a  
18 report that contains the framework and reporting  
19 metrics required under paragraph (1).

20 (e) ANNUAL SURVEY AND ANALYSIS AND REPORT  
21 UNDER NATIONAL EXPORT STRATEGY.—Section 2312 of  
22 the Export Enhancement Act of 1988 (15 U.S.C. 4727)  
23 is amended—

24 (1) in subsection (c)—

1 (A) in paragraph (5), by striking “and” at  
2 the end;

3 (B) in paragraph (6), by striking the pe-  
4 riod at the end and inserting “; and”; and

5 (C) by adding at the end the following:

6 “(7) in coordination with State trade promotion  
7 agencies, include a survey and analysis regarding the  
8 overall effectiveness of Federal-State coordination  
9 and export promotion goals on an annual basis, to  
10 further include best practices, recommendations to  
11 better assist small businesses, and other relevant  
12 matters.”; and

13 (2) in subsection (f)(1), by inserting “(including  
14 implementation of the survey and analysis described  
15 in paragraph (7) of that subsection)” after “the im-  
16 plementation of such plan”.

## 17 **TITLE VI—ADDITIONAL** 18 **ENFORCEMENT PROVISIONS**

### 19 **SEC. 601. TRADE ENFORCEMENT PRIORITIES.**

20 (a) IN GENERAL.—Section 310 of the Trade Act of  
21 1974 (19 U.S.C. 2420) is amended to read as follows:

#### 22 **“SEC. 310. TRADE ENFORCEMENT PRIORITIES.**

23 “(a) TRADE ENFORCEMENT PRIORITIES, CONSULTA-  
24 TIONS, AND REPORT.—

1           “(1) TRADE ENFORCEMENT PRIORITIES CON-  
2           SULTATIONS.—Not later than May 31 of each cal-  
3           endar year that begins after the date of the enact-  
4           ment of the Trade Facilitation and Trade Enforce-  
5           ment Act of 2015, the United States Trade Rep-  
6           resentative (in this section referred to as the ‘Trade  
7           Representative’) shall consult with the Committee on  
8           Finance of the Senate and the Committee on Ways  
9           and Means of the House of Representatives with re-  
10          spect to the prioritization of acts, policies, or prac-  
11          tices of foreign governments that raise concerns with  
12          respect to obligations under the WTO Agreements or  
13          any other trade agreement to which the United  
14          States is a party, or otherwise create or maintain  
15          barriers to United States goods, services, or invest-  
16          ment.

17          “(2) IDENTIFICATION OF TRADE ENFORCE-  
18          MENT PRIORITIES.—In identifying acts, policies, or  
19          practices of foreign governments as trade enforce-  
20          ment priorities under this subsection, the Trade  
21          Representative shall focus on those acts, policies,  
22          and practices the elimination of which is likely to  
23          have the most significant potential to increase  
24          United States economic growth, and take into ac-  
25          count all relevant factors, including—

1           “(A) the economic significance of any po-  
2           tential inconsistency between an obligation as-  
3           sumed by a foreign government pursuant to a  
4           trade agreement to which both the foreign gov-  
5           ernment and the United States are parties and  
6           the acts, policies, or practices of that govern-  
7           ment;

8           “(B) the impact of the acts, policies, or  
9           practices of a foreign government on maintain-  
10          ing and creating United States jobs and pro-  
11          ductive capacity;

12          “(C) the major barriers and trade dis-  
13          torting practices described in the most recent  
14          National Trade Estimate required under section  
15          181(b);

16          “(D) the major barriers and trade dis-  
17          torting practices described in other relevant re-  
18          ports addressing international trade and invest-  
19          ment barriers prepared by a Federal agency or  
20          congressional commission during the 12 months  
21          preceding the date of the most recent report  
22          under paragraph (3);

23          “(E) a foreign government’s compliance  
24          with its obligations under any trade agreements

1 to which both the foreign government and the  
2 United States are parties;

3 “(F) the implications of a foreign govern-  
4 ment’s procurement plans and policies; and

5 “(G) the international competitive position  
6 and export potential of United States products  
7 and services.

8 “(3) REPORT ON TRADE ENFORCEMENT PRIOR-  
9 ITIES AND ACTIONS TAKEN TO ADDRESS.—

10 “(A) IN GENERAL.—Not later than July  
11 31 of each calendar year that begins after the  
12 date of the enactment of the Trade Facilitation  
13 and Trade Enforcement Act of 2015, the Trade  
14 Representative shall report to the Committee on  
15 Finance of the Senate and the Committee on  
16 Ways and Means of the House of Representa-  
17 tives on acts, policies, or practices of foreign  
18 governments identified as trade enforcement  
19 priorities based on the consultations under  
20 paragraph (1) and the criteria set forth in  
21 paragraph (2).

22 “(B) REPORT IN SUBSEQUENT YEARS.—  
23 The Trade Representative shall include, when  
24 reporting under subparagraph (A) in any cal-  
25 endar year after the calendar year that begins

1 after the date of the enactment of the Trade  
2 Facilitation and Trade Enforcement Act of  
3 2015, a description of actions taken to address  
4 any acts, policies, or practices of foreign gov-  
5 ernments identified as trade enforcement prior-  
6 ities under this subsection in the calendar year  
7 preceding that report and, as relevant, any cal-  
8 endar year before that calendar year.

9 “(b) SEMIANNUAL ENFORCEMENT CONSULTA-  
10 TIONS.—

11 “(1) IN GENERAL.—At the same time as the re-  
12 porting under subsection (a)(3), and not later than  
13 January 31 of each following year, the Trade Rep-  
14 resentative shall consult with the Committee on Fi-  
15 nance of the Senate and the Committee on Ways  
16 and Means of the House of Representatives with re-  
17 spect to the identification, prioritization, investiga-  
18 tion, and resolution of acts, policies, or practices of  
19 foreign governments of concern with respect to obli-  
20 gations under the WTO Agreements or any other  
21 trade agreement to which the United States is a  
22 party, or that otherwise create or maintain trade  
23 barriers.

24 “(2) ACTS, POLICIES, OR PRACTICES OF CON-  
25 CERN.—The semiannual enforcement consultations

1 required by paragraph (1) shall address acts, poli-  
2 cies, or practices of foreign governments that raise  
3 concerns with respect to obligations under the WTO  
4 Agreements or any other trade agreement to which  
5 the United States is a party, or otherwise create or  
6 maintain trade barriers, including—

7 “(A) engagement with relevant trading  
8 partners;

9 “(B) strategies for addressing such con-  
10 cerns;

11 “(C) availability and deployment of re-  
12 sources to be used in the investigation or reso-  
13 lution of such concerns;

14 “(D) the merits of any potential dispute  
15 resolution proceeding under the WTO Agree-  
16 ments or any other trade agreement to which  
17 the United States is a party relating to such  
18 concerns; and

19 “(E) any other aspects of such concerns.

20 “(3) ACTIVE INVESTIGATIONS.—The semi-  
21 annual enforcement consultations required by para-  
22 graph (1) shall address acts, policies, or practices  
23 that the Trade Representative is actively inves-  
24 tigating with respect to obligations under the WTO



1       Agreements or any other trade agreement to which  
2       the United States is a party, including—

3               “(A) strategies for addressing concerns  
4               raised by such acts, policies, or practices;

5               “(B) any relevant timeline with respect to  
6               investigation of such acts, policies, or practices;

7               “(C) the merits of any potential dispute  
8               resolution proceeding under the WTO Agree-  
9               ments or any other trade agreement to which  
10              the United States is a party with respect to  
11              such acts, policies, or practices;

12              “(D) barriers to the advancement of the  
13              investigation of such acts, policies, or practices;  
14              and

15              “(E) any other matters relating to the in-  
16              vestigation of such acts, policies, or practices.

17              “(4) ONGOING ENFORCEMENT ACTIONS.—The  
18              semiannual enforcement consultations required by  
19              paragraph (1) shall address all ongoing enforcement  
20              actions taken by or against the United States with  
21              respect to obligations under the WTO Agreements or  
22              any other trade agreement to which the United  
23              States is a party, including—

24                   “(A) any relevant timeline with respect to  
25                   such actions;

1 “(B) the merits of such actions;

2 “(C) any prospective implementation ac-  
3 tions;

4 “(D) potential implications for any law or  
5 regulation of the United States;

6 “(E) potential implications for United  
7 States stakeholders, domestic competitors, and  
8 exporters; and

9 “(F) other issues relating to such actions.

10 “(5) ENFORCEMENT RESOURCES.—The semi-  
11 annual enforcement consultations required by para-  
12 graph (1) shall address the availability and deploy-  
13 ment of enforcement resources, resource constraints  
14 on monitoring and enforcement activities, and strat-  
15 egies to address those constraints, including the use  
16 of available resources of other Federal agencies to  
17 enhance monitoring and enforcement capabilities.

18 “(c) INVESTIGATION AND RESOLUTION.—In the case  
19 of any acts, policies, or practices of a foreign government  
20 identified as a trade enforcement priority under subsection  
21 (a), the Trade Representative shall, not later than the date  
22 of the first semiannual enforcement consultations held  
23 under subsection (b) after the identification of the pri-  
24 ority, take appropriate action to address that priority, in-  
25 cluding—

1           “(1) engagement with the foreign government  
2           to resolve concerns raised by such acts, policies, or  
3           practices;

4           “(2) initiation of an investigation under section  
5           302(b)(1) with respect to such acts, policies, or  
6           practices;

7           “(3) initiation of negotiations for a bilateral  
8           agreement that provides for resolution of concerns  
9           raised by such acts, policies, or practices; or

10          “(4) initiation of dispute settlement proceedings  
11          under the WTO Agreements or any other trade  
12          agreement to which the United States is a party  
13          with respect to such acts, policies, or practices.

14          “(d) ENFORCEMENT NOTIFICATIONS AND CON-  
15          SULTATION.—

16          “(1) INITIATION OF ENFORCEMENT ACTION.—

17          The Trade Representative shall notify and consult  
18          with the Committee on Finance of the Senate and  
19          the Committee on Ways and Means of the House of  
20          Representatives in advance of the initiation of any  
21          formal trade dispute by or against the United States  
22          taken in regard to an obligation under the WTO  
23          Agreements or any other trade agreement to which  
24          the United States is a party. With respect to a for-  
25          mal trade dispute against the United States, if ad-

1 vance notification and consultation are not possible,  
2 the Trade Representative shall notify and consult at  
3 the earliest practicable opportunity after initiation of  
4 the dispute.

5 “(2) CIRCULATION OF REPORTS.—The Trade  
6 Representative shall notify and consult with the  
7 Committee on Finance of the Senate and the Com-  
8 mittee on Ways and Means of the House of Rep-  
9 resentatives in advance of the announced or antici-  
10 pated circulation of any report of a dispute settle-  
11 ment panel or the Appellate Body of the World  
12 Trade Organization or of a dispute settlement panel  
13 under any other trade agreement to which the  
14 United States is a party with respect to a formal  
15 trade dispute by or against the United States.

16 “(e) DEFINITIONS.—In this section:

17 “(1) WTO.—The term ‘WTO’ means the World  
18 Trade Organization.

19 “(2) WTO AGREEMENT.—The term ‘WTO  
20 Agreement’ has the meaning given that term in sec-  
21 tion 2(9) of the Uruguay Round Agreements Act (19  
22 U.S.C. 3501(9)).

23 “(3) WTO AGREEMENTS.—The term ‘WTO  
24 Agreements’ means the WTO Agreement and agree-  
25 ments annexed to that Agreement.”.

1 (b) CLERICAL AMENDMENT.—The table of contents  
2 for the Trade Act of 1974 is amended by striking the item  
3 relating to section 310 and inserting the following:

“Sec. 310. Trade enforcement priorities.”.

4 **SEC. 602. EXERCISE OF WTO AUTHORIZATION TO SUSPEND**  
5 **CONCESSIONS OR OTHER OBLIGATIONS**  
6 **UNDER TRADE AGREEMENTS.**

7 (a) IN GENERAL.—Section 306 of the Trade Act of  
8 1974 (19 U.S.C. 2416) is amended—

9 (1) by redesignating subsection (c) as sub-  
10 section (d); and

11 (2) by inserting after subsection (b) the fol-  
12 lowing:

13 “(c) EXERCISE OF WTO AUTHORIZATION TO SUS-  
14 PEND CONCESSIONS OR OTHER OBLIGATIONS.—If—

15 “(1) action has terminated pursuant to section  
16 307(c),

17 “(2) the petitioner or any representative of the  
18 domestic industry that would benefit from reinstate-  
19 ment of action has submitted to the Trade Rep-  
20 resentative a written request for reinstatement of ac-  
21 tion, and

22 “(3) the Trade Representatives has completed  
23 the requirements of subsection (d) and section  
24 307(c)(3),

1 the Trade Representative may at any time determine to  
2 take action under section 301(c) to exercise an authoriza-  
3 tion to suspend concessions or other obligations under Ar-  
4 ticle 22 of the Understanding on Rules and Procedures  
5 Governing the Settlement of Disputes (referred to in sec-  
6 tion 101(d)(16) of the Uruguay Round Agreements Act  
7 (19 U.S.C. 3511(d)(16))).”.

8 (b) CONFORMING AMENDMENTS.—Chapter 1 of title  
9 III of the Trade Act of 1974 (19 U.S.C. 2411 et seq.)  
10 is amended—

11 (1) in section 301(c)(1) (19 U.S.C. 2411(c)(1)),  
12 in the matter preceding subparagraph (A), by insert-  
13 ing “or section 306(c)” after “subsection (a) or  
14 (b)”;

15 (2) in section 306(b) (19 U.S.C. 2416(b)), in  
16 the subsection heading, by striking “FURTHER AC-  
17 TION” and inserting “ACTION ON THE BASIS OF  
18 MONITORING”;

19 (3) in section 306(d) (19 U.S.C. 2416(d)), as  
20 redesignated by subsection (a)(1), by inserting “or  
21 (c)” after “subsection (b)”;

22 (4) in section 307(c)(3) (19 U.S.C. 2417(c)(3)),  
23 by inserting “or if a request is submitted to the  
24 Trade Representative under section 306(c)(2) to re-  
25 instate action,” after “under section 301,”.

1   **SEC. 603. TRADE MONITORING.**

2           (a) IN GENERAL.—Chapter 1 of title II of the Trade  
3 Act of 1974 (19 U.S.C. 2251 et seq.) is amended by add-  
4 ing at the end the following:

5   **“SEC. 205. TRADE MONITORING.**

6           “(a) MONITORING TOOL FOR IMPORTS.—

7                   “(1) IN GENERAL.—Not later than 180 days  
8 after the date of the enactment of the Trade Facili-  
9 tation and Trade Enforcement Act of 2015, the  
10 Commission shall make available on a website of the  
11 Commission an import monitoring tool to allow the  
12 public access to data on the volume and value of  
13 goods imported to the United States for the purpose  
14 of assessing whether such data has changed with re-  
15 spect to such goods over a period of time.

16                   “(2) DATA DESCRIBED.—For purposes of the  
17 monitoring tool under paragraph (1), the Commis-  
18 sion shall use data compiled by the Department of  
19 Commerce and such other government data as the  
20 Commission considers appropriate.

21                   “(3) PERIODS OF TIME.—The Commission shall  
22 ensure that data accessed through the monitoring  
23 tool under paragraph (1) includes data for the most  
24 recent quarter for which such data are available and  
25 previous quarters as the Commission considers prac-  
26 ticable.

1 “(b) MONITORING REPORTS.—

2 “(1) IN GENERAL.—Not later than 270 days  
3 after the date of the enactment of the Trade Facili-  
4 tation and Trade Enforcement Act of 2015, and not  
5 less frequently than quarterly thereafter, the Sec-  
6 retary of Commerce shall publish on a website of the  
7 Department of Commerce, and notify the Committee  
8 on Finance of the Senate and the Committee on  
9 Ways and Means of the House of Representatives of  
10 the availability of, a monitoring report on changes in  
11 the volume and value of trade with respect to im-  
12 ports and exports of goods categorized based on the  
13 6-digit subheading number of the goods under the  
14 Harmonized Tariff Schedule of the United States  
15 during the most recent quarter for which such data  
16 are available and previous quarters as the Secretary  
17 considers practicable.

18 “(2) REQUESTS FOR COMMENT.—Not later  
19 than one year after the date of the enactment of the  
20 Trade Facilitation and Trade Enforcement Act of  
21 2015, the Secretary of Commerce shall solicit  
22 through the Federal Register public comment on the  
23 monitoring reports described in paragraph (1).

24 “(c) SUNSET.—The requirements under this section  
25 terminate on the date that is seven years after the date



1 of the enactment of the Trade Facilitation and Trade En-  
2 forcement Act of 2015.”.

3 (b) CLERICAL AMENDMENT.—The table of contents  
4 for the Trade Act of 1974 (19 U.S.C. 2101 et seq.) is  
5 amended by inserting after the item relating to section  
6 204 the following:

“Sec. 205. Trade monitoring.”.

7 **SEC. 604. ESTABLISHMENT OF INTERAGENCY CENTER ON**  
8 **TRADE IMPLEMENTATION, MONITORING, AND**  
9 **ENFORCEMENT.**

10 (a) IN GENERAL.—Section 141 of the Trade Act of  
11 1974 (19 U.S.C. 2171) is amended by adding at the end  
12 the following:

13 “(h) INTERAGENCY CENTER ON TRADE IMPLEMEN-  
14 TATION, MONITORING, AND ENFORCEMENT.—

15 “(1) ESTABLISHMENT OF CENTER.—There is  
16 established in the Office of the United States Trade  
17 Representative an Interagency Center on Trade Im-  
18 plementation, Monitoring, and Enforcement (in this  
19 section referred to as the ‘Center’).

20 “(2) FUNCTIONS OF CENTER.—The Center  
21 shall support the activities of the United States  
22 Trade Representative in—

23 “(A) investigating potential disputes under  
24 the auspices of the World Trade Organization;

1           “(B) investigating potential disputes pur-  
2           suant to bilateral and regional trade agree-  
3           ments to which the United States is a party;

4           “(C) carrying out the functions of the  
5           United States Trade Representative under this  
6           section with respect to the monitoring and en-  
7           forcement of trade agreements to which the  
8           United States is a party; and

9           “(D) monitoring measures taken by parties  
10          to implement provisions of trade agreements to  
11          which the United States is a party.

12         “(3) PERSONNEL.—

13                 “(A) DIRECTOR.—The head of the Center  
14                 shall be a Director, who shall be appointed by  
15                 the United States Trade Representative.

16                 “(B) ADDITIONAL EMPLOYEES.—A Fed-  
17                 eral agency may, in consultation with and with  
18                 the approval of the United States Trade Rep-  
19                 resentative, detail or assign one or more em-  
20                 ployees to the Center without any reimburse-  
21                 ment from the Center to support the functions  
22                 of the Center.”.

23         (b)           INTERAGENCY           RESOURCES.—Section  
24         141(d)(1)(A) of the Trade Act of 1974 (19 U.S.C.  
25         2171(d)(1)(A)) is amended by inserting “, including re-

1 sources of the Interagency Center on Trade Implementa-  
2 tion, Monitoring, and Enforcement established under sub-  
3 section (h),” after “interagency resources”.

4 (c) REPORTS.—Section 163 of the Trade Act of 1974  
5 (19 U.S.C. 2213) is amended—

6 (1) in subsection (a)(2)—

7 (A) in subparagraph (J), by striking “and”  
8 at the end;

9 (B) in subparagraph (K), by striking the  
10 period at the end and inserting “; and”; and

11 (C) by adding at the end the following:

12 “(L) the operation of the Interagency Cen-  
13 ter on Trade Implementation, Monitoring, and  
14 Enforcement established under section 141(h),  
15 including—

16 “(i) information relating to the per-  
17 sonnel of the Center, including a descrip-  
18 tion of any employees detailed or assigned  
19 to the Center by a Federal agency under  
20 paragraph (3)(B) of such section;

21 “(ii) information relating to the func-  
22 tions of the Center; and

23 “(iii) an assessment of the operating  
24 costs of the Center.”; and

25 (2) by adding at the end the following:

1 “(d) QUADRENNIAL PLAN AND REPORT.—

2 “(1) QUADRENNIAL PLAN.—Pursuant to the  
3 goals and objectives of the strategic plan of the Of-  
4 fice of the United States Trade Representative as re-  
5 quired under section 306 of title 5, United States  
6 Code, the Trade Representative shall, every 4 years,  
7 develop a plan—

8 “(A) to analyze internal quality controls  
9 and record management of the Office;

10 “(B) to identify existing staff of the Office  
11 and new staff that will be necessary to support  
12 the trade negotiation and enforcement functions  
13 and powers of the Office (including those func-  
14 tions and powers of the Trade Policy Staff  
15 Committee) as described in section 141 and sec-  
16 tion 301;

17 “(C) to identify existing staff of the Office  
18 and staff in other Federal agencies who will be  
19 required to be detailed or assigned to support  
20 interagency programs led by the Trade Rep-  
21 resentative, including any associated expenses;

22 “(D) to provide an outline of budget jus-  
23 tifications, including salaries and expenses as  
24 well as nonpersonnel administrative expenses,

1 for the fiscal years required under the strategic  
2 plan; and

3 “(E) to provide an outline of budget jus-  
4 tifications, including salaries and expenses as  
5 well as nonpersonnel administrative expenses,  
6 for interagency programs led by the Trade Rep-  
7 resentative for the fiscal years required under  
8 the strategic plan.

9 “(2) REPORT.—

10 “(A) IN GENERAL.—The Trade Represent-  
11 ative shall submit to the appropriate congres-  
12 sional committees a report that contains the  
13 plan required under paragraph (1). Except as  
14 provided in subparagraph (B), the report re-  
15 quired under this subparagraph shall be sub-  
16 mitted in conjunction with the strategic plan of  
17 the Office as required under section 306 of title  
18 5, United States Code.

19 “(B) EXCEPTION.—The Trade Representa-  
20 tive shall submit to the appropriate congres-  
21 sional committees an initial report that contains  
22 the plan required under paragraph (1) not later  
23 than June 1, 2016.

24 “(C) APPROPRIATE CONGRESSIONAL COM-  
25 MITTEES DEFINED.—In this paragraph, the

1 term ‘appropriate congressional committees’  
2 means—

3 “(i) the Committee on Finance and  
4 the Committee on Appropriations of the  
5 Senate; and

6 “(ii) the Committee on Ways and  
7 Means and the Committee on Appropria-  
8 tions of the House of Representatives.”.

9 **SEC. 605. INCLUSION OF INTEREST IN CERTAIN DISTRIBUTIONS OF ANTIDUMPING DUTIES AND COUNTERVAILING DUTIES.**  
10  
11

12 (a) IN GENERAL.—The Secretary of Homeland Security shall deposit all interest described in subsection (c)  
13 into the special account established under section 754(e)  
14 of the Tariff Act of 1930 (19 U.S.C. 1675c(e)) (repealed  
15 by subtitle F of title VII of the Deficit Reduction Act of  
16 2005 (Public Law 109–171; 120 Stat. 154)) for inclusion  
17 in distributions described in subsection (b) made on or  
18 after the date of the enactment of this Act.  
19

20 (b) DISTRIBUTIONS DESCRIBED.—Distributions described in this subsection are distributions of antidumping  
21 duties and countervailing duties assessed on or after October 1, 2000, that are made under section 754 of the Tariff  
22 Act of 1930 (19 U.S.C. 1675c) (repealed by subtitle F  
23 of title VII of the Deficit Reduction Act of 2005 (Public  
24  
25

1 Law 109–171; 120 Stat. 154)), with respect to entries of  
2 merchandise that—

3 (1) were made on or before September 30,  
4 2007; and

5 (2) were, in accordance with section 822 of the  
6 Claims Resolution Act of 2010 (19 U.S.C. 1675c  
7 note), unliquidated, not in litigation, and not under  
8 an order of liquidation from the Department of  
9 Commerce on December 8, 2010.

10 (c) INTEREST DESCRIBED.—

11 (1) INTEREST REALIZED.—Interest described in  
12 this subsection is interest earned on antidumping  
13 duties or countervailing duties described in sub-  
14 section (b) that is realized through application of a  
15 payment received on or after October 1, 2014, by  
16 U.S. Customs and Border Protection under, or in  
17 connection with—

18 (A) a customs bond pursuant to a court  
19 order or judgment; or

20 (B) a settlement with respect to a customs  
21 bond, including any payment made to U.S. Cus-  
22 toms and Border Protection with respect to  
23 that bond by a surety.

24 (2) TYPES OF INTEREST.—Interest described in  
25 paragraph (1) includes the following:

1 (A) Interest accrued under section 778 of  
2 the Tariff Act of 1930 (19 U.S.C. 1677g).

3 (B) Interest accrued under section 505(d)  
4 of the Tariff Act of 1930 (19 U.S.C. 1505(d)).

5 (C) Equitable interest under common law  
6 and interest under section 963 of the Revised  
7 Statutes (19 U.S.C. 580) awarded by a court  
8 against a surety under its bond for late pay-  
9 ment of antidumping duties, countervailing du-  
10 ties, or interest described in subparagraph (A)  
11 or (B).

12 (d) DEFINITIONS.—In this section:

13 (1) ANTIDUMPING DUTIES.—The term “anti-  
14 dumping duties” means antidumping duties imposed  
15 under section 731 of the Tariff Act of 1930 (19  
16 U.S.C. 1673) or under the Antidumping Act, 1921  
17 (title II of the Act of May 27, 1921; 42 Stat. 11,  
18 chapter 14).

19 (2) COUNTERVAILING DUTIES.—The term  
20 “countervailing duties” means countervailing duties  
21 imposed under section 701 of the Tariff Act of 1930  
22 (19 U.S.C. 1671).



1 **SEC. 606. ILLICITLY IMPORTED, EXPORTED, OR TRAF-**  
2 **FICKED CULTURAL PROPERTY, ARCHAE-**  
3 **OLOGICAL OR ETHNOLOGICAL MATERIALS,**  
4 **AND FISH, WILDLIFE, AND PLANTS.**

5 (a) IN GENERAL.—The Commissioner and the Direc-  
6 tor of U.S. Immigration and Customs Enforcement shall  
7 ensure that appropriate personnel of U.S. Customs and  
8 Border Protection and U.S. Immigration and Customs  
9 Enforcement, as the case may be, are trained in the detec-  
10 tion, identification, detention, seizure, and forfeiture of  
11 cultural property, archaeological or ethnological materials,  
12 and fish, wildlife, and plants, the importation, exportation,  
13 or trafficking of which violates the laws of the United  
14 States.

15 (b) TRAINING.—The Commissioner and the Director  
16 are authorized to accept training and other support serv-  
17 ices from experts outside of the Federal Government with  
18 respect to the detection, identification, detention, seizure,  
19 and forfeiture of cultural property, archaeological or eth-  
20 nological materials, or fish, wildlife, and plants described  
21 in subsection (a).

22 **SEC. 607. ENFORCEMENT UNDER TITLE III OF THE TRADE**  
23 **ACT OF 1974 WITH RESPECT TO CERTAIN**  
24 **ACTS, POLICIES, AND PRACTICES.**

25 Section 301(d)(3)(B) of the Trade Act of 1974 (19  
26 U.S.C. 2411(d)(3)(B)) is amended—

1 (1) in clause (ii), by striking “or” at the end;

2 (2) in clause (iii)(V), by striking the period at

3 the end and inserting “, or”; and

4 (3) by adding at the end the following:

5 “(iv) constitutes a persistent pattern  
6 of conduct by the government of a foreign  
7 country under which that government fails  
8 to effectively enforce commitments under  
9 agreements to which the foreign country  
10 and the United States are parties, includ-  
11 ing with respect to trade in goods, trade in  
12 services, trade in agriculture, foreign in-  
13 vestment, intellectual property, digital  
14 trade in goods and services and cross-bor-  
15 der data flows, regulatory practices, state-  
16 owned and state-controlled enterprises, lo-  
17 calization barriers to trade, labor and the  
18 environment, anticorruption, trade remedy  
19 laws, textiles, and commercial partner-  
20 ships.”.

21 **SEC. 608. HONEY TRANSSHIPMENT.**

22 (a) IN GENERAL.—The Commissioner shall direct ap-  
23 propriate personnel and the use of resources of U.S. Cus-  
24 toms and Border Protection to address concerns that

1 honey is being imported into the United States in violation  
2 of the customs and trade laws of the United States.

3 (b) COUNTRY OF ORIGIN.—

4 (1) IN GENERAL.—The Commissioner shall  
5 compile a database of the individual characteristics  
6 of honey produced in foreign countries to facilitate  
7 the verification of country of origin markings of im-  
8 ported honey.

9 (2) ENGAGEMENT WITH FOREIGN GOVERN-  
10 MENTS.—The Commissioner shall seek to engage the  
11 customs agencies of foreign governments for assist-  
12 ance in compiling the database described in para-  
13 graph (1).

14 (3) CONSULTATION WITH INDUSTRY.—In com-  
15 piling the database described in paragraph (1), the  
16 Commissioner shall consult with entities in the  
17 honey industry regarding the development of indus-  
18 try standards for honey identification.

19 (4) CONSULTATION WITH FOOD AND DRUG AD-  
20 MINISTRATION.—In compiling the database de-  
21 scribed in paragraph (1), the Commissioner shall  
22 consult with the Commissioner of Food and Drugs.

23 (c) REPORT REQUIRED.—Not later than 180 days  
24 after the date of the enactment of this Act, the Commis-  
25 sioner shall submit to Congress a report that—

1 (1) describes and assesses the limitations in the  
2 existing analysis capabilities of laboratories with re-  
3 spect to determining the country of origin of honey  
4 samples or the percentage of honey contained in a  
5 sample; and

6 (2) includes any recommendations of the Com-  
7 missioner for improving such capabilities.

8 (d) SENSE OF CONGRESS.—It is the sense of Con-  
9 gress that the Commissioner of Food and Drugs should  
10 promptly establish a national standard of identity for  
11 honey for the Commissioner of U.S. Customs and Border  
12 Protection to use to ensure that imports of honey are—

13 (1) classified accurately for purposes of assess-  
14 ing duties; and

15 (2) denied entry into the United States if such  
16 imports pose a threat to the health or safety of con-  
17 sumers in the United States.

18 **SEC. 609. ESTABLISHMENT OF CHIEF INNOVATION AND IN-**  
19 **TELLECTUAL PROPERTY NEGOTIATOR.**

20 (a) IN GENERAL.—Section 141 of the Trade Act of  
21 1974 (19 U.S.C. 2171) is amended—

22 (1) in subsection (b)(2)—

23 (A) by striking “and one Chief Agricul-  
24 tural Negotiator” and inserting “, one Chief

1           Agricultural Negotiator, and one Chief Innova-  
2           tion and Intellectual Property Negotiator,”;

3           (B) by striking “or the Chief Agricultural  
4           Negotiator” and inserting “, the Chief Agricul-  
5           tural Negotiator, or the Chief Innovation and  
6           Intellectual Property Negotiator”; and

7           (C) by striking “and the Chief Agricultural  
8           Negotiator” and inserting “, the Chief Agricul-  
9           tural Negotiator, and the Chief Innovation and  
10          Intellectual Property Negotiator”; and

11          (2) in subsection (c)—

12                (A) by moving paragraph (5) 2 ems to the  
13                left; and

14                (B) by adding at the end the following:

15          “(6) The principal functions of the Chief Innovation  
16          and Intellectual Property Negotiator shall be to conduct  
17          trade negotiations and to enforce trade agreements relat-  
18          ing to United States intellectual property and to take ap-  
19          propriate actions to address acts, policies, and practices  
20          of foreign governments that have a significant adverse im-  
21          pact on the value of United States innovation. The Chief  
22          Innovation and Intellectual Property Negotiator shall be  
23          a vigorous advocate on behalf of United States innovation  
24          and intellectual property interests. The Chief Innovation  
25          and Intellectual Property Negotiator shall perform such

1 other functions as the United States Trade Representative  
2 may direct.”.

3 (b) COMPENSATION.—Section 5314 of title 5, United  
4 States Code is amended by striking “Chief Agricultural  
5 Negotiator.” and inserting the following:

6 “Chief Agricultural Negotiator, Office of the United  
7 States Trade Representative.

8 “Chief Innovation and Intellectual Property Nego-  
9 tiator, Office of the United States Trade Representative.”.

10 (c) REPORT REQUIRED.—Not later than one year  
11 after the appointment of the first Chief Innovation and  
12 Intellectual Property Negotiator pursuant to paragraph  
13 (2) of section 141(b) of the Trade Act of 1974, as amend-  
14 ed by subsection (a), and annually thereafter, the United  
15 States Trade Representative shall submit to the Com-  
16 mittee on Finance of the Senate and the Committee on  
17 Ways and Means of the House of Representatives a report  
18 describing in detail—

19 (1) enforcement actions taken by the Trade  
20 Representative during the one-year period preceding  
21 the submission of the report to ensure the protection  
22 of United States innovation and intellectual property  
23 interests; and

1           (2) other actions taken by the Trade Represent-  
2           ative to advance United States innovation and intel-  
3           lectual property interests.

4   **SEC. 610. MEASURES RELATING TO COUNTRIES THAT DENY**  
5                   **ADEQUATE PROTECTION FOR INTELLECTUAL**  
6                   **PROPERTY RIGHTS.**

7           (a) INCLUSION OF COUNTRIES THAT DENY ADE-  
8   QUATE PROTECTION OF TRADE SECRETS.—Section  
9   182(d)(2) of the Trade Act of 1974 (19 U.S.C.  
10   2242(d)(2)) is amended by inserting “, trade secrets,”  
11   after “copyrights”.

12          (b) SPECIAL RULES FOR COUNTRIES ON THE PRI-  
13   ORITY WATCH LIST OF THE UNITED STATES TRADE  
14   REPRESENTATIVE.—

15           (1) IN GENERAL.—Section 182 of the Trade  
16   Act of 1974 (19 U.S.C. 2242) is amended by strik-  
17   ing subsection (g) and inserting the following:

18          “(g) SPECIAL RULES FOR FOREIGN COUNTRIES ON  
19   THE PRIORITY WATCH LIST.—

20           “(1) ACTION PLANS.—

21           “(A) IN GENERAL.—Not later than 90  
22   days after the date on which the Trade Rep-  
23   resentative submits the National Trade Esti-  
24   mate under section 181(b), the Trade Rep-  
25   resentative shall develop an action plan de-

1           scribed in subparagraph (C) with respect to  
2           each foreign country described in subparagraph  
3           (B).

4           “(B) FOREIGN COUNTRY DESCRIBED.—  
5           The Trade Representative shall develop an ac-  
6           tion plan under subparagraph (A) with respect  
7           to each foreign country that—

8                   “(i) the Trade Representative has  
9                   identified for placement on the priority  
10                  watch list; and

11                   “(ii) has remained on such list for at  
12                  least one year.

13           “(C) ACTION PLAN DESCRIBED.—An ac-  
14           tion plan developed under subparagraph (A)  
15           shall contain the benchmarks described in sub-  
16           paragraph (D) and be designed to assist the  
17           foreign country—

18                   “(i) to achieve—

19                           “(I) adequate and effective pro-  
20                           tection of intellectual property rights;  
21                           and

22                           “(II) fair and equitable market  
23                           access for United States persons that  
24                           rely upon intellectual property protec-  
25                           tion; or



1 “(ii) to make significant progress to-  
2 ward achieving the goals described in  
3 clause (i).

4 “(D) BENCHMARKS DESCRIBED.—The  
5 benchmarks contained in an action plan devel-  
6 oped pursuant to subparagraph (A) are such  
7 legislative, institutional, enforcement, or other  
8 actions as the Trade Representative determines  
9 to be necessary for the foreign country to  
10 achieve the goals described in clause (i) or (ii)  
11 of subparagraph (C).

12 “(2) FAILURE TO MEET ACTION PLAN BENCH-  
13 MARKS.—If, as of one year after the date on which  
14 an action plan is developed under paragraph (1)(A),  
15 the President, in consultation with the Trade Rep-  
16 resentative, determines that the foreign country to  
17 which the action plan applies has not substantially  
18 complied with the benchmarks described in para-  
19 graph (1)(D), the President may take appropriate  
20 action with respect to the foreign country.

21 “(3) PRIORITY WATCH LIST DEFINED.—In this  
22 subsection, the term ‘priority watch list’ means the  
23 priority watch list established by the Trade Rep-  
24 resentative pursuant to subsection (a).

1       “(h) ANNUAL REPORT.—Not later than 30 days after  
2 the date on which the Trade Representative submits the  
3 National Trade Estimate under section 181(b), the Trade  
4 Representative shall submit to the Committee on Ways  
5 and Means of the House of Representatives and the Com-  
6 mittee on Finance of the Senate a report on actions taken  
7 under this section during the 12 months preceding such  
8 report, and the reasons for such actions, including—

9           “(1) a list of any foreign countries identified  
10       under subsection (a);

11           “(2) a description of progress made in achiev-  
12       ing improved intellectual property protection and  
13       market access for persons relying on intellectual  
14       property rights; and

15           “(3) a description of the action plans developed  
16       under subsection (g) and any actions taken by for-  
17       eign countries under such plans.”.

18       (2) FUNDING.—

19           (A) IN GENERAL.—Amounts from the  
20       Trade Enforcement Trust Fund established  
21       under section 611 may be expended by the  
22       United States Trade Representative, only as  
23       provided by appropriations Acts, to provide as-  
24       sistance to any developing country to which an  
25       action plan applies under section 182(g) of the

1 Trade Act of 1974, as amended by paragraph  
2 (1), to facilitate the efforts of the developing  
3 country to comply with the benchmarks con-  
4 tained in the action plan. Such assistance may  
5 include capacity building, activities designed to  
6 increase awareness of intellectual property  
7 rights, and training for officials responsible for  
8 enforcing intellectual property rights in the de-  
9 veloping country.

10 (B) DEVELOPING COUNTRY DEFINED.—In  
11 this paragraph, the term “developing country”  
12 means a country classified by the World Bank  
13 as having a low-income or lower-middle-income  
14 economy.

15 (3) RULE OF CONSTRUCTION.—Nothing in this  
16 subsection or the amendment made by this sub-  
17 section shall be construed as limiting the authority  
18 of the President or the United States Trade Rep-  
19 resentative to develop action plans other than action  
20 plans described in section 182(g) of the Trade Act  
21 of 1974, as amended by paragraph (1), or to take  
22 any action otherwise authorized by law in response  
23 to the failure of a foreign country to provide ade-  
24 quate and effective protection and enforcement of in-  
25 tellectual property rights.

1 **SEC. 611. TRADE ENFORCEMENT TRUST FUND.**

2 (a) ESTABLISHMENT.—There is established in the  
3 Treasury of the United States a trust fund to be known  
4 as the Trade Enforcement Trust Fund (in this section re-  
5 ferred to as the “Trust Fund”), consisting of amounts  
6 transferred to the Trust Fund under subsection (b) and  
7 any amounts that may be credited to the Trust Fund  
8 under subsection (c).

9 (b) TRANSFER OF AMOUNTS.—

10 (1) IN GENERAL.—The Secretary of the Treas-  
11 ury shall transfer to the Trust Fund, from the gen-  
12 eral fund of the Treasury, for each fiscal year that  
13 begins on or after the date of the enactment of this  
14 Act through fiscal year 2026, an amount equal to  
15 \$15,000,000 (or a lesser amount as required pursu-  
16 ant to paragraph (2)).

17 (2) LIMITATION.—The total amount in the  
18 Trust Fund at any time may not exceed  
19 \$30,000,000.

20 (3) FREQUENCY OF TRANSFERS.—The Sec-  
21 retary shall transfer amounts required to be trans-  
22 ferred to the Trust Fund under paragraph (1) not  
23 less frequently than quarterly from the general fund  
24 of the Treasury to the Trust Fund in a manner that  
25 ensures that the total amount in the Trust Fund at

1 the end of the quarter does not exceed the limitation  
2 established under paragraph (2).

3 (c) INVESTMENT OF AMOUNTS.—

4 (1) INVESTMENT OF AMOUNTS.—The Secretary  
5 shall invest such portion of the Trust Fund as is not  
6 required to meet current withdrawals in interest-  
7 bearing obligations of the United States or in obliga-  
8 tions guaranteed as to both principal and interest by  
9 the United States.

10 (2) INTEREST AND PROCEEDS.—The interest  
11 on, and the proceeds from the sale or redemption of,  
12 any obligations held in the Trust Fund shall be  
13 credited to and form a part of the Trust Fund.

14 (d) AVAILABILITY OF AMOUNTS FROM TRUST  
15 FUND.—

16 (1) IN GENERAL.—The United States Trade  
17 Representative shall, on the basis of the advice of  
18 the Trade Policy Committee and relevant subordi-  
19 nate bodies of the TPC, use or transfer for the use  
20 by Federal agencies represented on the TPC  
21 amounts in the Trust Fund, only as provided by ap-  
22 propriations Acts, for making expenditures for any  
23 of the following:

24 (A) To seek to enforce the provisions of  
25 and commitments and obligations under the

1 WTO Agreements and free trade agreements to  
2 which the United States is a party and resolve  
3 any actions by foreign countries that are incon-  
4 sistent with those provisions, commitments, and  
5 obligations.

6 (B) To monitor and ensure the full imple-  
7 mentation by foreign countries of the provisions  
8 of and commitments and obligations under free  
9 trade agreements to which the United States is  
10 a party for purposes of systematically assessing,  
11 identifying, investigating, or initiating steps to  
12 address inconsistencies with those provisions,  
13 commitments, and obligations.

14 (C) To thoroughly investigate and respond  
15 to petitions under section 302 of the Trade Act  
16 of 1974 (19 U.S.C. 2412) requesting that ac-  
17 tion be taken under section 301 of such Act (19  
18 U.S.C. 2411).

19 (D) To support capacity-building efforts  
20 undertaken by the United States pursuant to  
21 any free trade agreement to which the United  
22 States is a party and to prioritize and give spe-  
23 cial attention to the timely, consistent, and ro-  
24 bust implementation of the commitments and  
25 obligations of a party to that free trade agree-

1           ment, including commitments and obligations  
2           related to trade in goods, trade in services,  
3           trade in agriculture, foreign investment, intel-  
4           lectual property, digital trade in goods and  
5           services and cross-border data flows, regulatory  
6           practices, state-owned and state-controlled en-  
7           terprises, localization barriers to trade, labor  
8           and the environment, currency, foreign currency  
9           manipulation, anticorruption, trade remedy  
10          laws, textiles, and commercial partnerships.

11                 (E) To support capacity-building efforts  
12           undertaken by the United States pursuant to  
13           any such free trade agreement and to include  
14           performance indicators against which the  
15           progress and obstacles for the implementation  
16           of commitments and obligations can be identi-  
17           fied and assessed within a meaningful time  
18           frame.

19                 (2) LIMITATION.—Amounts made available in  
20           the Trust Fund may not be used to offset costs of  
21           conducting negotiations for any free trade agreement  
22           to be entered into on or after the date of the enact-  
23           ment of this Act, but may be used to support imple-  
24           mentation and capacity building prior to entry into  
25           force of a free trade agreement.

1       (e) REPORT.—Not later than 18 months after the  
2 entry into force of any free trade agreement entered into  
3 after the date of the enactment of this Act, the United  
4 States Trade Representative, in consultation with the Fed-  
5 eral agencies represented on the TPC, shall submit to  
6 Congress a report on the actions taken under subsection  
7 (d) in connection with that agreement.

8       (f) COMPTROLLER GENERAL STUDY.—

9           (1) IN GENERAL.—The Comptroller General of  
10 the United States shall conduct a study that in-  
11 cludes the following:

12           (A) A comprehensive analysis of the trade  
13 enforcement expenditures of each Federal agen-  
14 cy with responsibilities relating to trade that  
15 specifies, with respect to each such Federal  
16 agency—

17           (i) the amounts appropriated for trade  
18 enforcement; and

19           (ii) the number of full-time employees  
20 carrying out activities relating to trade en-  
21 forcement.

22           (B) Recommendations on the additional  
23 employees and resources that each such Federal  
24 agency may need to effectively enforce the free



1 trade agreements to which the United States is  
2 a party.

3 (2) REPORT.—Not later than one year after the  
4 date of the enactment of this Act, the Comptroller  
5 General shall submit to Congress a report on the re-  
6 sults of the study conducted under paragraph (1).

7 (g) DEFINITIONS.—In this section:

8 (1) TRADE POLICY COMMITTEE; TPC.—The  
9 terms “Trade Policy Committee” and “TPC” mean  
10 the interagency organization established under sec-  
11 tion 242 of the Trade Expansion Act of 1962 (19  
12 U.S.C. 1872).

13 (2) WTO.—The term “WTO” means the World  
14 Trade Organization.

15 (3) WTO AGREEMENT.—The term “WTO  
16 Agreement” has the meaning given that term in sec-  
17 tion 2(9) of the Uruguay Round Agreements Act (19  
18 U.S.C. 3501(9)).

19 (4) WTO AGREEMENTS.—The term “WTO  
20 Agreements” means the WTO Agreement and agree-  
21 ments annexed to that Agreement.

1 **TITLE VII—ENGAGEMENT ON**  
2 **CURRENCY EXCHANGE RATE**  
3 **AND ECONOMIC POLICIES**

4 **SEC. 701. ENHANCEMENT OF ENGAGEMENT ON CURRENCY**  
5 **EXCHANGE RATE AND ECONOMIC POLICIES**  
6 **WITH CERTAIN MAJOR TRADING PARTNERS**  
7 **OF THE UNITED STATES.**

8 (a) MAJOR TRADING PARTNER REPORT.—

9 (1) IN GENERAL.—Not later than 180 days  
10 after the date of the enactment of this Act, and not  
11 less frequently than once every 180 days thereafter,  
12 the Secretary shall submit to the appropriate com-  
13 mittees of Congress a report on the macroeconomic  
14 and currency exchange rate policies of each country  
15 that is a major trading partner of the United States.

16 (2) ELEMENTS.—

17 (A) IN GENERAL.—Each report submitted  
18 under paragraph (1) shall contain—

19 (i) for each country that is a major  
20 trading partner of the United States—

21 (I) that country's bilateral trade  
22 balance with the United States;

23 (II) that country's current ac-  
24 count balance as a percentage of its  
25 gross domestic product;

1 (III) the change in that country's  
2 current account balance as a percent-  
3 age of its gross domestic product dur-  
4 ing the 3-year period preceding the  
5 submission of the report;

6 (IV) that country's foreign ex-  
7 change reserves as a percentage of its  
8 short-term debt; and

9 (V) that country's foreign ex-  
10 change reserves as a percentage of its  
11 gross domestic product; and

12 (ii) an enhanced analysis of macro-  
13 economic and exchange rate policies for  
14 each country that is a major trading part-  
15 ner of the United States that has—

16 (I) a significant bilateral trade  
17 surplus with the United States;

18 (II) a material current account  
19 surplus; and

20 (III) engaged in persistent one-  
21 sided intervention in the foreign ex-  
22 change market.

23 (B) ENHANCED ANALYSIS.—Each en-  
24 hanced analysis under subparagraph (A)(ii)  
25 shall include, for each country with respect to

1           which an analysis is made under that subpara-  
2           graph—

3                   (i) a description of developments in  
4                   the currency markets of that country, in-  
5                   cluding, to the greatest extent feasible, de-  
6                   velopments with respect to currency inter-  
7                   ventions;

8                   (ii) a description of trends in the real  
9                   effective exchange rate of the currency of  
10                  that country and in the degree of under-  
11                  valuation of that currency;

12                  (iii) an analysis of changes in the cap-  
13                  ital controls and trade restrictions of that  
14                  country; and

15                  (iv) patterns in the reserve accumula-  
16                  tion of that country.

17           (3) ASSESSMENT FACTORS.—Not later than 90  
18           days after the date of the enactment of this Act, the  
19           Secretary shall publicly describe the factors used to  
20           assess under paragraph (2)(A)(ii) whether a country  
21           has a significant bilateral trade surplus with the  
22           United States, has a material current account sur-  
23           plus, and has engaged in persistent one-sided inter-  
24           vention in the foreign exchange market.

1       (b) ENGAGEMENT ON EXCHANGE RATE AND ECO-  
2       NOMIC POLICIES.—

3           (1) IN GENERAL.—The President, through the  
4       Secretary, shall commence enhanced bilateral en-  
5       gagement with each country for which an enhanced  
6       analysis of macroeconomic and currency exchange  
7       rate policies is included in the report submitted  
8       under subsection (a), in order to, as appropriate—

9           (A) urge implementation of policies to ad-  
10       dress the causes of the undervaluation of its  
11       currency, its significant bilateral trade surplus  
12       with the United States, and its material current  
13       account surplus, including undervaluation and  
14       surpluses relating to exchange rate manage-  
15       ment;

16          (B) express the concern of the United  
17       States with respect to the adverse trade and  
18       economic effects of that undervaluation and  
19       those surpluses;

20          (C) advise that country of the ability of the  
21       President to take action under subsection (c);  
22       and/or

23          (D) develop a plan with specific actions to  
24       address that undervaluation and those sur-  
25       pluses.

1 (2) WAIVER.—

2 (A) IN GENERAL.—The Secretary may  
3 waive the requirement under paragraph (1) to  
4 commence enhanced bilateral engagement with  
5 a country if the Secretary determines that com-  
6 mencing enhanced bilateral engagement with  
7 the country—

8 (i) would have an adverse impact on  
9 the United States economy greater than  
10 the benefits of such action; or

11 (ii) would cause serious harm to the  
12 national security of the United States.

13 (B) CERTIFICATION AND REPORT.—The  
14 Secretary shall promptly certify to Congress a  
15 determination under subparagraph (A) and  
16 promptly submit to Congress a report that de-  
17 scribes in detail the reasons for the Secretary's  
18 determination under subparagraph (A).

19 (c) REMEDIAL ACTION.—

20 (1) IN GENERAL.—If, on or after the date that  
21 is one year after the commencement of enhanced bi-  
22 lateral engagement by the President, through the  
23 Secretary, with respect to a country under sub-  
24 section (b)(1), the Secretary determines that the  
25 country has failed to adopt appropriate policies to

1       correct the undervaluation and surpluses described  
2       in subsection (b)(1)(A) with respect to that country,  
3       the President shall take one or more of the following  
4       actions:

5               (A) Prohibit the Overseas Private Invest-  
6               ment Corporation from approving any new fi-  
7               nancing (including any insurance, reinsurance,  
8               or guarantee) with respect to a project located  
9               in that country on and after such date.

10              (B) Except as provided in paragraph (3),  
11              and pursuant to paragraph (4), prohibit the  
12              Federal Government from procuring, or enter-  
13              ing into any contract for the procurement of,  
14              goods or services from that country on and  
15              after such date.

16              (C) Instruct the United States Executive  
17              Director of the International Monetary Fund to  
18              call for additional rigorous surveillance of the  
19              macroeconomic and exchange rate policies of  
20              that country and, as appropriate, formal con-  
21              sultations on findings of currency manipulation.

22              (D) Instruct the United States Trade Rep-  
23              resentative to take into account, in consultation  
24              with the Secretary, in assessing whether to  
25              enter into a bilateral or regional trade agree-

1           ment with that country or to initiate or partici-  
2           pate in negotiations with respect to a bilateral  
3           or regional trade agreement with that country,  
4           the extent to which that country has failed to  
5           adopt appropriate policies to correct the under-  
6           valuation and surpluses described in subsection  
7           (b)(1)(A).

8           (2) WAIVER.—

9                 (A) IN GENERAL.—The President may  
10           waive the requirement under paragraph (1) to  
11           take remedial action if the President determines  
12           that taking remedial action under paragraph  
13           (1) would—

14                         (i) have an adverse impact on the  
15                         United States economy greater than the  
16                         benefits of taking remedial action; or

17                         (ii) would cause serious harm to the  
18                         national security of the United States.

19                 (B) CERTIFICATION AND REPORT.—The  
20           President shall promptly certify to Congress a  
21           determination under subparagraph (A) and  
22           promptly submit to Congress a report that de-  
23           scribes in detail the reasons for the President's  
24           determination under subparagraph (A).



1           (3) EXCEPTION.—The President may not apply  
2           a prohibition under paragraph (1)(B) in a manner  
3           that is inconsistent with United States obligations  
4           under international agreements.

5           (4) CONSULTATIONS.—

6                   (A) OFFICE OF MANAGEMENT AND BUDG-  
7           ET.—Before applying a prohibition under para-  
8           graph (1)(B), the President shall consult with  
9           the Director of the Office of Management and  
10          Budget to determine whether such prohibition  
11          would subject the taxpayers of the United  
12          States to unreasonable cost.

13                  (B) CONGRESS.—The President shall con-  
14          sult with the appropriate committees of Con-  
15          gress with respect to any action the President  
16          takes under paragraph (1)(B), including wheth-  
17          er the President has consulted as required  
18          under subparagraph (A).

19          (d) DEFINITIONS.—In this section:

20                  (1) APPROPRIATE COMMITTEES OF CON-  
21          GRESS.—The term “appropriate committees of Con-  
22          gress” means—

23                          (A) the Committee on Banking, Housing,  
24                          and Urban Affairs and the Committee on Fi-  
25                          nance of the Senate; and

1 (B) the Committee on Financial Services  
2 and the Committee on Ways and Means of the  
3 House of Representatives.

4 (2) COUNTRY.—The term “country” means a  
5 foreign country, dependent territory, or possession of  
6 a foreign country, and may include an association of  
7 2 or more foreign countries, dependent territories, or  
8 possessions of countries into a customs union out-  
9 side the United States.

10 (3) REAL EFFECTIVE EXCHANGE RATE.—The  
11 term “real effective exchange rate” means a weight-  
12 ed average of bilateral exchange rates, expressed in  
13 price-adjusted terms.

14 (4) SECRETARY.—The term “Secretary” means  
15 the Secretary of the Treasury.

16 **SEC. 702. ADVISORY COMMITTEE ON INTERNATIONAL EX-**  
17 **CHANGE RATE POLICY.**

18 (a) ESTABLISHMENT.—

19 (1) IN GENERAL.—There is established an Ad-  
20 visory Committee on International Exchange Rate  
21 Policy (in this section referred to as the “Com-  
22 mittee”).

23 (2) DUTIES.—The Committee shall be respon-  
24 sible for advising the Secretary of the Treasury with  
25 respect to the impact of international exchange rates

1 and financial policies on the economy of the United  
2 States.

3 (b) MEMBERSHIP.—

4 (1) IN GENERAL.—The Committee shall be  
5 composed of 9 members as follows, none of whom  
6 shall be employees of the Federal Government:

7 (A) Three members shall be appointed by  
8 the President pro tempore of the Senate, upon  
9 the recommendation of the chairmen and rank-  
10 ing members of the Committee on Banking,  
11 Housing, and Urban Affairs and the Committee  
12 on Finance of the Senate.

13 (B) Three members shall be appointed by  
14 the Speaker of the House of Representatives,  
15 upon the recommendation of the chairmen and  
16 ranking members of the Committee on Finan-  
17 cial Services and the Committee on Ways and  
18 Means of the House of Representatives.

19 (C) Three members shall be appointed by  
20 the President.

21 (2) QUALIFICATIONS.—Members shall be se-  
22 lected under paragraph (1) on the basis of their ob-  
23 jectivity and demonstrated expertise in finance, eco-  
24 nomics, or currency exchange.

25 (3) TERMS.—

1 (A) IN GENERAL.—Members shall be ap-  
2 pointed for a term of 2 years or until the Com-  
3 mittee terminates.

4 (B) REAPPOINTMENT.—A member may be  
5 reappointed to the Committee for additional  
6 terms.

7 (4) VACANCIES.—Any vacancy in the Com-  
8 mittee shall not affect its powers, but shall be filled  
9 in the same manner as the original appointment.

10 (c) DURATION OF COMMITTEE.—

11 (1) IN GENERAL.—The Committee shall termi-  
12 nate on the date that is 2 years after the date of the  
13 enactment of this Act unless renewed by the Presi-  
14 dent for a subsequent 2-year period.

15 (2) CONTINUED RENEWAL.—The President  
16 may continue to renew the Committee for successive  
17 2-year periods by taking appropriate action to renew  
18 the Committee prior to the date on which the Com-  
19 mittee would otherwise terminate.

20 (d) MEETINGS.—The Committee shall hold not fewer  
21 than 2 meetings each calendar year.

22 (e) CHAIRPERSON.—

23 (1) IN GENERAL.—The Committee shall elect  
24 from among its members a chairperson for a term  
25 of 2 years or until the Committee terminates.

1           (2) REELECTION; SUBSEQUENT TERMS.—A  
2       chairperson of the Committee may be reelected  
3       chairperson but is ineligible to serve consecutive  
4       terms as chairperson.

5       (f) STAFF.—The Secretary of the Treasury shall  
6       make available to the Committee such staff, information,  
7       personnel, administrative services, and assistance as the  
8       Committee may reasonably require to carry out the activi-  
9       ties of the Committee.

10       (g) APPLICATION OF THE FEDERAL ADVISORY COM-  
11       MITTEE ACT.—

12           (1) IN GENERAL.—Except as provided in para-  
13       graph (2), the provisions of the Federal Advisory  
14       Committee Act (5 U.S.C. App.) shall apply to the  
15       Committee.

16           (2) EXCEPTION.—Meetings of the Committee  
17       shall be exempt from the requirements of sub-  
18       sections (a) and (b) of section 10 and section 11 of  
19       the Federal Advisory Committee Act (relating to  
20       open meetings, public notice, public participation,  
21       and public availability of documents), whenever and  
22       to the extent it is determined by the President or the  
23       Secretary of the Treasury that such meetings will be  
24       concerned with matters the disclosure of which—

1 (A) would seriously compromise the devel-  
2 opment by the Government of the United States  
3 of monetary or financial policy; or

4 (B) is likely to—

5 (i) lead to significant financial specu-  
6 lation in currencies, securities, or commod-  
7 ities; or

8 (ii) significantly endanger the stability  
9 of any financial institution.

10 (h) AUTHORIZATION OF APPROPRIATIONS.—There  
11 are authorized to be appropriated to the Secretary of the  
12 Treasury for each fiscal year in which the Committee is  
13 in effect \$1,000,000 to carry out this section.

14 **TITLE VIII—MATTERS RELATING**  
15 **TO U.S. CUSTOMS AND BOR-**  
16 **DER PROTECTION**

17 **Subtitle A—Establishment of U.S.**  
18 **Customs and Border Protection**

19 **SEC. 801. SHORT TITLE.**

20 This title may be cited as the “U.S. Customs and  
21 Border Protection Authorization Act”.

1   **SEC. 802. ESTABLISHMENT OF U.S. CUSTOMS AND BORDER**  
2                   **PROTECTION.**

3           (a) IN GENERAL.—Section 411 of the Homeland Se-  
4   curity Act of 2002 (6 U.S.C. 211) is amended to read  
5   as follows:

6   **“SEC. 411. ESTABLISHMENT OF U.S. CUSTOMS AND BORDER**  
7                   **PROTECTION; COMMISSIONER, DEPUTY COM-**  
8                   **MISSIONER, AND OPERATIONAL OFFICES.**

9           “(a) IN GENERAL.—There is established in the De-  
10   partment an agency to be known as U.S. Customs and  
11   Border Protection.

12          “(b) COMMISSIONER OF U.S. CUSTOMS AND BORDER  
13   PROTECTION.—

14               “(1) IN GENERAL.—There shall be at the head  
15   of U.S. Customs and Border Protection a Commis-  
16   sioner of U.S. Customs and Border Protection (in  
17   this section referred to as the ‘Commissioner’).

18               “(2) COMMITTEE REFERRAL.—As an exercise  
19   of the rulemaking power of the Senate, any nomina-  
20   tion for the Commissioner submitted to the Senate  
21   for confirmation, and referred to a committee, shall  
22   be referred to the Committee on Finance.

23          “(c) DUTIES.—The Commissioner shall—

24               “(1) coordinate and integrate the security,  
25   trade facilitation, and trade enforcement functions of  
26   U.S. Customs and Border Protection;

1           “(2) ensure the interdiction of persons and  
2 goods illegally entering or exiting the United States;

3           “(3) facilitate and expedite the flow of legiti-  
4 mate travelers and trade;

5           “(4) direct and administer the commercial oper-  
6 ations of U.S. Customs and Border Protection, and  
7 the enforcement of the customs and trade laws of  
8 the United States;

9           “(5) detect, respond to, and interdict terrorists,  
10 drug smugglers and traffickers, human smugglers  
11 and traffickers, and other persons who may under-  
12 mine the security of the United States, in cases in  
13 which such persons are entering, or have recently  
14 entered, the United States;

15           “(6) safeguard the borders of the United States  
16 to protect against the entry of dangerous goods;

17           “(7) ensure the overall economic security of the  
18 United States is not diminished by efforts, activities,  
19 and programs aimed at securing the homeland;

20           “(8) in coordination with U.S. Immigration and  
21 Customs Enforcement and United States Citizenship  
22 and Immigration Services, enforce and administer  
23 all immigration laws, as such term is defined in  
24 paragraph (17) of section 101(a) of the Immigration  
25 and Nationality Act (8 U.S.C. 1101(a)), including—



1           “(A) the inspection, processing, and admis-  
2           sion of persons who seek to enter or depart the  
3           United States; and

4           “(B) the detection, interdiction, removal,  
5           departure from the United States, short-term  
6           detention, and transfer of persons unlawfully  
7           entering, or who have recently unlawfully en-  
8           tered, the United States;

9           “(9) develop and implement screening and tar-  
10          geting capabilities, including the screening, review-  
11          ing, identifying, and prioritizing of passengers and  
12          cargo across all international modes of transpor-  
13          tation, both inbound and outbound;

14          “(10) in coordination with the Secretary, deploy  
15          technology to collect the data necessary for the Sec-  
16          retary to administer the biometric entry and exit  
17          data system pursuant to section 7208 of the Intel-  
18          ligence Reform and Terrorism Prevention Act of  
19          2004 (8 U.S.C. 1365b);

20          “(11) enforce and administer the laws relating  
21          to agricultural import and entry inspection referred  
22          to in section 421;

23          “(12) in coordination with the Under Secretary  
24          for Management of the Department, ensure U.S.  
25          Customs and Border Protection complies with Fed-

1       eral law, the Federal Acquisition Regulation, and the  
2       Department’s acquisition management directives for  
3       major acquisition programs of U.S. Customs and  
4       Border Protection;

5           “(13) ensure that the policies and regulations  
6       of U.S. Customs and Border Protection are con-  
7       sistent with the obligations of the United States pur-  
8       suant to international agreements;

9           “(14) enforce and administer—

10           “(A) the Container Security Initiative pro-  
11       gram under section 205 of the Security and Ac-  
12       countability for Every Port Act of 2006 (6  
13       U.S.C. 945); and

14           “(B) the Customs–Trade Partnership  
15       Against Terrorism program under subtitle B of  
16       title II of such Act (6 U.S.C. 961 et seq.);

17           “(15) conduct polygraph examinations in ac-  
18       cordance with section 3(1) of the Anti-Border Cor-  
19       ruption Act of 2010 (Public Law 111–376; 124  
20       Stat. 4105);

21           “(16) establish the standard operating proce-  
22       dures described in subsection (k);

23           “(17) carry out the training required under  
24       subsection (l); and

1           “(18) carry out other duties and powers pre-  
2       scribed by law or delegated by the Secretary.

3       “(d) DEPUTY COMMISSIONER.—There shall be in  
4 U.S. Customs and Border Protection a Deputy Commis-  
5 sioner who shall assist the Commissioner in the manage-  
6 ment of U.S. Customs and Border Protection.

7       “(e) U.S. BORDER PATROL.—

8           “(1) IN GENERAL.—There is established in  
9 U.S. Customs and Border Protection the U.S. Bor-  
10 der Patrol.

11          “(2) CHIEF.—There shall be at the head of the  
12 U.S. Border Patrol a Chief, who shall—

13               “(A) be at the level of Executive Assistant  
14 Commissioner within U.S. Customs and Border  
15 Protection; and

16               “(B) report to the Commissioner.

17          “(3) DUTIES.—The U.S. Border Patrol shall—

18               “(A) serve as the law enforcement office of  
19 U.S. Customs and Border Protection with pri-  
20 mary responsibility for interdicting persons at-  
21 tempting to illegally enter or exit the United  
22 States or goods being illegally imported into or  
23 exported from the United States at a place  
24 other than a designated port of entry;

1           “(B) deter and prevent the illegal entry of  
2           terrorists, terrorist weapons, persons, and con-  
3           traband; and

4           “(C) carry out other duties and powers  
5           prescribed by the Commissioner.

6           “(f) AIR AND MARINE OPERATIONS.—

7           “(1) IN GENERAL.—There is established in  
8           U.S. Customs and Border Protection an office  
9           known as Air and Marine Operations.

10          “(2) EXECUTIVE ASSISTANT COMMISSIONER.—  
11          There shall be at the head of Air and Marine Oper-  
12          ations an Executive Assistant Commissioner, who  
13          shall report to the Commissioner.

14          “(3) DUTIES.—Air and Marine Operations  
15          shall—

16               “(A) serve as the law enforcement office  
17               within U.S. Customs and Border Protection  
18               with primary responsibility to detect, interdict,  
19               and prevent acts of terrorism and the unlawful  
20               movement of people, illicit drugs, and other  
21               contraband across the borders of the United  
22               States in the air and maritime environment;

23               “(B) conduct joint aviation and marine op-  
24               erations with U.S. Immigration and Customs  
25               Enforcement;

1           “(C) conduct aviation and marine oper-  
2           ations with international, Federal, State, and  
3           local law enforcement agencies, as appropriate;

4           “(D) administer the Air and Marine Oper-  
5           ations Center established under paragraph (4);  
6           and

7           “(E) carry out other duties and powers  
8           prescribed by the Commissioner.

9           “(4) AIR AND MARINE OPERATIONS CENTER.—

10           “(A) IN GENERAL.—There is established in  
11           Air and Marine Operations an Air and Marine  
12           Operations Center.

13           “(B) EXECUTIVE DIRECTOR.—There shall  
14           be at the head of the Air and Marine Oper-  
15           ations Center an Executive Director, who shall  
16           report to the Executive Assistant Commissioner  
17           of Air and Marine Operations.

18           “(C) DUTIES.—The Air and Marine Oper-  
19           ations Center shall—

20           “(i) manage the air and maritime do-  
21           main awareness of the Department, as di-  
22           rected by the Secretary;

23           “(ii) monitor and coordinate the air-  
24           space for unmanned aerial systems oper-

1                   ations of Air and Marine Operations in  
2                   U.S. Customs and Border Protection;

3                   “(iii) detect, identify, and coordinate a  
4                   response to threats to national security in  
5                   the air domain, in coordination with other  
6                   appropriate agencies, as determined by the  
7                   Executive Assistant Commissioner;

8                   “(iv) provide aviation and marine sup-  
9                   port to other Federal, State, tribal, and  
10                  local agencies; and

11                  “(v) carry out other duties and pow-  
12                  ers prescribed by the Executive Assistant  
13                  Commissioner.

14                  “(g) OFFICE OF FIELD OPERATIONS.—

15                  “(1) IN GENERAL.—There is established in  
16                  U.S. Customs and Border Protection an Office of  
17                  Field Operations.

18                  “(2) EXECUTIVE ASSISTANT COMMISSIONER.—  
19                  There shall be at the head of the Office of Field Op-  
20                  erations an Executive Assistant Commissioner, who  
21                  shall report to the Commissioner.

22                  “(3) DUTIES.—The Office of Field Operations  
23                  shall coordinate the enforcement activities of U.S.  
24                  Customs and Border Protection at United States  
25                  air, land, and sea ports of entry to—

1           “(A) deter and prevent terrorists and ter-  
2           rorist weapons from entering the United States  
3           at such ports of entry;

4           “(B) conduct inspections at such ports of  
5           entry to safeguard the United States from ter-  
6           rorism and illegal entry of persons;

7           “(C) prevent illicit drugs, agricultural  
8           pests, and contraband from entering the United  
9           States;

10          “(D) in coordination with the Commis-  
11          sioner, facilitate and expedite the flow of legiti-  
12          mate travelers and trade;

13          “(E) administer the National Targeting  
14          Center established under paragraph (4);

15          “(F) coordinate with the Executive Assist-  
16          ant Commissioner for the Office of Trade with  
17          respect to the trade facilitation and trade en-  
18          forcement activities of U.S. Customs and Bor-  
19          der Protection; and

20          “(G) carry out other duties and powers  
21          prescribed by the Commissioner.

22          “(4) NATIONAL TARGETING CENTER.—

23                 “(A) IN GENERAL.—There is established in  
24                 the Office of Field Operations a National Tar-  
25                 geting Center.

1           “(B) EXECUTIVE DIRECTOR.—There shall  
2           be at the head of the National Targeting Center  
3           an Executive Director, who shall report to the  
4           Executive Assistant Commissioner of the Office  
5           of Field Operations.

6           “(C) DUTIES.—The National Targeting  
7           Center shall—

8                   “(i) serve as the primary forum for  
9                   targeting operations within U.S. Customs  
10                  and Border Protection to collect and ana-  
11                  lyze traveler and cargo information in ad-  
12                  vance of arrival in the United States to  
13                  identify and address security risks and  
14                  strengthen trade enforcement;

15                  “(ii) identify, review, and target trav-  
16                  elers and cargo for examination;

17                  “(iii) coordinate the examination of  
18                  entry and exit of travelers and cargo;

19                  “(iv) develop and conduct commercial  
20                  risk assessment targeting with respect to  
21                  cargo destined for the United States;

22                  “(v) coordinate with the Transpor-  
23                  tation Security Administration, as appro-  
24                  priate;



1 “(vi) issue Trade Alerts pursuant to  
2 section 111(b) of the Trade Facilitation  
3 and Trade Enforcement Act of 2015; and  
4 “(vii) carry out other duties and pow-  
5 ers prescribed by the Executive Assistant  
6 Commissioner.

7 “(5) ANNUAL REPORT ON STAFFING.—

8 “(A) IN GENERAL.—Not later than 30  
9 days after the date of the enactment of the  
10 Trade Facilitation and Trade Enforcement Act  
11 of 2015, and annually thereafter, the Executive  
12 Assistant Commissioner shall submit to the  
13 Committee on Homeland Security and the Com-  
14 mittee on Ways and Means of the House of  
15 Representatives and the Committee on Home-  
16 land Security and Governmental Affairs and the  
17 Committee on Finance of the Senate a report  
18 on the staffing model for the Office of Field  
19 Operations, including information on how many  
20 supervisors, front-line U.S. Customs and Bor-  
21 der Protection officers, and support personnel  
22 are assigned to each Field Office and port of  
23 entry.

24 “(B) FORM.—The report required under  
25 subparagraph (A) shall, to the greatest extent

1 practicable, be submitted in unclassified form,  
2 but may be submitted in classified form, if the  
3 Executive Assistant Commissioner determines  
4 that such is appropriate and informs the Com-  
5 mittee on Homeland Security and the Com-  
6 mittee on Ways and Means of the House of  
7 Representatives and the Committee on Home-  
8 land Security and Governmental Affairs and the  
9 Committee on Finance of the Senate of the rea-  
10 soning for such.

11 “(h) OFFICE OF INTELLIGENCE.—

12 “(1) IN GENERAL.—There is established in  
13 U.S. Customs and Border Protection an Office of  
14 Intelligence.

15 “(2) ASSISTANT COMMISSIONER.—There shall  
16 be at the head of the Office of Intelligence an Assist-  
17 ant Commissioner, who shall report to the Commis-  
18 sioner.

19 “(3) DUTIES.—The Office of Intelligence  
20 shall—

21 “(A) develop, provide, coordinate, and im-  
22 plement intelligence capabilities into a cohesive  
23 intelligence enterprise to support the execution  
24 of the duties and responsibilities of U.S. Cus-  
25 toms and Border Protection;

1           “(B) manage the counterintelligence oper-  
2           ations of U.S. Customs and Border Protection;

3           “(C) establish, in coordination with the  
4           Chief Intelligence Officer of the Department, as  
5           appropriate, intelligence-sharing relationships  
6           with Federal, State, local, and tribal agencies  
7           and intelligence agencies;

8           “(D) conduct risk-based covert testing of  
9           U.S. Customs and Border Protection oper-  
10          ations, including for nuclear and radiological  
11          risks; and

12          “(E) carry out other duties and powers  
13          prescribed by the Commissioner.

14          “(i) OFFICE OF INTERNATIONAL AFFAIRS.—

15               “(1) IN GENERAL.—There is established in  
16               U.S. Customs and Border Protection an Office of  
17               International Affairs.

18               “(2) ASSISTANT COMMISSIONER.—There shall  
19               be at the head of the Office of International Affairs  
20               an Assistant Commissioner, who shall report to the  
21               Commissioner.

22               “(3) DUTIES.—The Office of International Af-  
23               fairs, in collaboration with the Office of Policy of the  
24               Department, shall—

1           “(A) coordinate and support U.S. Customs  
2 and Border Protection’s foreign initiatives, poli-  
3 cies, programs, and activities;

4           “(B) coordinate and support U.S. Customs  
5 and Border Protection’s personnel stationed  
6 abroad;

7           “(C) maintain partnerships and informa-  
8 tion-sharing agreements and arrangements with  
9 foreign governments, international organiza-  
10 tions, and United States agencies in support of  
11 U.S. Customs and Border Protection’s duties  
12 and responsibilities;

13          “(D) provide necessary capacity building,  
14 training, and assistance to foreign customs and  
15 border control agencies to strengthen border,  
16 global supply chain, and travel security, as ap-  
17 propriate;

18          “(E) coordinate mission support services to  
19 sustain U.S. Customs and Border Protection’s  
20 global activities;

21          “(F) coordinate with customs authorities  
22 of foreign countries with respect to trade facili-  
23 tation and trade enforcement;

1           “(G) coordinate U.S. Customs and Border  
2           Protection’s engagement in international nego-  
3           tiations;

4           “(H) advise the Commissioner with respect  
5           to matters arising in the World Customs Orga-  
6           nization and other international organizations  
7           as such matters relate to the policies and proce-  
8           dures of U.S. Customs and Border Protection;

9           “(I) advise the Commissioner regarding  
10          international agreements to which the United  
11          States is a party as such agreements relate to  
12          the policies and regulations of U.S. Customs  
13          and Border Protection; and

14          “(J) carry out other duties and powers  
15          prescribed by the Commissioner.

16          “(j) OFFICE OF PROFESSIONAL RESPONSIBILITY.—

17               “(1) IN GENERAL.—There is established in  
18          U.S. Customs and Border Protection an Office of  
19          Professional Responsibility.

20               “(2) ASSISTANT COMMISSIONER.—There shall  
21          be at the head of the Office of Professional Respon-  
22          sibility an Assistant Commissioner, who shall report  
23          to the Commissioner.

24               “(3) DUTIES.—The Office of Professional Re-  
25          sponsibility shall—

1           “(A) investigate criminal and administra-  
2           tive matters and misconduct by officers, agents,  
3           and other employees of U.S. Customs and Bor-  
4           der Protection;

5           “(B) manage integrity-related programs  
6           and policies of U.S. Customs and Border Pro-  
7           tection;

8           “(C) conduct research and analysis regard-  
9           ing misconduct of officers, agents, and other  
10          employees of U.S. Customs and Border Protec-  
11          tion; and

12          “(D) carry out other duties and powers  
13          prescribed by the Commissioner.

14          “(k) STANDARD OPERATING PROCEDURES.—

15          “(1) IN GENERAL.—The Commissioner shall es-  
16          tablish—

17               “(A) standard operating procedures for  
18               searching, reviewing, retaining, and sharing in-  
19               formation contained in communication, elec-  
20               tronic, or digital devices encountered by U.S.  
21               Customs and Border Protection personnel at  
22               United States ports of entry;

23               “(B) standard use of force procedures that  
24               officers and agents of U.S. Customs and Border

1 Protection may employ in the execution of their  
2 duties, including the use of deadly force;

3 “(C) uniform, standardized, and publicly-  
4 available procedures for processing and inves-  
5 tigating complaints against officers, agents, and  
6 employees of U.S. Customs and Border Protec-  
7 tion for violations of professional conduct, in-  
8 cluding the timely disposition of complaints and  
9 a written notification to the complainant of the  
10 status or outcome, as appropriate, of the re-  
11 lated investigation, in accordance with section  
12 552a of title 5, United States Code (commonly  
13 referred to as the ‘Privacy Act’ or the ‘Privacy  
14 Act of 1974’);

15 “(D) an internal, uniform reporting mech-  
16 anism regarding incidents involving the use of  
17 deadly force by an officer or agent of U.S. Cus-  
18 toms and Border Protection, including an eval-  
19 uation of the degree to which the procedures re-  
20 quired under subparagraph (B) were followed;  
21 and

22 “(E) standard operating procedures, acting  
23 through the Executive Assistant Commissioner  
24 for Air and Marine Operations and in coordina-  
25 tion with the Office for Civil Rights and Civil

1           Liberties and the Office of Privacy of the De-  
2           partment, to provide command, control, commu-  
3           nication, surveillance, and reconnaissance as-  
4           sistance through the use of unmanned aerial  
5           systems, including the establishment of—

6                   “(i) a process for other Federal,  
7                   State, and local law enforcement agencies  
8                   to submit mission requests;

9                   “(ii) a formal procedure to determine  
10                  whether to approve or deny such a mission  
11                  request;

12                  “(iii) a formal procedure to determine  
13                  how such mission requests are prioritized  
14                  and coordinated; and

15                  “(iv) a process regarding the protec-  
16                  tion and privacy of data and images col-  
17                  lected by U.S. Customs and Border Pro-  
18                  tection through the use of unmanned aerial  
19                  systems.

20           “(2) REQUIREMENTS REGARDING CERTAIN NO-  
21           TIFICATIONS.—The standard operating procedures  
22           established pursuant to subparagraph (A) of para-  
23           graph (1) shall require—

24                   “(A) in the case of a search of information  
25                   conducted on an electronic device by U.S. Cus-



1           toms and Border Protection personnel, the  
2           Commissioner to notify the individual subject to  
3           such search of the purpose and authority for  
4           such search, and how such individual may ob-  
5           tain information on reporting concerns about  
6           such search; and

7           “(B) in the case of information collected  
8           by U.S. Customs and Border Protection  
9           through a search of an electronic device, if such  
10          information is transmitted to another Federal  
11          agency for subject matter assistance, trans-  
12          lation, or decryption, the Commissioner to no-  
13          tify the individual subject to such search of  
14          such transmission.

15          “(3) EXCEPTIONS.—The Commissioner may  
16          withhold the notifications required under paragraphs  
17          (1)(C) and (2) if the Commissioner determines, in  
18          the sole and unreviewable discretion of the Commis-  
19          sioner, that such notifications would impair national  
20          security, law enforcement, or other operational inter-  
21          ests.

22          “(4) UPDATE AND REVIEW.—The Commis-  
23          sioner shall review and update every three years the  
24          standard operating procedures required under this  
25          subsection.

1           “(5) AUDITS.—The Inspector General of the  
2           Department of Homeland Security shall develop and  
3           annually administer, during each of the three cal-  
4           endar years beginning in the calendar year that be-  
5           gins after the date of the enactment of the Trade  
6           Facilitation and Trade Enforcement Act of 2015, an  
7           auditing mechanism to review whether searches of  
8           electronic devices at or between United States ports  
9           of entry are being conducted in conformity with the  
10          standard operating procedures required under sub-  
11          paragraph (A) of paragraph (1). Such audits shall  
12          be submitted to the Committee on Homeland Secu-  
13          rity of the House of Representatives and the Com-  
14          mittee on Homeland Security and Governmental Af-  
15          fairs of the Senate and shall include the following:

16               “(A) A description of the activities of offi-  
17               cers and agents of U.S. Customs and Border  
18               Protection with respect to such searches.

19               “(B) The number of such searches.

20               “(C) The number of instances in which in-  
21               formation contained in such devices that were  
22               subjected to such searches was retained, copied,  
23               shared, or entered in an electronic database.

24               “(D) The number of such devices detained  
25               as the result of such searches.

1           “(E) The number of instances in which in-  
2           formation collected from such devices was sub-  
3           jected to such searches and was transmitted to  
4           another Federal agency, including whether such  
5           transmissions resulted in a prosecution or con-  
6           viction.

7           “(6) REQUIREMENTS REGARDING OTHER NOTI-  
8           FICATIONS.—The standard use of force procedures  
9           established pursuant to subparagraph (B) of para-  
10          graph (1) shall require—

11           “(A) in the case of an incident of the use  
12           of deadly force by U.S. Customs and Border  
13           Protection personnel, the Commissioner to no-  
14           tify the Committee on Homeland Security of  
15           the House of Representatives and the Com-  
16           mittee on Homeland Security and Govern-  
17           mental Affairs of the Senate; and

18           “(B) the Commissioner to provide to such  
19           committees a copy of the evaluation pursuant to  
20           subparagraph (D) of such paragraph not later  
21           than 30 days after completion of such evalua-  
22           tion.

23           “(7) REPORT ON UNMANNED AERIAL SYS-  
24           TEMS.—The Commissioner shall submit to the Com-  
25           mittee on Homeland Security of the House of Rep-

1        representatives and the Committee on Homeland Secu-  
2        rity and Governmental Affairs of the Senate an an-  
3        nual report, for each of the three calendar years be-  
4        ginning in the calendar year that begins after the  
5        date of the enactment of the Trade Facilitation and  
6        Trade Enforcement Act of 2015, that reviews wheth-  
7        er the use of unmanned aerial systems is being con-  
8        ducted in conformity with the standard operating  
9        procedures required under subparagraph (E) of  
10       paragraph (1). Such reports—

11                “(A) shall be submitted with the annual  
12                budget of the United States Government sub-  
13                mitted by the President under section 1105 of  
14                title 31, United States Code;

15                “(B) may be submitted in classified form  
16                if the Commissioner determines that such is ap-  
17                propriate; and

18                “(C) shall include—

19                        “(i) a detailed description of how,  
20                        where, and for how long data and images  
21                        collected through the use of unmanned aer-  
22                        ial systems by U.S. Customs and Border  
23                        Protection are collected and stored; and

24                        “(ii) a list of Federal, State, and local  
25                        law enforcement agencies that submitted

1 mission requests in the previous year and  
2 the disposition of such requests.

3 “(l) TRAINING.—The Commissioner shall require all  
4 officers and agents of U.S. Customs and Border Protec-  
5 tion to participate in a specified amount of continuing  
6 education (to be determined by the Commissioner) to  
7 maintain an understanding of Federal legal rulings, court  
8 decisions, and departmental policies, procedures, and  
9 guidelines.

10 “(m) SHORT-TERM DETENTION STANDARDS.—

11 “(1) ACCESS TO FOOD AND WATER.—The Com-  
12 missioner shall make every effort to ensure that ade-  
13 quate access to food and water is provided to an in-  
14 dividual apprehended and detained at a United  
15 States port of entry or between ports of entry as  
16 soon as practicable following the time of such appre-  
17 hension or during subsequent short-term detention.

18 “(2) ACCESS TO INFORMATION ON DETAINEE  
19 RIGHTS AT BORDER PATROL PROCESSING CEN-  
20 TERS.—

21 “(A) IN GENERAL.—The Commissioner  
22 shall ensure that an individual apprehended by  
23 a U.S. Border Patrol agent or an Office of  
24 Field Operations officer is provided with infor-  
25 mation concerning such individual’s rights, in-

1 including the right to contact a representative of  
2 such individual's government for purposes of  
3 United States treaty obligations.

4 “(B) FORM.—The information referred to  
5 in subparagraph (A) may be provided either  
6 verbally or in writing, and shall be posted in the  
7 detention holding cell in which such individual  
8 is being held. The information shall be provided  
9 in a language understandable to such indi-  
10 vidual.

11 “(3) SHORT-TERM DETENTION DEFINED.—In  
12 this subsection, the term ‘short-term detention’  
13 means detention in a U.S. Customs and Border Pro-  
14 tection processing center for 72 hours or less, before  
15 repatriation to a country of nationality or last habit-  
16 ual residence.

17 “(4) DAYTIME REPATRIATION.—When prac-  
18 ticable, repatriations shall be limited to daylight  
19 hours and avoid locations that are determined to  
20 have high indices of crime and violence.

21 “(5) REPORT ON PROCUREMENT PROCESS AND  
22 STANDARDS.—Not later than 180 days after the  
23 date of the enactment of the Trade Facilitation and  
24 Trade Enforcement Act of 2015, the Comptroller  
25 General of the United States shall submit to the

1 Committee on Homeland Security of the House of  
2 Representatives and the Committee on Homeland  
3 Security and Governmental Affairs of the Senate a  
4 report on the procurement process and standards of  
5 entities with which U.S. Customs and Border Pro-  
6 tection has contracts for the transportation and de-  
7 tention of individuals apprehended by agents or offi-  
8 cers of U.S. Customs and Border Protection. Such  
9 report should also consider the operational efficiency  
10 of contracting the transportation and detention of  
11 such individuals.

12 “(6) REPORT ON INSPECTIONS OF SHORT-TERM  
13 CUSTODY FACILITIES.—The Commissioner shall—

14 “(A) annually inspect all facilities utilized  
15 for short-term detention; and

16 “(B) make publicly available information  
17 collected pursuant to such inspections, including  
18 information regarding the requirements under  
19 paragraphs (1) and (2) and, where appropriate,  
20 issue recommendations to improve the condi-  
21 tions of such facilities.

22 “(n) WAIT TIMES TRANSPARENCY.—

23 “(1) IN GENERAL.—The Commissioner shall—

24 “(A) publish live wait times for travelers  
25 entering the United States at the 20 United

1 States airports that support the highest volume  
2 of international travel (as determined by avail-  
3 able Federal flight data);

4 “(B) make information about such wait  
5 times available to the public in real time  
6 through the U.S. Customs and Border Protec-  
7 tion website;

8 “(C) submit to the Committee on Home-  
9 land Security and the Committee on Ways and  
10 Means of the House of Representatives and the  
11 Committee on Homeland Security and Govern-  
12 mental Affairs and the Committee on Finance  
13 of the Senate, for each of the five calendar  
14 years beginning in the calendar year that begins  
15 after the date of the enactment of the Trade  
16 Facilitation and Trade Enforcement Act of  
17 2015, a report that includes compilations of all  
18 such wait times and a ranking of such United  
19 States airports by wait times; and

20 “(D) provide adequate staffing at the U.S.  
21 Customs and Border Protection information  
22 center to ensure timely access for travelers at-  
23 tempting to submit comments or speak with a  
24 representative about their entry experiences.



1           “(2) CALCULATION.—The wait times referred  
2           to in paragraph (1)(A) shall be determined by calcu-  
3           lating the time elapsed between an individual’s entry  
4           into the U.S. Customs and Border Protection in-  
5           spection area and such individual’s clearance by a  
6           U.S. Customs and Border Protection officer.

7           “(o) OTHER AUTHORITIES.—

8           “(1) IN GENERAL.—The Secretary may estab-  
9           lish such other offices or positions of Assistant Com-  
10          missioners (or other similar officers or officials) as  
11          the Secretary determines necessary to carry out the  
12          missions, duties, functions, and authorities of U.S.  
13          Customs and Border Protection.

14          “(2) NOTIFICATION.—If the Secretary exercises  
15          the authority provided under paragraph (1), the Sec-  
16          retary shall notify the Committee on Homeland Se-  
17          curity and the Committee on Ways and Means of  
18          the House of Representatives and the Committee on  
19          Homeland Security and Governmental Affairs and  
20          the Committee on Finance of the Senate not later  
21          than 30 days before exercising such authority.

22          “(p) REPORTS TO CONGRESS.—The Commissioner  
23          shall, on and after the date of the enactment of the Trade  
24          Facilitation and Trade Enforcement Act of 2015, continue  
25          to submit to the Committee on Homeland Security and

1 the Committee on Ways and Means of the House of Rep-  
2 resentatives and the Committee on Homeland Security  
3 and Governmental Affairs and the Committee on Finance  
4 of the Senate any report required, on the day before such  
5 date of enactment, to be submitted under any provision  
6 of law.

7 “(q) OTHER FEDERAL AGENCIES.—Nothing in this  
8 section may be construed as affecting in any manner the  
9 authority, existing on the day before the date of the enact-  
10 ment of the Trade Facilitation and Trade Enforcement  
11 Act of 2015, of any other Federal agency or component  
12 of the Department.

13 “(r) DEFINITIONS.—In this section, the terms ‘com-  
14 mercial operations’, ‘customs and trade laws of the United  
15 States’, ‘trade enforcement’, and ‘trade facilitation’ have  
16 the meanings given such terms in section 2 of the Trade  
17 Facilitation and Trade Enforcement Act of 2015.”.

18 (b) SPECIAL RULES.—

19 (1) TREATMENT.—Section 411 of the Home-  
20 land Security Act of 2002, as amended by subsection  
21 (a) of this section, shall be treated as if included in  
22 such Act as of the date of the enactment of such  
23 Act, and, in addition to the functions, missions, du-  
24 ties, and authorities specified in such amended sec-  
25 tion 411, U.S. Customs and Border Protection shall

1 continue to perform and carry out the functions,  
2 missions, duties, and authorities under section 411  
3 of such Act as in existence on the day before the  
4 date of the enactment of this Act, and section 415  
5 of the Homeland Security Act of 2002.

6 (2) RULES OF CONSTRUCTION.—

7 (A) RULES AND REGULATIONS.—Notwith-  
8 standing paragraph (1), nothing in this title or  
9 any amendment made by this title may be con-  
10 strued as affecting in any manner any rule or  
11 regulation issued or promulgated pursuant to  
12 any provision of law, including section 411 of  
13 the Homeland Security Act of 2002 as in exist-  
14 ence on the day before the date of the enact-  
15 ment of this Act, and any such rule or regula-  
16 tion shall continue to have full force and effect  
17 on and after such date.

18 (B) OTHER ACTIONS.—Notwithstanding  
19 paragraph (1), nothing in this Act may be con-  
20 strued as affecting in any manner any action,  
21 determination, policy, or decision pursuant to  
22 section 411 of the Homeland Security Act of  
23 2002 as in existence on the day before the date  
24 of the enactment of this Act, and any such ac-  
25 tion, determination, policy, or decision shall

1           continue to have full force and effect on and  
2           after such date.

3       (c) CONTINUATION IN OFFICE.—

4           (1) COMMISSIONER.—The individual serving as  
5       the Commissioner of Customs on the day before the  
6       date of the enactment of this Act may serve as the  
7       Commissioner of U.S. Customs and Border Protec-  
8       tion on and after such date of enactment until a  
9       Commissioner of U.S. Customs and Border Protec-  
10      tion is appointed under section 411 of the Homeland  
11      Security Act of 2002, as amended by subsection (a)  
12      of this section.

13          (2) OTHER POSITIONS.—The individual serving  
14      as Deputy Commissioner, and the individuals serving  
15      as Assistant Commissioners and other officers and  
16      officials, under section 411 of the Homeland Secu-  
17      rity Act of 2002 on the day before the date of the  
18      enactment of this Act may serve as the Executive  
19      Assistant Commissioners, Deputy Commissioner, As-  
20      sistant Commissioners, and other officers and offi-  
21      cials, as appropriate, under such section 411 as  
22      amended by subsection (a) of this section unless the  
23      Commissioner of U.S. Customs and Border Protec-  
24      tion determines that another individual should hold  
25      such position or positions.

1 (d) REFERENCE.—

2 (1) TITLE 5.—Section 5314 of title 5, United  
3 States Code, is amended by striking “Commissioner  
4 of Customs, Department of Homeland Security” and  
5 inserting “Commissioner of U.S. Customs and Bor-  
6 der Protection, Department of Homeland Security”.

7 (2) OTHER REFERENCES.—On and after the  
8 date of the enactment of this Act, any reference in  
9 law or regulations to the “Commissioner of Cus-  
10 toms” or the “Commissioner of the Customs Serv-  
11 ice” shall be deemed to be a reference to the Com-  
12 missioner of U.S. Customs and Border Protection.

13 (e) CLERICAL AMENDMENT.—The table of contents  
14 in section 1(b) of the Homeland Security Act of 2002 (6  
15 U.S.C. 101 et seq.) is amended by striking the item relat-  
16 ing to section 411 and inserting the following new item:

“Sec. 411. Establishment of U.S. Customs and Border Protection; Commis-  
sioner, Deputy Commissioner, and operational offices.”.

17 (f) REPEALS.—Sections 416 and 418 of the Home-  
18 land Security Act of 2002 (6 U.S.C. 216 and 218), and  
19 the items relating to such sections in the table of contents  
20 in section 1(b) of such Act, are repealed.

21 (g) CLERICAL AND CONFORMING AMENDMENTS.—

22 (1) IN GENERAL.—The Homeland Security Act  
23 of 2002 (6 U.S.C. 101 et seq.) is amended—

24 (A) in title I—

1 (i) in section 102(f)(10) (6 U.S.C.  
2 112(f)(10)), by striking “the Directorate of  
3 Border and Transportation Security” and  
4 inserting “the Commissioner of U.S. Cus-  
5 toms and Border Protection”; and

6 (ii) in section 103(a)(1) (6 U.S.C.  
7 113(a)(1))—

8 (I) in subparagraph (C), by strik-  
9 ing “An Under Secretary for Border  
10 and Transportation Security.” and in-  
11 serting “A Commissioner of U.S. Cus-  
12 toms and Border Protection.”; and

13 (II) in subparagraph (G), by  
14 striking “A Director of the Office of  
15 Counternarcotics Enforcement.” and  
16 inserting “A Director of U.S. Immi-  
17 gration and Customs Enforcement.”;  
18 and

19 (B) in title IV—

20 (i) by striking the title heading and  
21 inserting “**BORDER, MARITIME,**  
22 **AND TRANSPORTATION SECU-**  
23 **RITY**”;

24 (ii) in subtitle A—

1 (I) by striking the subtitle head-  
2 ing and inserting “**Border, Mari-  
3 time, and Transportation Se-  
4 curity Responsibilities and  
5 Functions**”; and

6 (II) in section 402 (6 U.S.C.  
7 202)—

8 (aa) in the section heading,  
9 by striking “**RESPONSIBIL-  
10 ITIES**” and inserting “**BORDER,  
11 MARITIME, AND TRANSPOR-  
12 TATION RESPONSIBILITIES**”;  
13 and

14 (bb) by striking “, acting  
15 through the Under Secretary for  
16 Border and Transportation Secu-  
17 rity,”;

18 (iii) in subtitle B—

19 (I) by striking the subtitle head-  
20 ing and inserting “**U.S. Customs  
21 and Border Protection**”;

22 (II) in section 412(b) (6 U.S.C.  
23 212), by striking “the United States  
24 Customs Service” each place it ap-

1                   pears and inserting “U.S. Customs  
2                   and Border Protection”;

3                   (III) in section 413 (6 U.S.C.  
4                   213), by striking “available to the  
5                   United States Customs Service or”;

6                   (IV) in section 414 (6 U.S.C.  
7                   214), by striking “the United States  
8                   Customs Service” and inserting “U.S.  
9                   Customs and Border Protection”; and

10                  (V) in section 415 (6 U.S.C.  
11                  215)—

12                         (aa) in paragraph (7), by in-  
13                         serting before the colon the fol-  
14                         lowing: “, and of U.S. Customs  
15                         and Border Protection on the day  
16                         before the effective date of the  
17                         U.S. Customs and Border Pro-  
18                         tection Authorization Act”; and

19                         (bb) in paragraph (8), by in-  
20                         serting before the colon the fol-  
21                         lowing: “, and of U.S. Customs  
22                         and Border Protection on the day  
23                         before the effective date of the  
24                         U.S. Customs and Border Pro-  
25                         tection Authorization Act”;



1 (iv) in subtitle C—

2 (I) by striking section 424 (6  
3 U.S.C. 234) and inserting the fol-  
4 lowing new section:

5 **“SEC. 424. PRESERVATION OF TRANSPORTATION SECURITY**  
6 **ADMINISTRATION AS A DISTINCT ENTITY.**

7 “Notwithstanding any other provision of this Act, the  
8 Transportation Security Administration shall be main-  
9 tained as a distinct entity within the Department.”; and  
10 (II) in section 430 (6 U.S.C.  
11 238)—

12 (aa) by amending subsection  
13 (a) to read as follows:

14 “(a) ESTABLISHMENT.—There is established in the  
15 Department an Office for Domestic Preparedness.”;

16 (bb) in subsection (b), by  
17 striking the second sentence; and

18 (cc) in subsection (c)(7), by  
19 striking “Directorate” and in-  
20 serting “Department”; and

21 (v) in subtitle D—

22 (I) in section 441 (6 U.S.C.  
23 251)—

1 (aa) by striking the section  
2 heading and inserting “**TRANS-**  
3 **FER OF FUNCTIONS**”; and

4 (bb) by striking “Under Sec-  
5 retary for Border and Transpor-  
6 tation Security” and inserting  
7 “Secretary”;

8 (II) in section 443 (6 U.S.C.  
9 253)—

10 (aa) in the matter preceding  
11 paragraph (1), by striking  
12 “Under Secretary for Border and  
13 Transportation Security” and in-  
14 serting “Secretary”; and

15 (bb) by striking “the Bureau  
16 of Border Security” and insert-  
17 ing “U.S. Immigration and Cus-  
18 toms Enforcement” each place it  
19 appears; and

20 (III) by amending section 444 (6  
21 U.S.C. 254) to read as follows:

22 **“SEC. 444. EMPLOYEE DISCIPLINE.**

23 “Notwithstanding any other provision of law, the Sec-  
24 retary may impose disciplinary action on any employee of  
25 U.S. Immigration and Customs Enforcement and U.S.

1 Customs and Border Protection who willfully deceives  
2 Congress or agency leadership on any matter.”.

3 (2) CONFORMING AMENDMENTS.—Section 401  
4 of the Homeland Security Act of 2002 (6 U.S.C.  
5 201) is repealed.

6 (3) CLERICAL AMENDMENTS.—The table of  
7 contents in section 1(b) of the Homeland Security  
8 Act of 2002 is amended—

9 (A) by striking the item relating to title IV  
10 and inserting the following:

“TITLE IV—BORDER, MARITIME, AND TRANSPORTATION  
SECURITY”;

11 (B) by striking the item relating to subtitle  
12 A of title IV and inserting the following:

“Subtitle A—Border, Maritime, and Transportation Security Responsibilities  
and Functions”;

13 (C) by striking the item relating to section  
14 401;

15 (D) by striking the item relating to subtitle  
16 B of title IV and inserting the following:

“Subtitle B—U.S. Customs and Border Protection”;

17 (E) by striking the item relating to section  
18 441 and inserting the following:

“Sec. 441. Transfer of functions.”; and

19 (F) by striking the item relating to section  
20 442 and inserting the following:

“Sec. 442. U.S. Immigration and Customs Enforcement.”.

1 (h) OFFICE OF TRADE.—

2 (1) TRADE OFFICES AND FUNCTIONS.—The Act  
3 of March 3, 1927 (44 Stat. 1381, chapter 348; 19  
4 U.S.C. 2071 et seq.), is amended by adding at the  
5 end the following:

6 **“SEC. 4. OFFICE OF TRADE.**

7 “(a) IN GENERAL.—There is established in U.S. Cus-  
8 toms and Border Protection an Office of Trade.

9 “(b) EXECUTIVE ASSISTANT COMMISSIONER.—There  
10 shall be at the head of the Office of Trade an Executive  
11 Assistant Commissioner, who shall report to the Commis-  
12 sioner of U.S. Customs and Border Protection.

13 “(c) DUTIES.—The Office of Trade shall—

14 “(1) direct the development and implementa-  
15 tion, pursuant to the customs and trade laws of the  
16 United States, of policies and regulations adminis-  
17 tered by U.S. Customs and Border Protection;

18 “(2) advise the Commissioner of U.S. Customs  
19 and Border Protection with respect to the impact on  
20 trade facilitation and trade enforcement of any pol-  
21 icy or regulation otherwise proposed or administered  
22 by U.S. Customs and Border Protection;

23 “(3) coordinate with the Executive Assistant  
24 Commissioner for the Office of Field Operations  
25 with respect to the trade facilitation and trade en-

1 enforcement activities of U.S. Customs and Border  
2 Protection;

3 “(4) direct the development and implementation  
4 of matters relating to the priority trade issues iden-  
5 tified by the Commissioner of U.S. Customs and  
6 Border Protection in the joint strategic plan for  
7 trade facilitation and trade enforcement required  
8 under section 105 of the Trade Facilitation and  
9 Trade Enforcement Act of 2015;

10 “(5) otherwise advise the Commissioner of U.S.  
11 Customs and Border Protection with respect to the  
12 development and implementation of the joint stra-  
13 tegic plan;

14 “(6) direct the trade enforcement activities of  
15 U.S. Customs and Border Protection;

16 “(7) oversee the trade modernization activities  
17 of U.S. Customs and Border Protection, including  
18 the development and implementation of the Auto-  
19 mated Commercial Environment computer system  
20 authorized under section 13031(f)(4) of the Consoli-  
21 dated Omnibus Budget and Reconciliation Act of  
22 1985 (19 U.S.C. 58c(f)(4)) and support for the es-  
23 tablishment of the International Trade Data System  
24 under the oversight of the Department of the Treas-

1       ury pursuant to section 411(d) of the Tariff Act of  
2       1930 (19 U.S.C. 1411(d));

3           “(8) direct the administration of customs rev-  
4       enue functions as otherwise provided by law or dele-  
5       gated by the Commissioner of U.S. Customs and  
6       Border Protection; and

7           “(9) prepare an annual report to be submitted  
8       to the Committee on Finance of the Senate and the  
9       Committee on Ways and Means of the House of  
10      Representatives not later than June 1, 2016, and  
11      March 1 of each calendar year thereafter that in-  
12      cludes—

13           “(A) a summary of the changes to customs  
14      policies and regulations adopted by U.S. Cus-  
15      toms and Border Protection during the pre-  
16      ceding calendar year; and

17           “(B) a description of the public vetting  
18      and interagency consultation that occurred with  
19      respect to each such change.

20      “(d) TRANSFER OF ASSETS, FUNCTIONS, PER-  
21      SONNEL, OR LIABILITIES; ELIMINATION OF OFFICES.—

22           “(1) OFFICE OF INTERNATIONAL TRADE.—

23           “(A) TRANSFER.—Not later than 30 days  
24      after the date of the enactment of the Trade  
25      Facilitation and Trade Enforcement Act of

1           2015, the Commissioner of U.S. Customs and  
2           Border Protection shall transfer the assets,  
3           functions, personnel, and liabilities of the Office  
4           of International Trade to the Office of Trade  
5           established under subsection (b).

6           “(B) ELIMINATION.—Not later than 30  
7           days after the date of the enactment of the  
8           Trade Facilitation and Trade Enforcement Act  
9           of 2015, the Office of International Trade shall  
10          be abolished.

11          “(C) LIMITATION ON FUNDS.—No funds  
12          appropriated to U.S. Customs and Border Pro-  
13          tection or the Department of Homeland Secu-  
14          rity may be used to transfer the assets, func-  
15          tions, personnel, or liabilities of the Office of  
16          International Trade to an office other than the  
17          Office of Trade established under subsection  
18          (a), unless the Commissioner of U.S. Customs  
19          and Border Protection notifies the Committee  
20          on Homeland Security and the Committee on  
21          Ways and Means of the House of Representa-  
22          tives and the Committee on Homeland Security  
23          and Governmental Affairs and the Committee  
24          on Finance of the Senate of the specific assets,  
25          functions, personnel, or liabilities to be trans-

1           ferred, and the reason for the transfer, not less  
2           than 90 days prior to the transfer of such as-  
3           sets, functions, personnel, or liabilities.

4           “(D) OFFICE OF INTERNATIONAL TRADE  
5           DEFINED.—In this paragraph, the term ‘Office  
6           of International Trade’ means the Office of  
7           International Trade established by section 2 of  
8           this Act and as in effect on the day before the  
9           date of the enactment of the Trade Facilitation  
10          and Trade Enforcement Act of 2015.

11          “(2) OTHER TRANSFERS.—

12                 “(A) IN GENERAL.—The Commissioner of  
13           U.S. Customs and Border Protection is author-  
14           ized to transfer any other assets, functions, or  
15           personnel within U.S. Customs and Border Pro-  
16           tection to the Office of Trade established under  
17           subsection (a).

18                 “(B) CONGRESSIONAL NOTIFICATION.—  
19           Not less than 90 days prior to the transfer of  
20           assets, functions, personnel, or liabilities under  
21           subparagraph (A), the Commissioner of U.S.  
22           Customs and Border Protection shall notify the  
23           Committee on Homeland Security and the Com-  
24           mittee on Ways and Means of the House of  
25           Representatives and the Committee on Home-



1 land Security and Governmental Affairs and the  
2 Committee on Finance of the Senate of the spe-  
3 cific assets, functions, personnel, or liabilities to  
4 be transferred, and the reason for such trans-  
5 fer.

6 “(e) DEFINITIONS.—In this section, the terms ‘cus-  
7 toms and trade laws of the United States’, ‘trade enforce-  
8 ment’, and ‘trade facilitation’ have the meanings given  
9 such terms in section 2 of the Trade Facilitation and  
10 Trade Enforcement Act of 2015.”.

11 (2) CONTINUATION IN OFFICE.—The individual  
12 serving as the Assistant Commissioner of the Office  
13 of International Trade on the day before the date of  
14 the enactment of this Act may serve as the Execu-  
15 tive Assistant Commissioner of Trade on and after  
16 such date of enactment, at the discretion of the  
17 Commissioner of U.S. Customs and Border Protec-  
18 tion.

19 (3) CONFORMING AMENDMENTS.—Section 2 of  
20 the Act of March 3, 1927 (44. Stat. 1381, chapter  
21 348; 19 U.S.C. 2072), as added by section 402 of  
22 the Security and Accountability for Every Port Act  
23 of 2006 (Public Law 109–347; 120 Stat. 1924), is  
24 amended—

25 (A) by striking subsection (d); and

1 (B) by redesignating subsections (e) and  
2 (f) as subsections (d) and (e), respectively.

3 (i) REPORTS AND ASSESSMENTS.—

4 (1) REPORT ON BUSINESS TRANSFORMATION  
5 INITIATIVE.—Not later than 90 days after the date  
6 of the enactment of this Act and annually thereafter  
7 for the next five years, the Commissioner shall sub-  
8 mit to the Committee on Ways and Means and the  
9 Committee on Homeland Security of the House of  
10 Representatives and the Committee on Finance and  
11 the Committee on Homeland Security and Govern-  
12 mental Affairs of the Senate a report on U.S. Cus-  
13 toms and Border Protection’s Business Trans-  
14 formation Initiative, including locations where the  
15 Initiative is deployed, the types of equipment uti-  
16 lized, a description of protocols and procedures, in-  
17 formation on wait times at such locations since de-  
18 ployment, and information regarding the schedule  
19 for deployment at new locations.

20 (2) PORT OF ENTRY INFRASTRUCTURE NEEDS  
21 ASSESSMENTS.—Not later than 180 days after the  
22 date of the enactment of this Act, the Commissioner  
23 shall assess the physical infrastructure and tech-  
24 nology needs at the 20 busiest land ports of entry  
25 (as measured by U.S. Customs and Border Protec-

1       tion) with a particular attention to identify ways  
2       to—

3               (A) improve travel and trade facilitation;

4               (B) reduce wait times;

5               (C) improve physical infrastructure and  
6       conditions for individuals accessing pedestrian  
7       ports of entry;

8               (D) enter into long-term leases with non-  
9       governmental and private sector entities;

10              (E) enter into lease-purchase agreements  
11       with nongovernmental and private sector enti-  
12       ties; and

13              (F) achieve cost savings through leases de-  
14       scribed in subparagraphs (D) and (E).

15       (3) PERSONAL SEARCHES.—Not later than 90  
16       days after the date of the enactment of this Act and  
17       annually thereafter for the next three years, the  
18       Commissioner shall submit to the Committee on  
19       Homeland Security of the House of Representatives  
20       and the Committee on Homeland Security and Gov-  
21       ernmental Affairs of the Senate a report on super-  
22       visor-approved personal searches conducted in the  
23       previous year by U.S. Customs and Border Protec-  
24       tion personnel. Such report shall include the number  
25       of personal searches conducted in each sector and

1 field office, the number of invasive personal searches  
2 conducted in each sector and field office, whether  
3 personal searches were conducted by Office of Field  
4 Operations or U.S. Border Patrol personnel, and  
5 how many personal searches resulted in the dis-  
6 covery of contraband.

7 (j) TRUSTED TRAVELER PROGRAMS.—The Secretary  
8 of Homeland Security may not enter into or renew an  
9 agreement with the government of a foreign country for  
10 a trusted traveler program administered by U.S. Customs  
11 and Border Protection unless the Secretary certifies in  
12 writing that such government—

13 (1) routinely submits to INTERPOL for inclu-  
14 sion in INTERPOL's Stolen and Lost Travel Docu-  
15 ments database information about lost and stolen  
16 passports and travel documents of the citizens and  
17 nationals of such country; or

18 (2) makes available to the United States Gov-  
19 ernment the information described in paragraph (1)  
20 through another means of reporting.

21 (k) AGRICULTURAL SPECIALIST CAREER TRACK.—  
22 Not later than one year after the date of the enactment  
23 of this Act, the Secretary of Homeland Security shall sub-  
24 mit to the Committee on Homeland Security and the Com-  
25 mittee on Ways and Means of the House of Representa-

1 tives and the Committee on Homeland Security and Gov-  
2 ernmental Affairs and the Committee on Finance of the  
3 Senate a plan to create an agricultural specialist career  
4 track within U.S. Customs and Border Protection. Such  
5 plan shall include the following:

6 (1) A description of education, training, experi-  
7 ence, and assignments necessary for career progres-  
8 sion as an agricultural specialist.

9 (2) Recruitment and retention goals for agricul-  
10 tural specialists, including a timeline for fulfilling  
11 staffing deficits identified in agricultural resource al-  
12 location models.

13 (3) An assessment of equipment and other re-  
14 sources needed to support agricultural specialists.

15 (4) Any other factors the Commissioner deter-  
16 mines appropriate.

17 (I) SENSE OF CONGRESS REGARDING THE FOREIGN  
18 LANGUAGE AWARD PROGRAM.—

19 (1) FINDINGS.—Congress finds the following:

20 (A) Congress established the Foreign Lan-  
21 guage Award Program (FLAP) to incentivize  
22 employees at United States ports of entry to  
23 utilize their foreign language skills on the job  
24 by providing a financial incentive for the use of  
25 the foreign language for at least ten percent of

1           their duties after passage of competency tests.  
2           FLAP incentivizes the use of more than two  
3           dozen languages and has been instrumental in  
4           identifying and utilizing U.S. Customs and Bor-  
5           der Protection officers and agents who are pro-  
6           ficient in a foreign language.

7           (B) In 1993, Congress provided for dedi-  
8           cated funding for this program by stipulating  
9           that certain fees collected by U.S. Customs and  
10          Border Protection be used to fund FLAP.

11          (C) Through FLAP, foreign travelers are  
12          aided by having an officer at a port of entry  
13          who speaks their language, and U.S. Customs  
14          and Border Protection benefits by being able to  
15          focus its border security efforts in a more effec-  
16          tive manner.

17          (2) SENSE OF CONGRESS.—It is the sense of  
18          Congress that FLAP incentivizes U.S. Customs and  
19          Border Protection officers to attain and maintain  
20          competency in a foreign language, thereby improving  
21          the efficiency of operations for the functioning of  
22          U.S. Customs and Border Protection’s security mis-  
23          sion, making the United States a more welcoming  
24          place when foreign travelers find officers can com-

1       municate in their language, and helping to expedite  
2       traveler processing to reduce wait times.

3                   **Subtitle B—Preclearance**  
4                   **Operations**

5   **SEC. 811. SHORT TITLE.**

6       This subtitle may be cited as the “Preclearance Au-  
7   thorization Act of 2015”.

8   **SEC. 812. DEFINITIONS.**

9       In this subtitle:

10           (1) APPROPRIATE CONGRESSIONAL COMMIT-  
11       TEES.—The term “appropriate congressional com-  
12       mittees” means—

13                   (A) the Committee on Homeland Security  
14                   and Governmental Affairs, the Committee on  
15                   Finance, the Committee on Commerce, Science,  
16                   and Transportation, and the Committee on Ap-  
17                   propriations of the Senate; and

18                   (B) the Committee on Homeland Security,  
19                   the Committee on Ways and Means, and the  
20                   Committee on Appropriations of the House of  
21                   Representatives.

22           (2) SECRETARY.—The term “Secretary” means  
23       the Secretary of Homeland Security.

1   **SEC. 813. ESTABLISHMENT OF PRECLEARANCE OPER-**  
2                                   **ATIONS.**

3           Pursuant to section 629 of the Tariff Act of 1930  
4 (19 U.S.C. 1629) and section 103(a)(7) of the Immigra-  
5 tion and Nationality Act (8 U.S.C. 1103(a)(7)), and pro-  
6 vided that an aviation security preclearance agreement (as  
7 defined in section 44901(d)(4)(B) of title 49, United  
8 States Code) is in effect, the Secretary may establish and  
9 maintain U.S. Customs and Border Protection  
10 preclearance operations in a foreign country—

11           (1) to prevent terrorists, instruments of ter-  
12 rorism, and other security threats from entering the  
13 United States;

14           (2) to prevent inadmissible persons from enter-  
15 ing the United States;

16           (3) to ensure that merchandise destined for the  
17 United States complies with applicable laws;

18           (4) to ensure the prompt processing of persons  
19 eligible to travel to the United States; and

20           (5) to accomplish such other objectives as the  
21 Secretary determines are necessary to protect the  
22 United States.

23   **SEC. 814. NOTIFICATION AND CERTIFICATION TO CON-**  
24                                   **GRESS.**

25           (a) INITIAL NOTIFICATION.—Not later than 60 days  
26 before an agreement with the government of a foreign



1 country to establish U.S. Customs and Border Protection  
2 preclearance operations in such foreign country enters into  
3 force, the Secretary shall provide the appropriate congres-  
4 sional committees with—

5 (1) a copy of the agreement to establish such  
6 preclearance operations, which shall include—

7 (A) the identification of the foreign coun-  
8 try with which U.S. Customs and Border Pro-  
9 tection intends to enter into a preclearance  
10 agreement;

11 (B) the location at which such preclearance  
12 operations will be conducted; and

13 (C) the terms and conditions for U.S. Cus-  
14 toms and Border Protection personnel oper-  
15 ating at the location;

16 (2) an assessment of the impact such  
17 preclearance operations will have on legitimate trade  
18 and travel, including potential impacts on passengers  
19 traveling to the United States;

20 (3) an assessment of the impacts such  
21 preclearance operations will have on U.S. Customs  
22 and Border Protection domestic port of entry staff-  
23 ing;

1           (4) country-specific information on the antici-  
2       pated homeland security benefits associated with es-  
3       tablishing such preclearance operations;

4           (5) information on potential security  
5       vulnerabilities associated with commencing such  
6       preclearance operations and mitigation plans to ad-  
7       dress such potential security vulnerabilities;

8           (6) a U.S. Customs and Border Protection  
9       staffing model for such preclearance operations and  
10      plans for how such positions would be filled; and

11          (7) information on the anticipated costs over  
12      the 5 fiscal years after the agreement enters into  
13      force associated with commencing such preclearance  
14      operations.

15      (b) FURTHER NOTIFICATION RELATING TO  
16      PRECLEARANCE OPERATIONS ESTABLISHED AT AIR-  
17      PORTS.—Not later than 45 days before an agreement with  
18      the government of a foreign country to establish U.S. Cus-  
19      toms and Border Protection preclearance operations at an  
20      airport in such country enters into force, the Secretary,  
21      in addition to complying with the notification require-  
22      ments under subsection (a), shall provide the appropriate  
23      congressional committees with—

24          (1) an estimate of the date on which U.S. Cus-  
25      toms and Border Protection intends to establish

1 preclearance operations under such agreement, in-  
2 cluding any pending caveats that must be resolved  
3 before preclearance operations are approved;

4 (2) the anticipated funding sources for  
5 preclearance operations under such agreement, and  
6 other funding sources considered;

7 (3) a homeland security threat assessment for  
8 the country in which such preclearance operations  
9 are to be established;

10 (4) information on potential economic, competi-  
11 tive, and job impacts on United States air carriers  
12 associated with establishing such preclearance oper-  
13 ations;

14 (5) details on information sharing mechanisms  
15 to ensure that U.S. Customs and Border Protection  
16 has current information to prevent terrorist and  
17 criminal travel; and

18 (6) other factors that the Secretary determines  
19 to be necessary for Congress to comprehensively as-  
20 sess the appropriateness of commencing such  
21 preclearance operations.

22 (c) CERTIFICATIONS RELATING TO PRECLEARANCE  
23 OPERATIONS ESTABLISHED AT AIRPORTS.—Not later  
24 than 60 days before an agreement with the government  
25 of a foreign country to establish U.S. Customs and Border

1 Protection preclearance operations at an airport in such  
2 country enters into force, the Secretary, in addition to  
3 complying with the notification requirements under sub-  
4 sections (a) and (b), shall provide the appropriate congres-  
5 sional committees with—

6 (1) a certification that preclearance operations  
7 under such preclearance agreement, after consid-  
8 ering alternative options, would provide homeland  
9 security benefits to the United States through the  
10 most effective means possible;

11 (2) a certification that preclearance operations  
12 within such foreign country will be established under  
13 such agreement only if—

14 (A) at least one United States passenger  
15 carrier operates at such airport; and

16 (B) any United States passenger carriers  
17 operating at such airport and desiring to par-  
18 ticipate in preclearance operations are provided  
19 access that is comparable to that of any non-  
20 United States passenger carrier operating at  
21 that airport;

22 (3) a certification that the establishment of  
23 preclearance operations in such foreign country will  
24 not significantly increase customs processing times  
25 at United States airports;

1           (4) a certification that representatives from  
2       U.S. Customs and Border Protection consulted with  
3       stakeholders, including providers of commercial air  
4       service in the United States, employees of such pro-  
5       viders, security experts, and such other parties as  
6       the Secretary determines to be appropriate; and

7           (5) a report detailing the basis for the certifi-  
8       cations referred to in paragraphs (1) through (4).

9       (d) AMENDMENT OF EXISTING AGREEMENTS.—Not  
10      later than 30 days before a substantially amended  
11      preclearance agreement with the government of a foreign  
12      country in effect as of the date of the enactment of this  
13      Act enters into force, the Secretary shall provide to the  
14      appropriate congressional committees—

15           (1) a copy of the agreement, as amended; and

16           (2) the justification for such amendment.

17      (e) IMPLEMENTATION PLAN.—

18           (1) IN GENERAL.—The Commissioner shall re-  
19      port to the appropriate congressional committees, on  
20      a quarterly basis—

21           (A) the number of U.S. Customs and Bor-  
22      der Protection officers, by port, assigned from  
23      domestic ports of entry to preclearance oper-  
24      ations; and

1 (B) the number of the positions at domes-  
2 tic ports of entry vacated by U.S. Customs and  
3 Border Protection officers described in subpara-  
4 graph (A) that have been filled by other hired,  
5 trained, and equipped U.S. Customs and Bor-  
6 der Protection officers.

7 (2) SUBMISSION.—If the Commissioner has not  
8 filled the positions of U.S. Customs and Border Pro-  
9 tection officers that were reassigned to preclearance  
10 operations and determines that U.S. Customs and  
11 Border Protection processing times at domestic  
12 ports of entry from which U.S. Customs and Border  
13 Protection officers were reassigned to preclearance  
14 operations have significantly increased, the Commis-  
15 sioner, not later than 60 days after making such a  
16 determination, shall submit to the appropriate con-  
17 gressional committees an implementation plan for  
18 reducing processing times at the domestic ports of  
19 entry with such increased processing times.

20 (3) SUSPENSION.—If the Commissioner does  
21 not submit the implementation plan described in  
22 paragraph (2) to the appropriate congressional com-  
23 mittees before the deadline set forth in such para-  
24 graph, the Commissioner may not commence  
25 preclearance operations at an additional port of

1 entry in any country until such implementation plan  
2 is submitted.

3 (f) CLASSIFIED REPORT.—The report required under  
4 subsection (c)(5) may be submitted in classified form if  
5 the Secretary determines that such form is appropriate.

6 **SEC. 815. PROTOCOLS.**

7 Section 44901(d)(4) of title 49, United States Code,  
8 is amended—

9 (1) by redesignating subparagraph (C) as sub-  
10 paragraph (D); and

11 (2) by inserting after subparagraph (B) the fol-  
12 lowing:

13 “(C) RESCREENING REQUIREMENT.—If  
14 the Administrator of the Transportation Secu-  
15 rity Administration determines that the govern-  
16 ment of a foreign country has not maintained  
17 security standards and protocols comparable to  
18 those of the United States at airports at which  
19 preclearance operations have been established in  
20 accordance with this paragraph, the Adminis-  
21 trator shall ensure that Transportation Security  
22 Administration personnel rescreen passengers  
23 arriving from such airports and their property  
24 in the United States before such passengers are

1           permitted into sterile areas of airports in the  
2           United States.”.

3   **SEC. 816. LOST AND STOLEN PASSPORTS.**

4           The Secretary may not enter into an agreement with  
5   the government of a foreign country to establish or main-  
6   tain U.S. Customs and Border Protection preclearance op-  
7   erations at an airport in such country unless the Secretary  
8   certifies to the appropriate congressional committees that  
9   such government—

10           (1) routinely submits information about lost  
11          and stolen passports of its citizens and nationals to  
12          INTERPOL’s Stolen and Lost Travel Document  
13          database; or

14           (2) makes such information available to the  
15          United States Government through another com-  
16          parable means of reporting.

17   **SEC. 817. RECOVERY OF INITIAL U.S. CUSTOMS AND BOR-**  
18                   **DER PROTECTION PRECLEARANCE OPER-**  
19                   **ATIONS COSTS.**

20           (a) **COST SHARING AGREEMENTS WITH RELEVANT**  
21   **AIRPORT AUTHORITIES.**—The Commissioner may enter  
22   into a cost sharing agreement with airport authorities in  
23   foreign countries at which preclearance operations are to  
24   be established or maintained if—



1           (1) an executive agreement to establish or  
2           maintain such preclearance operations pursuant to  
3           the authorities under section 629 of the Tariff Act  
4           of 1930 (19 U.S.C. 1629) and section 103(a)(7) of  
5           the Immigration and Nationality Act (8 U.S.C.  
6           1103(a)(7)) has been signed, but has not yet entered  
7           into force; and

8           (2) U.S. Customs and Border Protection has  
9           incurred, or expects to incur, initial preclearance op-  
10          erations costs in order to establish or maintain  
11          preclearance operations under the agreement de-  
12          scribed in paragraph (1).

13       (b) CONTENTS OF COST SHARING AGREEMENTS.—

14           (1) IN GENERAL.—Notwithstanding section  
15          13031(e) of the Consolidated Omnibus Budget Rec-  
16          onciliation Act of 1985 (19 U.S.C. 58c(e)) and sec-  
17          tion 286(g) of the Immigration and Nationality Act  
18          (8 U.S.C. 1356(g)), any cost sharing agreement with  
19          an airport authority authorized under subsection (a)  
20          may provide for the airport authority's payment to  
21          U.S. Customs and Border Protection of its initial  
22          preclearance operations costs.

23           (2) TIMING OF PAYMENTS.—The airport  
24          authority's payment to U.S. Customs and Border  
25          Protection for its initial preclearance operations

1 costs may be made in advance of the incurrence of  
2 the costs or on a reimbursable basis.

3 (c) ACCOUNT.—

4 (1) IN GENERAL.—All amounts collected pursu-  
5 ant to any cost sharing agreement authorized under  
6 subsection (a)—

7 (A) shall be credited as offsetting collec-  
8 tions to the currently applicable appropriation,  
9 account, or fund of U.S. Customs and Border  
10 Protection;

11 (B) shall remain available, until expended,  
12 for the purposes for which such appropriation,  
13 account, or fund is authorized to be used; and

14 (C) may be collected and shall be available  
15 only to the extent provided in appropriations  
16 Acts.

17 (2) RETURN OF UNUSED FUNDS.—Any ad-  
18 vances or reimbursements not used by U.S. Customs  
19 and Border Protection may be returned to the rel-  
20 evant airport authority.

21 (3) RULE OF CONSTRUCTION.—Nothing in this  
22 subsection may be construed to preclude the use of  
23 appropriated funds from sources other than the pay-  
24 ments collected under this subtitle to pay initial  
25 preclearance operation costs.

1 (d) DEFINED TERM.—

2 (1) IN GENERAL.—In this section, the term  
3 “initial preclearance operations costs” means the  
4 costs incurred, or expected to be incurred, by U.S.  
5 Customs and Border Protection to establish or  
6 maintain preclearance operations at an airport in a  
7 foreign country, including costs relating to—

8 (A) hiring, training, and equipping new  
9 U.S. Customs and Border Protection officers  
10 who will be stationed at United States domestic  
11 ports of entry or other U.S. Customs and Bor-  
12 der Protection facilities to backfill U.S. Cus-  
13 toms and Border Protection officers to be sta-  
14 tioned at an airport in a foreign country to con-  
15 duct preclearance operations; and

16 (B) visits to the airport authority con-  
17 ducted by U.S. Customs and Border Protection  
18 personnel necessary to prepare for the estab-  
19 lishment or maintenance of preclearance oper-  
20 ations at such airport, including the compensa-  
21 tion, travel expenses, and allowances payable to  
22 such personnel attributable to such visits.

23 (2) EXCEPTION.—The costs described in para-  
24 graph (1)(A) shall not include the salaries and bene-  
25 fits of new U.S. Customs and Border Protection of-

1        ficers once such officers are permanently stationed  
2        at a domestic United States port of entry or other  
3        domestic U.S. Customs and Border Protection facil-  
4        ity after being hired, trained, and equipped.

5        (e) RULE OF CONSTRUCTION.—Except as otherwise  
6        provided in this section, nothing in this section may be  
7        construed as affecting the responsibilities, duties, or au-  
8        thorities of U.S. Customs and Border Protection.

9        **SEC. 818. COLLECTION AND DISPOSITION OF FUNDS COL-**  
10        **LECTED FOR IMMIGRATION INSPECTION**  
11        **SERVICES AND PRECLEARANCE ACTIVITIES.**

12        (a) IMMIGRATION AND NATIONALITY ACT.—Section  
13        286(i) of the Immigration and Nationality Act (8 U.S.C.  
14        1356(i)) is amended by striking the last sentence and in-  
15        serting the following: “Reimbursements under this sub-  
16        section may be collected in advance of the provision of  
17        such immigration inspection services. Notwithstanding  
18        subsection (h)(1)(B), and only to the extent provided in  
19        appropriations Acts, any amounts collected under this sub-  
20        section shall be credited as offsetting collections to the  
21        currently applicable appropriation, account, or fund of  
22        U.S. Customs and Border Protection, remain available  
23        until expended, and be available for the purposes for which  
24        such appropriation, account, or fund is authorized to be  
25        used.”.

1 (b) FARM SECURITY AND RURAL INVESTMENT ACT  
2 OF 2002.—Section 10412(b) of the Farm Security and  
3 Rural Investment Act of 2002 (7 U.S.C. 8311(b)) is  
4 amended to read as follows:

5 “(b) FUNDS COLLECTED FOR PRECLEARANCE.—  
6 Funds collected for preclearance activities—

7 “(1) may be collected in advance of the provi-  
8 sion of such activities;

9 “(2) shall be credited as offsetting collections to  
10 the currently applicable appropriation, account, or  
11 fund of U.S. Customs and Border Protection;

12 “(3) shall remain available until expended;

13 “(4) shall be available for the purposes for  
14 which such appropriation, account, or fund is au-  
15 thorized to be used; and

16 “(5) may be collected and shall be available  
17 only to the extent provided in appropriations Acts.”.

18 **SEC. 819. APPLICATION TO NEW AND EXISTING**  
19 **PRECLEARANCE OPERATIONS.**

20 Except for sections 814(d), 815, 817, and 818, this  
21 subtitle shall only apply to the establishment of  
22 preclearance operations in a foreign country in which no  
23 preclearance operations have been established as of the  
24 date of the enactment of this Act.

1       **TITLE IX—MISCELLANEOUS**  
2                   **PROVISIONS**

3   **SEC. 901. DE MINIMIS VALUE.**

4       (a) FINDINGS.—Congress makes the following find-  
5   ings:

6           (1) Modernizing international customs is crit-  
7       ical for United States businesses of all sizes, con-  
8       sumers in the United States, and the economic  
9       growth of the United States.

10          (2) Higher thresholds for the value of articles  
11       that may be entered informally and free of duty pro-  
12       vide significant economic benefits to businesses and  
13       consumers in the United States and the economy of  
14       the United States through costs savings and reduc-  
15       tions in trade transaction costs.

16       (b) SENSE OF CONGRESS.—It is the sense of Con-  
17   gress that the United States Trade Representative should  
18   encourage other countries, through bilateral, regional, and  
19   multilateral fora, to establish commercially meaningful de  
20   minimis values for express and postal shipments that are  
21   exempt from customs duties and taxes and from certain  
22   entry documentation requirements, as appropriate.

23       (c) DE MINIMIS VALUE.—Section 321(a)(2)(C) of  
24   the Tariff Act of 1930 (19 U.S.C. 1321(a)(2)(C)) is  
25   amended by striking “\$200” and inserting “\$800”.

1 (d) EFFECTIVE DATE.—The amendment made by  
2 subsection (c) shall apply with respect to articles entered,  
3 or withdrawn from warehouse for consumption, on or after  
4 the 15th day after the date of the enactment of this Act.

5 **SEC. 902. CONSULTATION ON TRADE AND CUSTOMS REV-**  
6 **ENUE FUNCTIONS.**

7 Section 401(c) of the Security and Accountability For  
8 Every Port Act of 2006 (6 U.S.C. 115(c)) is amended—

9 (1) in paragraph (1), by striking “on Depart-  
10 ment policies and actions that have” and inserting  
11 “not later than 30 days after proposing, and not  
12 later than 30 days before finalizing, any Department  
13 policies, initiatives, or actions that will have”; and

14 (2) in paragraph (2)(A), by striking “not later  
15 than 30 days prior to the finalization of” and insert-  
16 ing “not later than 60 days before proposing, and  
17 not later than 60 days before finalizing,”.

18 **SEC. 903. PENALTIES FOR CUSTOMS BROKERS.**

19 (a) IN GENERAL.—Section 641(d)(1) of the Tariff  
20 Act of 1930 (19 U.S.C. 1641(d)(1)) is amended—

21 (1) in subparagraph (E), by striking “; or” and  
22 inserting a semicolon;

23 (2) in subparagraph (F), by striking the period  
24 and inserting “; or”; and

25 (3) by adding at the end the following:

1           “(G) has been convicted of committing or  
2           conspiring to commit an act of terrorism de-  
3           scribed in section 2332b of title 18, United  
4           States Code.”.

5           (b) TECHNICAL AMENDMENTS.—Section 641 of the  
6   Tariff Act of 1930 (19 U.S.C. 1641) is amended—

7           (1) by striking “the Customs Service” each  
8           place it appears and inserting “U.S. Customs and  
9           Border Protection”;

10          (2) in subsection (d)(2)(B), by striking “The  
11          Customs Service” and inserting “U.S. Customs and  
12          Border Protection”; and

13          (3) in subsection (g)(2)(B), by striking “Sec-  
14          retary’s notice” and inserting “notice under sub-  
15          paragraph (A)”.

16   **SEC. 904. AMENDMENTS TO CHAPTER 98 OF THE HAR-**  
17                   **MONIZED TARIFF SCHEDULE OF THE UNITED**  
18                   **STATES.**

19          (a) ARTICLES EXPORTED AND RETURNED, AD-  
20   VANCED OR IMPROVED ABROAD.—

21          (1) IN GENERAL.—U.S. Note 3 to subchapter  
22          II of chapter 98 of the Harmonized Tariff Schedule  
23          of the United States is amended by adding at the  
24          end the following:



1 “(f)(1) For purposes of subheadings 9802.00.40 and  
2 9802.00.50, fungible articles exported from the United  
3 States for the purposes described in such subheadings—

4 “(A) may be commingled; and

5 “(B) the origin, value, and classification of such  
6 articles may be accounted for using an inventory  
7 management method.

8 “(2) If a person chooses to use an inventory manage-  
9 ment method under this paragraph with respect to fun-  
10 gible articles, the person shall use the same inventory  
11 management method for any other articles with respect  
12 to which the person claims fungibility under this para-  
13 graph.

14 “(3) For the purposes of this paragraph—

15 “(A) the term ‘fungible articles’ means mer-  
16 chandise or articles that, for commercial purposes,  
17 are identical or interchangeable in all situations; and

18 “(B) the term ‘inventory management method’  
19 means any method for managing inventory that is  
20 based on generally accepted accounting principles.”.

21 (2) EFFECTIVE DATE.—The amendment made  
22 by this subsection applies to articles classifiable  
23 under subheading 9802.00.40 or 9802.00.50 of the  
24 Harmonized Tariff Schedule of the United States  
25 that are entered, or withdrawn from warehouse for

1 consumption, on or after the date that is 60 days  
2 after the date of the enactment of this Act.

3 (b) MODIFICATION OF PROVISIONS RELATING TO  
4 RETURNED PROPERTY.—

5 (1) IN GENERAL.—The article description for  
6 heading 9801.00.10 of the Harmonized Tariff  
7 Schedule of the United States is amended by insert-  
8 ing after “exported” the following: “, or any other  
9 products when returned within 3 years after having  
10 been exported”.

11 (2) EFFECTIVE DATE.—The amendment made  
12 by paragraph (1) applies to articles entered, or with-  
13 drawn from warehouse for consumption, on or after  
14 the date that is 60 days after the date of the enact-  
15 ment of this Act.

16 (c) DUTY-FREE TREATMENT FOR CERTAIN UNITED  
17 STATES GOVERNMENT PROPERTY RETURNED TO THE  
18 UNITED STATES.—

19 (1) IN GENERAL.—Subchapter I of chapter 98  
20 of the Harmonized Tariff Schedule of the United  
21 States is amended by inserting in numerical se-  
22 quence the following new heading:

“	9801.00.11	United States Government property, returned to the United States without having been advanced in value or improved in condition by any means while abroad, entered by the United States Government or a contractor to the United States Government, and certified by the importer as United States Government property .....	Free					”.
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1           (2) **EFFECTIVE DATE.**—The amendment made  
2       by paragraph (1) applies to goods entered, or with-  
3       drawn from warehouse for consumption, on or after  
4       the date that is 60 days after the date of the enact-  
5       ment of this Act.

6       **SEC. 905. EXEMPTION FROM DUTY OF RESIDUE OF BULK**  
7                       **CARGO CONTAINED IN INSTRUMENTS OF**  
8                       **INTERNATIONAL TRAFFIC PREVIOUSLY EX-**  
9                       **PORTED FROM THE UNITED STATES.**

10       (a) **IN GENERAL.**—General Note 3(e) of the Har-  
11       monized Tariff Schedule of the United States is amend-  
12       ed—

13           (1) in subparagraph (v), by striking “and” at  
14       the end;

15           (2) in subparagraph (vi), by adding “and” at  
16       the end;

17           (3) by inserting after subparagraph (vi) (as so  
18       amended) the following new subparagraph:

19                       “(vii) residue of bulk cargo contained in  
20       instruments of international traffic previously  
21       exported from the United States,”; and

1           (4) by adding at the end of the flush text fol-  
2       lowing subparagraph (vii) (as so added) the fol-  
3       lowing: “For purposes of subparagraph (vii) of this  
4       paragraph: The term ‘residue’ means material of  
5       bulk cargo that remains in an instrument of inter-  
6       national traffic after the bulk cargo is removed, with  
7       a quantity, by weight or volume, not exceeding 7  
8       percent of the bulk cargo, and with no or de minimis  
9       value. The term ‘bulk cargo’ means cargo that is  
10      unpackaged and is in either solid, liquid, or gaseous  
11      form. The term ‘instruments of international traffic’  
12      means containers or holders, capable of and suitable  
13      for repeated use, such as lift vans, cargo vans, ship-  
14      ping tanks, skids, pallets, caul boards, and cores for  
15      textile fabrics, arriving (whether loaded or empty) in  
16      use or to be used in the shipment of merchandise in  
17      international traffic, and any additional articles or  
18      classes of articles that the Commissioner of U.S.  
19      Customs and Border Protection designates as in-  
20      struments of international traffic.”.

21      (b) EFFECTIVE DATE.—The amendments made by  
22      subsection (a) take effect on the date of the enactment  
23      of this Act and apply with respect to residue of bulk cargo  
24      contained in instruments of international traffic that are  
25      imported into the customs territory of the United States

1 on or after such date of enactment and that previously  
2 have been exported from the United States.

3 **SEC. 906. DRAWBACK AND REFUNDS.**

4 (a) ARTICLES MADE FROM IMPORTED MERCHAN-  
5 DISE.—Section 313(a) of the Tariff Act of 1930 (19  
6 U.S.C. 1313(a)) is amended by striking “the full amount  
7 of the duties paid upon the merchandise so used shall be  
8 refunded as drawback, less 1 per centum of such duties,  
9 except that such” and inserting “an amount calculated  
10 pursuant to regulations prescribed by the Secretary of the  
11 Treasury under subsection (l) shall be refunded as draw-  
12 back, except that”.

13 (b) SUBSTITUTION FOR DRAWBACK PURPOSES.—  
14 Section 313(b) of the Tariff Act of 1930 (19 U.S.C.  
15 1313(b)) is amended—

16 (1) by striking “If imported” and inserting the  
17 following:

18 “(1) IN GENERAL.—If imported”;

19 (2) by striking “and any other merchandise  
20 (whether imported or domestic) of the same kind  
21 and quality are” and inserting “or merchandise clas-  
22 sifiable under the same 8-digit HTS subheading  
23 number as such imported merchandise is”;

24 (3) by striking “three years” and inserting “5  
25 years”;

1           (4) by striking “the receipt of such imported  
2 merchandise by the manufacturer or producer of  
3 such articles” and inserting “the date of importation  
4 of such imported merchandise”;

5           (5) by striking “an amount of drawback equal  
6 to” and all that follows through the end period and  
7 inserting “an amount calculated pursuant to regula-  
8 tions prescribed by the Secretary of the Treasury  
9 under subsection (l), but only if those articles have  
10 not been used prior to such exportation or destruc-  
11 tion.”; and

12           (6) by adding at the end the following:

13           “(2) REQUIREMENTS RELATING TO TRANSFER  
14 OF MERCHANDISE.—

15           “(A) MANUFACTURERS AND PRO-  
16 DUCERS.—Drawback shall be allowed under  
17 paragraph (1) with respect to an article manu-  
18 factured or produced using imported merchan-  
19 dise or other merchandise classifiable under the  
20 same 8-digit HTS subheading number as such  
21 imported merchandise only if the manufacturer  
22 or producer of the article received such im-  
23 ported merchandise or such other merchandise,  
24 directly or indirectly, from the importer.

1           “(B) EXPORTERS AND DESTROYERS.—  
2           Drawback shall be allowed under paragraph (1)  
3           with respect to a manufactured or produced ar-  
4           ticle that is exported or destroyed only if the  
5           exporter or destroyer received that article, di-  
6           rectly or indirectly, from the manufacturer or  
7           producer.

8           “(C) EVIDENCE OF TRANSFER.—Transfers  
9           of merchandise under subparagraph (A) and  
10          transfers of articles under subparagraph (B)  
11          may be evidenced by business records kept in  
12          the normal course of business and no additional  
13          certificates of transfer or manufacture shall be  
14          required.

15          “(3) SUBMISSION OF BILL OF MATERIALS OR  
16          FORMULA.—

17               “(A) IN GENERAL.—Drawback shall be al-  
18               lowed under paragraph (1) with respect to an  
19               article manufactured or produced using im-  
20               ported merchandise or other merchandise classi-  
21               fiable under the same 8-digit HTS subheading  
22               number as such imported merchandise only if  
23               the person making the drawback claim submits  
24               with the claim a bill of materials or formula  
25               identifying the merchandise and article by the

1           8-digit HTS subheading number and the quan-  
2           tity of the merchandise.

3           “(B) BILL OF MATERIALS AND FORMULA  
4           DEFINED.—In this paragraph, the terms ‘bill of  
5           materials’ and ‘formula’ mean records kept in  
6           the normal course of business that identify each  
7           component incorporated into a manufactured or  
8           produced article or that identify the quantity of  
9           each element, material, chemical, mixture, or  
10          other substance incorporated into a manufac-  
11          tured article.

12          “(4) SPECIAL RULE FOR SOUGHT CHEMICAL  
13          ELEMENTS.—

14               “(A) IN GENERAL.—For purposes of para-  
15               graph (1), a sought chemical element may be—

16                   “(i) considered imported merchandise,  
17                   or merchandise classifiable under the same  
18                   8-digit HTS subheading number as such  
19                   imported merchandise, used in the manu-  
20                   facture or production of an article as de-  
21                   scribed in paragraph (1); and

22                   “(ii) substituted for source material  
23                   containing that sought chemical element,  
24                   without regard to whether the sought  
25                   chemical element and the source material



1 are classifiable under the same 8-digit  
2 HTS subheading number, and apportioned  
3 quantitatively, as appropriate.

4 “(B) SOUGHT CHEMICAL ELEMENT DE-  
5 FINED.—In this paragraph, the term ‘sought  
6 chemical element’ means an element listed in  
7 the Periodic Table of Elements that is imported  
8 into the United States or a chemical compound  
9 consisting of those elements, either separately  
10 in elemental form or contained in source mate-  
11 rial.”.

12 (c) MERCHANDISE NOT CONFORMING TO SAMPLE OR  
13 SPECIFICATIONS.—Section 313(c) of the Tariff Act of  
14 1930 (19 U.S.C. 1313(c)) is amended—

15 (1) in paragraph (1)—

16 (A) in subparagraph (C)(ii), by striking  
17 “under a certificate of delivery” each place it  
18 appears;

19 (B) in subparagraph (D)—

20 (i) by striking “3” and inserting “5”;

21 and

22 (ii) by striking “the Customs Service”  
23 and inserting “U.S. Customs and Border  
24 Protection”; and

1 (C) in the flush text at the end, by striking  
2 “the full amount of the duties paid upon such  
3 merchandise, less 1 percent,” and inserting “an  
4 amount calculated pursuant to regulations pre-  
5 scribed by the Secretary of the Treasury under  
6 subsection (1)”;

7 (2) in paragraph (2), by striking “the Customs  
8 Service” and inserting “U.S. Customs and Border  
9 Protection”; and

10 (3) by amending paragraph (3) to read as fol-  
11 lows:

12 “(3) EVIDENCE OF TRANSFERS.—Transfers of  
13 merchandise under paragraph (1) may be evidenced  
14 by business records kept in the normal course of  
15 business and no additional certificates of transfer  
16 shall be required.”.

17 (d) PROOF OF EXPORTATION.—Section 313(i) of the  
18 Tariff Act of 1930 (19 U.S.C. 1313(i)) is amended to read  
19 as follows:

20 “(i) PROOF OF EXPORTATION.—A person claiming  
21 drawback under this section based on the exportation of  
22 an article shall provide proof of the exportation of the arti-  
23 cle. Such proof of exportation—

24 “(1) shall establish fully the date and fact of  
25 exportation and the identity of the exporter; and

1           “(2) may be established through the use of  
2       records kept in the normal course of business or  
3       through an electronic export system of the United  
4       States Government, as determined by the Commis-  
5       sioner of U.S. Customs and Border Protection.”.

6       (e) UNUSED MERCHANDISE DRAWBACK.—Section  
7       313(j) of the Tariff Act of 1930 (19 U.S.C. 1313(j)) is  
8       amended—

9           (1) in paragraph (1)—

10           (A) in subparagraph (A), in the matter  
11       preceding clause (i)—

12           (i) by striking “3-year” and inserting  
13       “5-year”; and

14           (ii) by inserting “and before the draw-  
15       back claim is filed” after “the date of im-  
16       portation”; and

17           (B) in the flush text at the end, by striking  
18       “99 percent of the amount of each duty, tax, or  
19       fee so paid” and inserting “an amount cal-  
20       culated pursuant to regulations prescribed by  
21       the Secretary of the Treasury under subsection  
22       (1)”;  
23       (2) in paragraph (2)—

1 (A) in the matter preceding subparagraph  
2 (A), by striking “paragraph (4)” and inserting  
3 “paragraphs (4), (5), and (6)”;

4 (B) in subparagraph (A), by striking  
5 “commercially interchangeable with” and in-  
6 serting “classifiable under the same 8-digit  
7 HTS subheading number as”;

8 (C) in subparagraph (B)—

9 (i) by striking “3-year” and inserting  
10 “5-year”; and

11 (ii) by inserting “and before the draw-  
12 back claim is filed” after “the imported  
13 merchandise”;

14 (D) in subparagraph (C)(ii), by striking  
15 subclause (II) and inserting the following:

16 “(II) received the imported mer-  
17 chandise, other merchandise classifi-  
18 able under the same 8-digit HTS sub-  
19 heading number as such imported  
20 merchandise, or any combination of  
21 such imported merchandise and such  
22 other merchandise, directly or indi-  
23 rectly from the person who imported  
24 and paid any duties, taxes, and fees  
25 imposed under Federal law upon im-

1                   portation or entry and due on the im-  
2                   ported merchandise (and any such  
3                   transferred merchandise, regardless of  
4                   its origin, will be treated as the im-  
5                   ported merchandise and any retained  
6                   merchandise will be treated as domes-  
7                   tic merchandise);” and

8                   (E) in the flush text at the end—

9                   (i) by striking “the amount of each  
10                  such duty, tax, and fee” and all that fol-  
11                  lows through “99 percent of that duty, tax,  
12                  or fee” and inserting “an amount cal-  
13                  culated pursuant to regulations prescribed  
14                  by the Secretary of the Treasury under  
15                  subsection (l) shall be refunded as draw-  
16                  back”; and

17                  (ii) by striking the last sentence and  
18                  inserting the following: “Notwithstanding  
19                  subparagraph (A), drawback shall be al-  
20                  lowed under this paragraph with respect to  
21                  wine if the imported wine and the exported  
22                  wine are of the same color and the price  
23                  variation between the imported wine and  
24                  the exported wine does not exceed 50 per-  
25                  cent. Transfers of merchandise may be evi-

1                   denced by business records kept in the nor-  
2                   mal course of business and no additional  
3                   certificates of transfer shall be required.”;

4                   (3) in paragraph (3)(B), by striking “the com-  
5                   mercially interchangeable merchandise” and insert-  
6                   ing “merchandise classifiable under the same 8-digit  
7                   HTS subheading number as such imported merchan-  
8                   dise”; and

9                   (4) by adding at the end the following:

10                  “(5)(A) For purposes of paragraph (2) and ex-  
11                  cept as provided in subparagraph (B), merchandise  
12                  may not be substituted for imported merchandise for  
13                  drawback purposes based on the 8-digit HTS sub-  
14                  heading number if the article description for the 8-  
15                  digit HTS subheading number under which the im-  
16                  ported merchandise is classified begins with the term  
17                  ‘other’.

18                  “(B) In cases described in subparagraph (A),  
19                  merchandise may be substituted for imported mer-  
20                  chandise for drawback purposes if—

21                         “(i) the other merchandise and such im-  
22                         ported merchandise are classifiable under the  
23                         same 10-digit HTS statistical reporting num-  
24                         ber; and

1           “(ii) the article description for that 10-  
2           digit HTS statistical reporting number does not  
3           begin with the term ‘other’.

4           “(6)(A) For purposes of paragraph (2), a draw-  
5           back claimant may use the first 8 digits of the 10-  
6           digit Schedule B number for merchandise or an arti-  
7           cle to determine if the merchandise or article is clas-  
8           sifiable under the same 8-digit HTS subheading  
9           number as the imported merchandise, without re-  
10          gard to whether the Schedule B number corresponds  
11          to more than one 8-digit HTS subheading number.

12          “(B) In this paragraph, the term ‘Schedule B’  
13          means the Department of Commerce Schedule B,  
14          Statistical Classification of Domestic and Foreign  
15          Commodities Exported from the United States.”.

16          (f) LIABILITY FOR DRAWBACK CLAIMS.—Section  
17          313(k) of the Tariff Act of 1930 (19 U.S.C. 1313(k)) is  
18          amended to read as follows:

19          “(k) LIABILITY FOR DRAWBACK CLAIMS.—

20                 “(1) IN GENERAL.—Any person making a claim  
21                 for drawback under this section shall be liable for  
22                 the full amount of the drawback claimed.

23                 “(2) LIABILITY OF IMPORTERS.—An importer  
24                 shall be liable for any drawback claim made by an-  
25                 other person with respect to merchandise imported

1 by the importer in an amount equal to the lesser  
2 of—

3 “(A) the amount of duties, taxes, and fees  
4 that the person claimed with respect to the im-  
5 ported merchandise; or

6 “(B) the amount of duties, taxes, and fees  
7 that the importer authorized the other person  
8 to claim with respect to the imported merchan-  
9 dise.

10 “(3) JOINT AND SEVERAL LIABILITY.—Persons  
11 described in paragraphs (1) and (2) shall be jointly  
12 and severally liable for the amount described in  
13 paragraph (2).”.

14 (g) REGULATIONS.—Section 313(l) of the Tariff Act  
15 of 1930 (19 U.S.C. 1313(l)) is amended to read as follows:

16 “(l) REGULATIONS.—

17 “(1) IN GENERAL.—Allowance of the privileges  
18 provided for in this section shall be subject to com-  
19 pliance with such rules and regulations as the Sec-  
20 retary of the Treasury shall prescribe.

21 “(2) CALCULATION OF DRAWBACK.—

22 “(A) IN GENERAL.—Not later than the  
23 date that is 2 years after the date of the enact-  
24 ment of the Trade Facilitation and Trade En-  
25 forcement Act of 2015, the Secretary shall pre-



1           scribe regulations for determining the calcula-  
2           tion of amounts refunded as drawback under  
3           this section.

4                   “(B) CLAIMS WITH RESPECT TO UNUSED  
5           MERCHANDISE.—The regulations required by  
6           subparagraph (A) for determining the calcula-  
7           tion of amounts refunded as drawback under  
8           this section shall provide for a refund of equal  
9           to 99 percent of the duties, taxes, and fees paid  
10          on the imported merchandise, which were im-  
11          posed under Federal law upon entry or importa-  
12          tion of the imported merchandise, and may re-  
13          quire the claim to be based upon the average  
14          per unit duties, taxes, and fees as reported on  
15          the entry summary line item or, if not reported  
16          on the entry summary line item, as otherwise  
17          allocated by U.S. Customs and Border Protec-  
18          tion, except that where there is substitution of  
19          the merchandise, then—

20                   “(i) in the case of an article that is  
21                  exported, the amount of the refund shall  
22                  be equal to 99 percent of the lesser of—

23                           “(I) the amount of duties, taxes,  
24                          and fees paid with respect to the im-  
25                          ported merchandise; or

1                   “(II) the amount of duties, taxes,  
2                   and fees that would apply to the ex-  
3                   ported article if the exported article  
4                   were imported; and

5                   “(ii) in the case of an article that is  
6                   destroyed, the amount of the refund shall  
7                   be an amount that is—

8                   “(I) equal to 99 percent of the  
9                   lesser of—

10                   “(aa) the amount of duties,  
11                   taxes, and fees paid with respect  
12                   to the imported merchandise; and

13                   “(bb) the amount of duties,  
14                   taxes, and fees that would apply  
15                   to the destroyed article if the de-  
16                   stroyed article were imported;  
17                   and

18                   “(II) reduced by the value of ma-  
19                   terials recovered during destruction as  
20                   provided in subsection (x).

21                   “(C) CLAIMS WITH RESPECT TO MANUFAC-  
22                   TURED ARTICLES INTO WHICH IMPORTED OR  
23                   SUBSTITUTE MERCHANDISE IS INCOR-  
24                   PORATED.—The regulations required by sub-  
25                   paragraph (A) for determining the calculation

1 of amounts refunded as drawback under this  
2 section shall provide for a refund of equal to 99  
3 percent of the duties, taxes, and fees paid on  
4 the imported merchandise incorporated into an  
5 article that is exported or destroyed, which were  
6 imposed under Federal law upon entry or im-  
7 portation of the imported merchandise incor-  
8 porated into an article that is exported or de-  
9 stroyed, and may require the claim to be based  
10 upon the average per unit duties, taxes, and  
11 fees as reported on the entry summary line  
12 item, or if not reported on the entry summary  
13 line item, as otherwise allocated by U.S. Cus-  
14 toms and Border Protection, except that where  
15 there is substitution of the imported merchan-  
16 dise, then—

17 “(i) in the case of an article that is  
18 exported, the amount of the refund shall  
19 be equal to 99 percent of the lesser of—

20 “(I) the amount of duties, taxes,  
21 and fees paid with respect to the im-  
22 ported merchandise; or

23 “(II) the amount of duties, taxes,  
24 and fees that would apply to the sub-

1                   stituted merchandise if the substituted  
2                   merchandise were imported; and

3                   “(ii) in the case of an article that is  
4                   destroyed, the amount of the refund shall  
5                   be an amount that is—

6                   “(I) equal to 99 percent of the  
7                   lesser of—

8                   “(aa) the amount of duties,  
9                   taxes, and fees paid with respect  
10                  to the imported merchandise; and

11                  “(bb) the amount of duties,  
12                  taxes, and fees that would apply  
13                  to the substituted merchandise if  
14                  the substituted merchandise were  
15                  imported; and

16                  “(II) reduced by the value of ma-  
17                  terials recovered during destruction as  
18                  provided in subsection (x).

19                  “(D) EXCEPTIONS.—The calculations set  
20                  forth in subparagraphs (B) and (C) shall not  
21                  apply to claims for wine based on subsection  
22                  (j)(2) and claims based on subsection (p) and  
23                  instead—

24                  “(i) for any drawback claim for wine  
25                  based on subsection (j)(2), the amount of

1 the refund shall be equal to 99 percent of  
2 the duties, taxes, and fees paid with re-  
3 spect to the imported merchandise, without  
4 regard to the limitations in subparagraphs  
5 (B)(i) and (B)(ii); and

6 “(ii) for any drawback claim based on  
7 subsection (p), the amount of the refund  
8 shall be subject to the limitations set out  
9 in paragraph (4) of that subsection and  
10 without regard to subparagraph (B)(i),  
11 (B)(ii), (C)(i), or (C)(ii).

12 “(3) STATUS REPORTS ON REGULATIONS.—Not  
13 later than the date that is one year after the date  
14 of the enactment of the Trade Facilitation and  
15 Trade Enforcement Act of 2015, and annually there-  
16 after until the regulations required by paragraph (2)  
17 are final, the Secretary shall submit to Congress a  
18 report on the status of those regulations.”.

19 (h) SUBSTITUTION OF FINISHED PETROLEUM DE-  
20 RIVATIVES.—Section 313(p) of the Tariff Act of 1930 (19  
21 U.S.C. 1313(p)) is amended—

22 (1) by striking “Harmonized Tariff Schedule of  
23 the United States” each place it appears and insert-  
24 ing “HTS”; and

25 (2) in paragraph (3)(A)—

1 (A) in clause (ii)(III), by striking “, as so  
2 certified in a certificate of delivery or certificate  
3 of manufacture and delivery”; and

4 (B) in the flush text at the end—

5 (i) by striking “, so designated on the  
6 certificate of delivery or certificate of man-  
7 ufacture and delivery”; and

8 (ii) by striking the last sentence and  
9 inserting the following: “The party trans-  
10 ferring the merchandise shall maintain  
11 records kept in the normal course of busi-  
12 ness to demonstrate the transfer.”.

13 (i) PACKAGING MATERIAL.—Section 313(q) of the  
14 Tariff Act of 1930 (19 U.S.C. 1313(q)) is amended—

15 (1) in paragraph (1), by striking “of 99 percent  
16 of any duty, tax, or fee imposed under Federal law  
17 on such imported material” and inserting “in an  
18 amount calculated pursuant to regulations pre-  
19 scribed by the Secretary of the Treasury under sub-  
20 section (l)”;

21 (2) in paragraph (2), by striking “of 99 percent  
22 of any duty, tax, or fee imposed under Federal law  
23 on the imported or substituted merchandise used to  
24 manufacture or produce such material” and insert-  
25 ing “in an amount calculated pursuant to regula-

1        tions prescribed by the Secretary of the Treasury  
2        under subsection (l)”; and

3            (3) in paragraph (3), by striking “they contain”  
4        each place it appears and inserting “it contains”.

5        (j) FILING OF DRAWBACK CLAIMS.—Section 313(r)  
6        of the Tariff Act of 1930 (19 U.S.C. 1313(r)) is amend-  
7        ed—

8            (1) in paragraph (1)—

9            (A) by striking the first sentence and in-  
10       serting the following: “A drawback entry shall  
11       be filed or applied for, as applicable, not later  
12       than 5 years after the date on which merchan-  
13       dise on which drawback is claimed was im-  
14       ported.”;

15            (B) in the second sentence, by striking “3-  
16       year” and inserting “5-year”; and

17            (C) in the third sentence, by striking “the  
18       Customs Service” and inserting “U.S. Customs  
19       and Border Protection”;

20            (2) in paragraph (3)—

21            (A) in subparagraph (A)—

22            (i) in the matter preceding clause (i),  
23       by striking “The Customs Service” and in-  
24       serting “U.S. Customs and Border Protec-  
25       tion”;

1 (ii) in clauses (i) and (ii), by striking  
2 “the Customs Service” each place it ap-  
3 pears and inserting “U.S. Customs and  
4 Border Protection”; and

5 (iii) in clause (ii)(I), by striking “3-  
6 year” and inserting “5-year”; and

7 (B) in subparagraph (B), by striking “the  
8 periods of time for retaining records set forth  
9 in subsection (t) of this section and” and in-  
10 serting “the period of time for retaining records  
11 set forth in”; and

12 (3) by adding at the end the following:

13 “(4) All drawback claims filed on and after the  
14 date that is 2 years after the date of the enactment  
15 of the Trade Facilitation and Trade Enforcement  
16 Act of 2015 shall be filed electronically.”.

17 (k) DESIGNATION OF MERCHANDISE BY SUC-  
18 CESSOR.—Section 313(s) of the Tariff Act of 1930 (19  
19 U.S.C. 1313(s)) is amended—

20 (1) in paragraph (2), by striking subparagraph  
21 (B) and inserting the following:

22 “(B) subject to paragraphs (5) and (6) of  
23 subsection (j), imported merchandise, other  
24 merchandise classifiable under the same 8-digit  
25 HTS subheading number as such imported



1 merchandise, or any combination of such im-  
2 ported merchandise and such other merchan-  
3 dise, that the predecessor received, before the  
4 date of succession, from the person who im-  
5 ported and paid any duties, taxes, and fees due  
6 on the imported merchandise;” and

7 (2) in paragraph (4), by striking “certifies  
8 that” and all that follows and inserting “certifies  
9 that the transferred merchandise was not and will  
10 not be claimed by the predecessor.”.

11 (l) DRAWBACK CERTIFICATES.—Section 313 of the  
12 Tariff Act of 1930 (19 U.S.C. 1313) is amended by strik-  
13 ing subsection (t).

14 (m) DRAWBACK FOR RECOVERED MATERIALS.—Sec-  
15 tion 313(x) of the Tariff Act of 1930 (19 U.S.C. 1313(x))  
16 is amended by striking “and (c)” and inserting “(c), and  
17 (j)”.

18 (n) DEFINITIONS.—Section 313 of the Tariff Act of  
19 1930 (19 U.S.C. 1313) is amended by adding at the end  
20 the following:

21 “(z) DEFINITIONS.—In this section:

22 “(1) DIRECTLY.—The term ‘directly’ means a  
23 transfer of merchandise or an article from one per-  
24 son to another person without any intermediate  
25 transfer.

1           “(2) HTS.—The term ‘HTS’ means the Har-  
2           monized Tariff Schedule of the United States.

3           “(3) INDIRECTLY.—The term ‘indirectly’ means  
4           a transfer of merchandise or an article from one per-  
5           son to another person with one or more intermediate  
6           transfers.”.

7           (o) RECORDKEEPING.—Section 508(c)(3) of the Tar-  
8           iff Act of 1930 (19 U.S.C. 1508(c)(3)) is amended by  
9           striking “payment” and inserting “liquidation”.

10          (p) GOVERNMENT ACCOUNTABILITY OFFICE RE-  
11          PORT.—

12           (1) IN GENERAL.—Not later than one year  
13           after the issuance of the regulations required by sub-  
14           section (l)(2) of section 313 of the Tariff Act of  
15           1930, as added by subsection (g) of this section, the  
16           Comptroller General of the United States shall sub-  
17           mit to the Committee on Finance of the Senate and  
18           the Committee on Ways and Means of the House of  
19           Representatives a report on the modernization of  
20           drawback and refunds under section 313 of the Tar-  
21           iff Act of 1930, as amended by this section.

22           (2) CONTENTS.—The report required by para-  
23           graph (1) shall include the following:

1           (A) An assessment of the modernization of  
2 drawback and refunds under section 313 of the  
3 Tariff Act of 1930, as amended by this section.

4           (B) A description of drawback claims that  
5 were permissible before the effective date pro-  
6 vided for in subsection (q) that are not permis-  
7 sible after that effective date and an identifica-  
8 tion of industries most affected.

9           (C) A description of drawback claims that  
10 were not permissible before the effective date  
11 provided for in subsection (q) that are permis-  
12 sible after that effective date and an identifica-  
13 tion of industries most affected.

14       (q) EFFECTIVE DATE.—

15           (1) IN GENERAL.—The amendments made by  
16 this section shall—

17           (A) take effect on the date of the enact-  
18 ment of this Act; and

19           (B) except as provided in paragraph (3),  
20 apply to drawback claims filed on or after the  
21 date that is 2 years after such date of enact-  
22 ment.

23           (2) REPORTING OF OPERABILITY OF AUTO-  
24 MATED COMMERCIAL ENVIRONMENT COMPUTER SYS-  
25 TEM.—Not later than one year after the date of the

1 enactment of this Act, and not later than 2 years  
2 after such date of enactment, the Secretary of the  
3 Treasury shall submit to the Committee on Finance  
4 of the Senate and the Committee on Ways and  
5 Means of the House of Representatives a report  
6 on—

7 (A) the date on which the Automated Com-  
8 mercial Environment will be ready to process  
9 drawback claims; and

10 (B) the date on which the Automated Ex-  
11 port System will be ready to accept proof of ex-  
12 portation under subsection (i) of section 313 of  
13 the Tariff Act of 1930, as amended by sub-  
14 section (d) of this section.

15 (3) TRANSITION RULE.—During the one-year  
16 period beginning on the date that is 2 years after  
17 the date of the enactment of this Act, a person may  
18 elect to file a claim for drawback under—

19 (A) section 313 of the Tariff Act of 1930,  
20 as amended by this section; or

21 (B) section 313 of the Tariff Act of 1930,  
22 as in effect on the day before the date of the  
23 enactment of this Act.

1   **SEC. 907. REPORT ON CERTAIN U.S. CUSTOMS AND BORDER**  
2                   **PROTECTION AGREEMENTS.**

3           (a) IN GENERAL.—Not later than one year after en-  
4   tering into an agreement under a program specified in  
5   subsection (b), and annually thereafter until the termi-  
6   nation of the program, the Commissioner shall submit to  
7   the Committee on Finance and the Committee on Home-  
8   land Security and Governmental Affairs of the Senate and  
9   the Committee on Ways and Means and the Committee  
10   on Homeland Security of the House of Representatives a  
11   report that includes the following:

12           (1) A description of the development of the pro-  
13   gram, including an identification of the authority  
14   under which the program operates.

15           (2) A description of the type of entity with  
16   which U.S. Customs and Border Protection entered  
17   into the agreement and the amount that entity reim-  
18   bursed U.S. Customs and Border Protection under  
19   the agreement.

20           (3) An identification of the type of port of entry  
21   to which the agreement relates and an assessment of  
22   how the agreement provides economic benefits and  
23   security benefits (if applicable) at the port of entry.

24           (4) A description of the services provided by  
25   U.S. Customs and Border Protection under the

1       agreement during the year preceding the submission  
2       of the report.

3           (5) The amount of fees collected under the  
4       agreement during that year.

5           (6) The total operating expenses of the program  
6       during that year.

7           (7) A detailed accounting of how the fees col-  
8       lected under the agreement have been spent during  
9       that year.

10          (8) A summary of any complaints or criticism  
11       received by U.S. Customs and Border Protection  
12       during that year regarding the agreement.

13          (9) An assessment of the compliance of the en-  
14       tity described in paragraph (2) with the terms of the  
15       agreement.

16          (10) Recommendations with respect to how ac-  
17       tivities conducted pursuant to the agreement could  
18       function more effectively or better produce economic  
19       benefits and security benefits (if applicable).

20          (11) A summary of the benefits to and chal-  
21       lenges faced by U.S. Customs and Border Protection  
22       and the entity described in paragraph (2) under the  
23       agreement.

24          (12) If the entity described in paragraph (2) is  
25       an operator of an airport—

1 (A) a detailed account of the revenue col-  
2 lected by U.S. Customs and Border Protection  
3 at the airport from—

4 (i) fees collected under the agreement;  
5 and

6 (ii) fees collected from sources other  
7 than under the agreement, including fees  
8 paid by passengers and air carriers; and  
9 (B) an assessment of the revenue described  
10 in subparagraph (A) compared with the oper-  
11 ating costs of U.S. Customs and Border Protec-  
12 tion at the airport.

13 (b) PROGRAM SPECIFIED.—A program specified in  
14 this subsection is—

15 (1) the program for entering into reimbursable  
16 fee agreements for the provision of U.S. Customs  
17 and Border Protection services established by section  
18 560 of the Department of Homeland Security Ap-  
19 propriations Act, 2013 (division D of Public Law  
20 113–6; 127 Stat. 378);

21 (2) the pilot program authorizing U.S. Customs  
22 and Border Protection to enter into partnerships  
23 with private sector and government entities at ports  
24 of entry established by section 559 of the Depart-  
25 ment of Homeland Security Appropriations Act,

1       2014 (division F of Public Law 113–76; 6 U.S.C.  
2       211 note);

3           (3) the program under which U.S. Customs and  
4       Border Protection collects a fee for the use of cus-  
5       toms services at designated facilities under section  
6       236 of the Trade and Tariff Act of 1984 (19 U.S.C.  
7       58b); or

8           (4) the program established by subtitle B of  
9       title VIII of this Act authorizing U.S. Customs and  
10      Border Protection to establish preclearance oper-  
11      ations in foreign countries.

12   **SEC. 908. CHARTER FLIGHTS.**

13       Section 13031(e)(1) of the Consolidated Omnibus  
14   Budget Reconciliation Act of 1985 (19 U.S.C. 58c(e)(1))  
15   is amended—

16           (1) by striking “(1) Notwithstanding section  
17       451 of the Tariff Act of 1930 (19 U.S.C. 1451) or  
18       any other provision of law (other than paragraph  
19       (2))” and inserting the following:

20       “(1)(A) Notwithstanding section 451 of the Tariff  
21   Act of 1930 (19 U.S.C. 1451) or any other provision of  
22   law (other than subparagraph (B) and paragraph (2))”;  
23   and

24           (2) by adding at the end the following:



1       “(B)(i) An appropriate officer of U.S. Customs and  
2 Border Protection may assign a sufficient number of em-  
3 ployees of U.S. Customs and Border Protection (if avail-  
4 able) to perform services described in clause (ii) for a  
5 charter air carrier (as defined in section 40102 of title  
6 49, United States Code) for a charter flight arriving after  
7 normal operating hours at an airport that is an established  
8 port of entry serviced by U.S. Customs and Border Pro-  
9 tection, notwithstanding that overtime funds for those  
10 services are not available, if the charter air carrier—

11           “(I) not later than 4 hours before the flight ar-  
12 rives, specifically requests that such services be pro-  
13 vided; and

14           “(II) pays any overtime fees incurred in connec-  
15 tion with such services.

16       “(ii) Services described in this clause are customs  
17 services for passengers and their baggage or any other  
18 similar service that could lawfully be performed during  
19 regular hours of operation.”.

20 **SEC. 909. UNITED STATES-ISRAEL TRADE AND COMMER-**  
21 **CIAL ENHANCEMENT.**

22       (a) FINDINGS.—Congress finds the following:

23           (1) Israel is America’s dependable, democratic  
24 ally in the Middle East—an area of paramount stra-  
25 tegic importance to the United States.

1           (2) The United States-Israel Free Trade Agree-  
2           ment formed the modern foundation of the bilateral  
3           commercial relationship between the two countries  
4           and was the first such agreement signed by the  
5           United States with a foreign country.

6           (3) The United States-Israel Free Trade Agree-  
7           ment has been instrumental in expanding commerce  
8           and the strategic relationship between the United  
9           States and Israel.

10          (4) More than \$45,000,000,000 in goods and  
11          services is traded annually between the two coun-  
12          tries, in addition to roughly \$10,000,000,000 in  
13          United States foreign direct investment in Israel.

14          (5) The United States continues to look for and  
15          find new opportunities to enhance cooperation with  
16          Israel, including through the enactment of the  
17          United States-Israel Enhanced Security Cooperation  
18          Act of 2012 (Public Law 112–150; 22 U.S.C. 8601  
19          et seq.) and the United States-Israel Strategic Part-  
20          nership Act of 2014 (Public Law 113–296; 128  
21          Stat. 4075).

22          (6) It has been the policy of the United States  
23          Government to combat all elements of the Arab  
24          League Boycott of Israel by—

1 (A) public statements of Administration of-  
2 ficials;

3 (B) enactment of relevant sections of the  
4 Export Administration Act of 1979 (50 U.S.C.  
5 4601 et seq.) (as continued in effect pursuant  
6 to the International Emergency Economic Pow-  
7 ers Act (50 U.S.C. 1701 et seq.)), including  
8 sections to ensure foreign persons comply with  
9 applicable reporting requirements relating to  
10 the Boycott;

11 (C) enactment of the Tax Reform Act of  
12 1976 (Public Law 94–455; 90 Stat. 1520) that  
13 denies certain tax benefits to entities abiding by  
14 the Boycott;

15 (D) ensuring through free trade agree-  
16 ments with Bahrain and Oman that such coun-  
17 tries no longer participate in the Boycott; and

18 (E) ensuring as a condition of membership  
19 in the World Trade Organization that Saudi  
20 Arabia no longer enforces the secondary or ter-  
21 tiary elements of the Boycott.

22 (b) STATEMENTS OF POLICY.—Congress—

23 (1) supports the strengthening of economic co-  
24 operation between the United States and Israel and

1 recognizes the tremendous strategic, economic, and  
2 technological value of cooperation with Israel;

3 (2) recognizes the benefit of cooperation with  
4 Israel to United States companies, including by im-  
5 proving American competitiveness in global markets;

6 (3) recognizes the importance of trade and com-  
7 mercial relations to the pursuit and sustainability of  
8 peace, and supports efforts to bring together the  
9 United States, Israel, the Palestinian territories, and  
10 others in enhanced commerce;

11 (4) opposes politically motivated actions that  
12 penalize or otherwise limit commercial relations spe-  
13 cifically with Israel, such as boycotts of, divestment  
14 from, or sanctions against Israel;

15 (5) notes that boycotts of, divestment from, and  
16 sanctions against Israel by governments, govern-  
17 mental bodies, quasi-governmental bodies, inter-  
18 national organizations, and other such entities are  
19 contrary to principle of nondiscrimination under the  
20 GATT 1994 (as defined in section 2(1)(B) of the  
21 Uruguay Round Agreements Act (19 U.S.C.  
22 3501(1)(B)));

23 (6) encourages the inclusion of politically moti-  
24 vated actions that penalize or otherwise limit com-  
25 mercial relations specifically with Israel such as boy-

1       cotts of, divestment from, or sanctions against Israel  
2       as a topic of discussion at the U.S.-Israel Joint Eco-  
3       nomic Development Group (JEDG) to support the  
4       strengthening of the United States-Israel commercial  
5       relationship and combat any commercial discrimina-  
6       tion against Israel; and

7               (7) supports efforts to prevent investigations or  
8       prosecutions by governments or international organi-  
9       zations of United States persons solely on the basis  
10      of such persons doing business with Israel, with  
11      Israeli entities, or in any territory controlled by  
12      Israel.

13      (c) PRINCIPAL TRADE NEGOTIATING OBJECTIVES OF  
14      THE UNITED STATES.—

15              (1) COMMERCIAL PARTNERSHIPS.—Among the  
16      principal trade negotiating objectives of the United  
17      States for proposed trade agreements with foreign  
18      countries regarding commercial partnerships are the  
19      following:

20              (A) To discourage actions by potential  
21      trading partners that directly or indirectly prej-  
22      udice or otherwise discourage commercial activ-  
23      ity solely between the United States and Israel.

24              (B) To discourage politically motivated  
25      boycotts of, divestment from, and sanctions

1           against Israel and to seek the elimination of po-  
2           litically motivated nontariff barriers on Israeli  
3           goods, services, or other commerce imposed on  
4           Israel.

5           (C) To seek the elimination of state-spon-  
6           sored unsanctioned foreign boycotts of Israel, or  
7           compliance with the Arab League Boycott of  
8           Israel, by prospective trading partners.

9           (2) EFFECTIVE DATE.—This subsection takes  
10          effect on the date of the enactment of this Act and  
11          applies with respect to negotiations commenced be-  
12          fore, on, or after such date of enactment.

13          (d) REPORT ON POLITICALLY MOTIVATED ACTS OF  
14          BOYCOTT OF, DIVESTMENT FROM, AND SANCTIONS  
15          AGAINST ISRAEL.—

16               (1) IN GENERAL.—Not later than 180 days  
17          after the date of the enactment of this Act, and an-  
18          nually thereafter, the President shall submit to Con-  
19          gress a report on politically motivated boycotts of,  
20          divestment from, and sanctions against Israel.

21               (2) MATTERS TO BE INCLUDED.—The report  
22          required by paragraph (1) shall include the fol-  
23          lowing:

24                       (A) A description of the establishment of  
25          barriers to trade, including nontariff barriers,

1 investment, or commerce by foreign countries or  
2 international organizations against United  
3 States persons operating or doing business in  
4 Israel, with Israeli entities, or in Israeli-con-  
5 trolled territories.

6 (B) A description of specific steps being  
7 taken by the United States to encourage foreign  
8 countries and international organizations to  
9 cease creating such barriers and to dismantle  
10 measures already in place, and an assessment  
11 of the effectiveness of such steps.

12 (C) A description of specific steps being  
13 taken by the United States to prevent investiga-  
14 tions or prosecutions by governments or inter-  
15 national organizations of United States persons  
16 solely on the basis of such persons doing busi-  
17 ness with Israel, with Israeli entities, or in  
18 Israeli-controlled territories.

19 (D) Decisions by foreign persons, including  
20 corporate entities and state-affiliated financial  
21 institutions, that limit or prohibit economic re-  
22 lations with Israel or persons doing business in  
23 Israel or in any territory controlled by Israel.

24 (e) CERTAIN FOREIGN JUDGMENTS AGAINST  
25 UNITED STATES PERSONS.—Notwithstanding any other

1 provision of law, no domestic court shall recognize or en-  
2 force any foreign judgment entered against a United  
3 States person that conducts business operations in Israel,  
4 or any territory controlled by Israel, if the domestic court  
5 determines that the foreign judgment is based, in whole  
6 or in part, on a determination by a foreign court that the  
7 United States person's conducting business operations in  
8 Israel or any territory controlled by Israel or with Israeli  
9 entities constitutes a violation of law.

10 (f) DEFINITIONS.—In this section:

11 (1) BOYCOTT OF, DIVESTMENT FROM, AND  
12 SANCTIONS AGAINST ISRAEL.—The term “boycott of,  
13 divestment from, and sanctions against Israel”  
14 means actions by states, nonmember states of the  
15 United Nations, international organizations, or affili-  
16 ated agencies of international organizations that are  
17 politically motivated and are intended to penalize or  
18 otherwise limit commercial relations specifically with  
19 Israel or persons doing business in Israel or in any  
20 territory controlled by Israel.

21 (2) DOMESTIC COURT.—The term “domestic  
22 court” means a Federal court of the United States,  
23 or a court of any State or territory of the United  
24 States or of the District of Columbia.



1           (3) FOREIGN COURT.—The term “foreign  
2       court” means a court, an administrative body, or  
3       other tribunal of a foreign country.

4           (4) FOREIGN JUDGMENT.—The term “foreign  
5       judgment” means a final civil judgment rendered by  
6       a foreign court.

7           (5) FOREIGN PERSON.—The term “foreign per-  
8       son” means—

9           (A) an individual who is not a United  
10       States person or an alien lawfully admitted for  
11       permanent residence into the United States; or

12           (B) a corporation, partnership, or other  
13       nongovernmental entity which is not a United  
14       States person.

15           (6) PERSON.—

16           (A) IN GENERAL.—The term “person”  
17       means—

18           (i) a natural person;

19           (ii) a corporation, business associa-  
20       tion, partnership, society, trust, financial  
21       institution, insurer, underwriter, guar-  
22       antor, and any other business organization,  
23       any other nongovernmental entity, organi-  
24       zation, or group, and any governmental en-  
25       tity operating as a business enterprise; and

1 (iii) any successor to any entity de-  
2 scribed in clause (ii).

3 (B) APPLICATION TO GOVERNMENTAL EN-  
4 TITIES.—The term “person” does not include a  
5 government or governmental entity that is not  
6 operating as a business enterprise.

7 (7) UNITED STATES PERSON.—The term  
8 “United States person” means—

9 (A) a natural person who is a national of  
10 the United States (as defined in section  
11 101(a)(22) of the Immigration and Nationality  
12 Act (8 U.S.C. 1101(a)(22))); or

13 (B) a corporation or other legal entity that  
14 is organized under the laws of the United  
15 States, any State or territory thereof, or the  
16 District of Columbia, if natural persons de-  
17 scribed in subparagraph (A) own, directly or in-  
18 directly, more than 50 percent of the out-  
19 standing capital stock or other beneficial inter-  
20 est in such legal entity.

1   **SEC. 910. ELIMINATION OF CONSUMPTIVE DEMAND EXCEP-**  
2                           **TION TO PROHIBITION ON IMPORTATION OF**  
3                           **GOODS MADE WITH CONVICT LABOR,**  
4                           **FORCED LABOR, OR INDENTURED LABOR; RE-**  
5                           **PORT.**

6           (a) ELIMINATION OF CONSUMPTIVE DEMAND EX-  
7   CEPTION.—

8               (1) IN GENERAL.—Section 307 of the Tariff  
9   Act of 1930 (19 U.S.C. 1307) is amended by strik-  
10   ing “The provisions of this section” and all that fol-  
11   lows through “of the United States.”.

12             (2) EFFECTIVE DATE.—The amendment made  
13   by paragraph (1) shall take effect on the date that  
14   is 15 days after the date of the enactment of this  
15   Act.

16           (b) REPORT REQUIRED.—Not later than 180 days  
17   after the date of the enactment of this Act, and annually  
18   thereafter, the Commissioner shall submit to the Com-  
19   mittee on Finance of the Senate and the Committee on  
20   Ways and Means of the House of Representatives a report  
21   on compliance with section 307 of the Tariff Act of 1930  
22   (19 U.S.C. 1307) that includes the following:

23               (1) The number of instances in which merchan-  
24   dise was denied entry pursuant to that section dur-  
25   ing the 1-year period preceding the submission of  
26   the report.

1           (2) A description of the merchandise denied  
2 entry pursuant to that section.

3           (3) Such other information as the Commis-  
4 sioner considers appropriate with respect to moni-  
5 toring and enforcing compliance with that section.

6 **SEC. 911. VOLUNTARY RELIQUIDATIONS BY U.S. CUSTOMS**  
7 **AND BORDER PROTECTION.**

8 Section 501 of the Tariff Act of 1930 (19 U.S.C.  
9 1501) is amended—

10           (1) in the section heading, by striking “**THE**  
11 **CUSTOMS SERVICE**” and inserting “**U.S. CUS-**  
12 **TOMS AND BORDER PROTECTION**”;

13           (2) by striking “the Customs Service” and in-  
14 serting “U.S. Customs and Border Protection”; and

15           (3) by striking “on which notice of the original  
16 liquidation is given or transmitted to the importer,  
17 his consignee or agent” and inserting “of the origi-  
18 nal liquidation”.

19 **SEC. 912. TARIFF CLASSIFICATION OF RECREATIONAL PER-**  
20 **FORMANCE OUTERWEAR.**

21           (a) REPEAL.—Section 601 of the Trade Preferences  
22 Extension Act of 2015 (Public Law 114–27; 129 Stat.  
23 387) is repealed, and any provision of law amended by  
24 such section is restored as if such section had not been  
25 enacted into law.

1 (b) AMENDMENTS TO ADDITIONAL U.S. NOTES.—

2 The additional U.S. notes to chapter 62 of the Har-  
3 monized Tariff Schedule of the United States are amend-  
4 ed—

5 (1) in additional U.S. note 2—

6 (A) by striking “For the purposes of sub-  
7 headings” and all that follows through  
8 “6211.20.15” and inserting “For the purposes  
9 of subheadings 6201.92.17, 6201.92.35,  
10 6201.93.47, 6201.93.60, 6202.92.05,  
11 6202.92.30, 6202.93.07, 6202.93.48,  
12 6203.41.01, 6203.41.25, 6203.43.03,  
13 6203.43.11, 6203.43.55, 6203.43.75,  
14 6204.61.05, 6204.61.60, 6204.63.02,  
15 6204.63.09, 6204.63.55, 6204.63.75 and  
16 6211.20.15”;

17 (B) by striking “(see ASTM designations  
18 D 3600-81 and D 3781-79)” and inserting  
19 “(see current version of ASTM D7017)”; and

20 (C) by striking “in accordance with  
21 AATCC Test Method 35-1985.” and inserting  
22 “in accordance with the current version of  
23 AATCC Test Method 35.”; and

24 (2) by adding at the end the following new note:

1       “3. (a) When used in a subheading of this chapter  
2 or immediate superior text thereto, the term ‘recreational  
3 performance outerwear’ means trousers (including, but  
4 not limited to, ski or snowboard pants, and ski or  
5 snowboard pants intended for sale as parts of ski-suits),  
6 coveralls, bib and brace overalls, jackets (including, but  
7 not limited to, full zip jackets, ski jackets and ski jackets  
8 intended for sale as parts of ski-suits), windbreakers and  
9 similar articles (including padded, sleeveless jackets), the  
10 foregoing of fabrics of cotton, wool, hemp, bamboo, silk  
11 or manmade fibers, or a combination of such fibers; that  
12 are either water resistant within the meaning of additional  
13 U.S. note 2 to this chapter or treated with plastics, or  
14 both; with critically sealed seams, and with 5 or more of  
15 the following features (as further provided herein):

16           “(i) insulation for cold weather protection;

17           “(ii) pockets, at least one of which has a  
18 zippered, hook and loop, or other type of closure;

19           “(iii) elastic, draw cord or other means of tight-  
20 ening around the waist or leg hems, including hid-  
21 den leg sleeves with a means of tightening at the  
22 ankle for trousers and tightening around the waist  
23 or bottom hem for jackets;

24           “(iv) venting, not including grommet(s);

25           “(v) articulated elbows or knees;

1           “(vi) reinforcement in one of the following  
2           areas: the elbows, shoulders, seat, knees, ankles or  
3           cuffs;

4           “(vii) weatherproof closure at the waist or  
5           front;

6           “(viii) multi-adjustable hood or adjustable col-  
7           lar;

8           “(ix) adjustable powder skirt, inner protective  
9           skirt or adjustable inner protective cuff at sleeve  
10          hem;

11          “(x) construction at the arm gusset that utilizes  
12          fabric, design or patterning to allow radial arm  
13          movement; or

14          “(xi) odor control technology.

15          The term ‘recreational performance outerwear’ does not  
16          include occupational outerwear.

17          “(b) For purposes of this note, the following terms  
18          have the following meanings:

19               “(i) The term ‘treated with plastics’ refers to  
20               textile fabrics impregnated, coated, covered or lami-  
21               nated with plastics, as described in note 2 to chapter  
22               59.

23               “(ii) The term ‘sealed seams’ means seams that  
24               have been covered by means of taping, gluing, bond-  
25               ing, cementing, fusing, welding or a similar process

1       so that air and water cannot pass through the seams  
2       when tested in accordance with the current version  
3       of AATCC Test Method 35.

4           “(iii) The term ‘critically sealed seams’  
5       means—

6           “(A) for jackets, windbreakers and similar  
7       articles (including padded, sleeveless jackets),  
8       sealed seams that are sealed at the front and  
9       back yokes, or at the shoulders, arm holes, or  
10      both, where applicable; and

11          “(B) for trousers, overalls and bib and  
12      brace overalls and similar articles, sealed seams  
13      that are sealed at the front (up to the zipper  
14      or other means of closure) and back rise.

15          “(iv) The term ‘insulation for cold weather pro-  
16      tection’ means insulation that meets a minimum clo  
17      value of 1.5 per ASTM F 2732.

18          “(v) The term ‘venting’ refers to closeable or  
19      permanent constructed openings in a garment (ex-  
20      cluding front, primary zipper closures and grom-  
21      met(s)) to allow increased expulsion of built-up heat  
22      during outdoor activities. In a jacket, such openings  
23      are often positioned on the underarm seam of a gar-  
24      ment but may also be placed along other seams in  
25      the front or back of a garment. In trousers, such



1 openings are often positioned on the inner or outer  
2 leg seams of a garment but may also be placed along  
3 other seams in the front or back of a garment.

4 “(vi) The term ‘articulated elbows or knees’ re-  
5 fers to the construction of a sleeve (or pant leg) to  
6 allow improved mobility at the elbow (or knee)  
7 through the use of extra seams, darts, gussets or  
8 other means.

9 “(vii) The term ‘reinforcement’ refers to the use  
10 of a double layer of fabric or section(s) of fabric that  
11 is abrasion-resistant or otherwise more durable than  
12 the face fabric of the garment.

13 “(viii) The term ‘weatherproof closure’ means a  
14 closure (including, but not limited to, laminated or  
15 coated zippers, storm flaps or other weatherproof  
16 construction) that has been reinforced or engineered  
17 in a manner to reduce the penetration or absorption  
18 of moisture or air through an opening in the gar-  
19 ment.

20 “(ix) The term ‘multi-adjustable hood or ad-  
21 justable collar’ means, in the case of a hood, a hood  
22 into which is incorporated two or more draw cords,  
23 adjustment tabs or elastics, or, in the case of a col-  
24 lar, a collar into which is incorporated at least one  
25 draw cord, adjustment tab, elastic or similar compo-

1        nent, to allow volume adjustments around a helmet,  
2        or the crown of the head, neck or face.

3            “(x) The terms ‘adjustable powder skirt’ and  
4        ‘inner protective skirt’ refer to a partial lower inner  
5        lining with means of tightening around the waist for  
6        additional protection from the elements.

7            “(xi) The term ‘arm gusset’ means construction  
8        at the arm of a gusset that utilizes an extra fabric  
9        piece in the underarm, usually diamond- or tri-  
10       angular-shaped, designed or patterned to allow ra-  
11       dial arm movement.

12           “(xii) The term ‘radial arm movement’ refers to  
13        unrestricted, 180-degree range of motion for the  
14        arm while wearing performance outerwear.

15           “(xiii) The term ‘odor control technology’  
16        means the incorporation into a fabric or garment of  
17        materials, including, but not limited to, activated  
18        carbon, silver, copper or any combination thereof,  
19        capable of adsorbing, absorbing or reacting with  
20        human odors, or effective in reducing the growth of  
21        odor-causing bacteria.

22           “(xiv) The term ‘occupational outerwear’ means  
23        outerwear garments, including uniforms, of a kind  
24        principally used in the work place and specially de-  
25        signed to provide protection from work place hazards

1       such as fire, electrical, abrasion or chemical hazards,  
2       or impacts, cuts and punctures.

3       “(c) The importer of goods entered as ‘recreational  
4 performance outerwear’ under a particular subheading of  
5 this chapter shall maintain records demonstrating that the  
6 entered goods meet the terms of this note, including such  
7 information as is necessary to demonstrate the presence  
8 of the specific features that render the goods eligible for  
9 classification as ‘recreational performance outerwear’.”.

10       (c) TARIFF CLASSIFICATIONS.—Chapter 62 of the  
11 Harmonized Tariff Schedule of the United States is  
12 amended as follows:

13           (1)(A) By striking subheadings 6201.91.10  
14 through 6201.91.20 and inserting the following, with  
15 the superior text to subheading 6201.91.03 having  
16 the same degree of indentation as the article descrip-  
17 tion for subheading 6201.91.10 (as in effect on the  
18 day before the effective date of this section):

“		Recreational performance out- erwear:			
	6201.91.03	Padded, sleeveless jackets ..	8.5%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 2.5% (OM)	58.5%
	6201.91.05	Other .....	49.7¢/kg + 19.7%	Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 14.9¢/kg +5.9% (OM)	52.9¢/kg + 58.5%
		Other:			

6201.91.25	Padded, sleeveless jackets ..	8.5%	Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 2.5% (OM)	58.5%	
6201.91.40	Other .....	49.7€/kg + 19.7%	Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 14.9€/kg +5.9% (OM)	52.9€/kg + 58.5%	”.

1 (B) The staged reductions in the special rate of  
 2 duty proclaimed for subheading 6201.91.10 of the  
 3 Harmonized Tariff Schedule of the United States  
 4 before the effective date of this section shall apply  
 5 to subheadings 6201.91.03 and 6201.91.25 of such  
 6 Schedule, as added by subparagraph (A), on and  
 7 after such effective date.

8 (C) The staged reductions in the special rate of  
 9 duty proclaimed for subheading 6201.91.20 of such  
 10 Schedule before the effective date of this section  
 11 shall apply to subheadings 6201.91.05 and  
 12 6201.91.40 of such Schedule, as added by subpara-  
 13 graph (A), on and after such effective date.

14 (2) By striking subheadings 6201.92.10  
 15 through 6201.92.20 and inserting the following, with  
 16 the superior text to subheading 6201.92.05 having  
 17 the same degree of indentation as the article descrip-  
 18 tion for subheading 6201.92.10 (as in effect on the  
 19 day before the effective date of this section):

“	6201.92.05	Recreational performance outerwear: Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down .....  Other:	4.4%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	60%
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6201.92.17	Water resistant .....	6.2%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	37.5%	
6201.92.19	Other .....	9.4%	Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%	
6201.92.30	Other: Containing 15 percent or more by weight of down and waterfowl plumage and of which down com- prises 35 percent or more by weight; containing 10 percent or more by weight of down .....	4.4%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	60%	
6201.92.35	Other: Water resistant .....	6.2%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	37.5%	
6201.92.45	Other .....	9.4%	Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%	”.

1 (3) By striking subheadings 6201.93.10  
 2 through 6201.93.35 and inserting the following, with  
 3 the superior text to subheading 6201.93.15 having  
 4 the same degree of indentation as the article descrip-  
 5 tion for subheading 6201.93.10 (as in effect on the  
 6 day before the effective date of this section):

“	6201.93.15	Recreational performance outerwear: Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down .....	4.4%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	60%
	6201.93.18	Other: Padded, sleeveless jackets	14.9%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	76%
	6201.93.45	Other: Containing 36 percent or more by weight of wool or fine animal hair .....	49.5¢/kg + 19.6%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	52.9¢/kg + 58.5%
	6201.93.47	Other: Water resistant .....	7.1%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	65%
	6201.93.49	Other .....	27.7%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%
		Other:			

6201.93.50	Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down .....	4.4%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	60%	
6201.93.52	Other: Padded, sleeveless jackets	14.9%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	76%	
6201.93.55	Other: Containing 36 percent or more by weight of wool or fine animal hair .....	49.5¢/kg + 19.6%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	52.9¢/kg + 58.5%	
6201.93.60	Other: Water resistant .....	7.1%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	65%	
6201.93.65	Other .....	27.7%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%	”.



1 (4) By striking subheadings 6201.99.10  
 2 through 6201.99.90 and inserting the following, with  
 3 the superior text to subheading 6201.99.05 having  
 4 the same degree of indentation as the article descrip-  
 5 tion for subheading 6201.99.10 (as in effect on the  
 6 day before the effective date of this section):

“		Recreational performance outerwear:					
	6201.99.05	Containing 70 percent or more by weight of silk or silk waste ....	Free			35%	
	6201.99.15	Other .....	4.2%	Free (AU,BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)		35%	
		Other:					
	6201.99.50	Containing 70 percent or more by weight of silk or silk waste ....	Free			35%	
	6201.99.80	Other .....	4.2%	Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)		35%	”.

7 (5)(A) By striking subheadings 6202.91.10  
 8 through 6202.91.20 and inserting the following, with  
 9 the superior text to subheading 6202.91.03 having  
 10 the same degree of indentation as the article descrip-  
 11 tion for subheading 6202.91.10 (as in effect on the  
 12 day before the effective date of this section):

“		Recreational performance outerwear:					
	6202.91.03	Padded, sleeveless jackets .....	14%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 4.2% (OM)		58.5%	
	6202.91.15	Other .....	36¢/kg + 16.3%	Free (AU,BH,CA, CL,CO,IL,JO,KR, MA,MX,P, PA,PE,SG) 10.8¢/kg + 4.8% (OM).		46.3¢/kg + 58.5%	
		Other:					

6202.91.60	Padded, sleeveless jackets .....	14%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 4.2% (OM)	58.5%	
6202.91.90	Other .....	36¢/kg + 16.3%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 10.8¢/kg + 4.8% (OM)	46.3¢/kg + 58.5%	"

1           (B) The staged reductions in the special rate of  
2           duty proclaimed for subheading 6202.91.10 of the  
3           Harmonized Tariff Schedule of the United States  
4           before the effective date of this section shall apply  
5           to subheadings 6202.91.03 and 6202.91.60 of such  
6           Schedule, as added by subparagraph (A), on and  
7           after such effective date.

8           (C) The staged reductions in the special rate of  
9           duty proclaimed for subheading 6202.91.20 of such  
10          Schedule before the effective date of this section  
11          shall apply to subheadings 6202.91.15 and  
12          6202.91.90 of such Schedule, as added by subpara-  
13          graph (A), on and after such effective date.

1 (6) By striking subheadings 6202.92.10  
 2 through 6202.92.20 and inserting the following, with  
 3 the superior text to subheading 6202.92.03 having  
 4 the same degree of indentation as the article descrip-  
 5 tion for subheading 6202.92.10 (as in effect on the  
 6 day before the effective date of this section):

“		Recreational performance outerwear:						
	6202.92.03	Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down .....	4.4%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	60%			
		Other:						
	6202.92.05	Water resistant .....	6.2%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	37.5%			
	6202.92.12	Other .....	8.9%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%			
		Other:						
	6202.92.25	Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down .....	4.4%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	60%			
		Other:						
	6202.92.30	Water resistant .....	6.2%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	37.5%			
	6202.92.90	Other .....	8.9%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%			”.

7 (7) By striking subheadings 6202.93.10  
 8 through 6202.93.50 and inserting the following, with

- 1 the superior text to subheading 6202.93.01 having  
 2 the same degree of indentation as the article descrip-  
 3 tion for subheading 6202.93.10 (as in effect on the  
 4 day before the effective date of this section):

“	6202.93.01	Recreational performance outerwear: Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down .....	4.4%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	60%
	6202.93.03	Other: Padded, sleeveless jackets	14.9%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	76%
	6202.93.05	Other: Containing 36 percent or more by weight of wool or fine animal hair .....	43.4¢/kg + 19.7%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	46.3¢/kg + 58.5%
	6202.93.07	Other: Water resistant .....	7.1%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	65%
	6202.93.09	Other .....	27.7%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%
	6202.93.15	Other: Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down .....	4.4%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	60%
		Other:			

6202.93.25	Padded, sleeveless jackets	14.9%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	76%	
6202.93.45	Other: Containing 36 percent or more by weight of wool or fine animal hair .....	43.4¢/kg + 19.7%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	46.3¢/kg + 58.5%	
6202.93.48	Other: Water resistant .....	7.1%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	65%	
6202.93.55	Other .....	27.7%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%	”.

1 (8) By striking subheadings 6202.99.10  
2 through 6202.99.90 and inserting the following, with  
3 the superior text to subheading 6202.99.03 having  
4 the same degree of indentation as the article descrip-  
5 tion for subheading 6202.99.10 (as in effect on the  
6 day before the effective date of this section):

“	Recreational performance outerwear:				
6202.99.03	Containing 70 percent or more by weight of silk or silk waste .....	Free		35%	
6202.99.15	Other .....	2.8%	Free (AU,BH, CA, CL, CO, E*, IL, JO, KR, MA,MX, OM, P, PA, PE,SG)	35%	
6202.99.60	Other: Containing 70 percent or more by weight of silk or silk waste .....	Free		35%	
6202.99.80	Other .....	2.8%	Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	35%	”.

1 (9)(A) By striking subheadings 6203.41  
2 through 6203.41.20 and inserting the following, with  
3 the article description for subheading 6203.41 hav-  
4 ing the same degree of indentation as the article de-  
5 scription for subheading 6203.41 (as in effect on the  
6 day before the effective date of this section):

“	6203.41	Of wool or fine animal hair: Recreational performance outerwear: Trousers, breeches and shorts:			
	6203.41.01	Trousers, breeches, containing elastomeric fiber, water resistant, without belt loops, weighing more than 9 kg per dozen .....	7.6%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 2.2% (OM)	52.9¢/kg + 58.5%
	6203.41.03	Other: Trousers of worsted wool fabric, made of wool yarn having an average fiber diame- ter of 18.5 microns or less .....	41.9¢/kg + 16.3%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 12.5¢/kg + 4.8% (OM)	52.9¢/kg + 58.5%
	6203.41.06	Other .....	41.9¢/kg + 16.3%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 12.5¢/kg + 4.8% (OM)	52.9¢/kg + 58.5%
	6203.41.08	Bib and brace overalls ....	8.5%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE, SG) 2.5% (OM)	63%
		Other: Trousers, breeches and shorts:			

6203.41.25	Trousers and breeches, containing elastomeric fiber, water resistant, without belt loops, weighing more than 9 kg per dozen .....	7.6%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 2.2% (OM)	52.9¢/kg +58.5%	
6203.41.30	Other: Trousers of worsted wool fabric, made of wool yarn having an average fiber diameter of 18.5 microns or less .....	41.9¢/kg +16.3%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 12.5¢/kg + 4.8% (OM)	52.9¢/kg +58.5%	
6203.41.60	Other .....	41.9¢/kg +16.3%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 12.5¢/kg + 4.8% (OM)	52.9¢/kg +58.5%	
6203.41.80	Bib and brace overalls ....	8.5%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 2.5% (OM)	63%	”.

1 (B) The staged reductions in the special rate of  
2 duty proclaimed for subheading 6203.41.05 of the  
3 Harmonized Tariff Schedule of the United States  
4 before the effective date of this section shall apply  
5 to subheadings 6203.41.01 and 6203.41.25 of such  
6 Schedule, as added by subparagraph (A), on and  
7 after such effective date.

8 (C) The staged reductions in the special rate of  
9 duty proclaimed for subheading 6203.41.12 of such  
10 Schedule before the effective date of this section  
11 shall apply to subheadings 6203.41.03 and

1       6203.41.30 of such Schedule, as added by subpara-  
2       graph (A), on and after such effective date.

3           (D) The staged reductions in the special rate of  
4       duty proclaimed for subheading 6203.41.18 of such  
5       Schedule before the effective date of this section  
6       shall apply to subheadings 6203.41.06 and  
7       6203.41.60 of such Schedule, as added by subpara-  
8       graph (A), on and after such effective date.

9           (E) The staged reductions in the special rate of  
10      duty proclaimed for subheading 6203.41.20 of such  
11      Schedule before the effective date of this section  
12      shall apply to subheadings 6203.41.08 and  
13      6203.41.80 of such Schedule, as added by subpara-  
14      graph (A), on and after such effective date.

15           (10)(A) By striking subheadings 6203.42.10  
16      through 6203.42.40 and inserting the following, with  
17      the superior text to subheading 6203.42.03 having  
18      the same degree of indentation as the article descrip-  
19      tion for subheading 6203.42.10 (as in effect on the  
20      day before the effective date of this section):

“	6203.42.03	Recreational performance outerwear:			
		Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down .....			
	6203.42.05	Other: Bib and brace overalls .....	Free  10.3%	Free (AU,BH, CA, CL,CO, IL, JO,KR, MA,MX,OM, P, PA,PE, SG)	60%  90%



6203.42.07	Other .....	16.6%	Free (AU,BH, CA, CL,CO, IL, JO, MA,MX,OM, P, PA,PE, SG) 9.9% (KR)	90%	
6203.42.17	Other: Containing 15 percent or more by weight of down and waterfowl plumage and of which down com- prises 35 percent or more by weight; containing 10 percent or more by weight of down .....	Free		60%	
6203.42.25	Other: Bib and brace overalls .....	10.3%	Free (AU,BH, CA, CL,CO, IL, JO,KR, MA,MX,OM, P, PA,PE, SG)	90%	
6203.42.45	Other .....	16.6%	Free (AU,BH, CA, CL,CO, IL, JO, MA, MX, OM, P, PA,PE, SG) 9.9% (KR)	90%	”.

1           (B) The staged reductions in the special rate of  
 2       duty proclaimed for subheading 6203.42.40 of the  
 3       Harmonized Tariff Schedule of the United States  
 4       before the effective date of this section shall apply  
 5       to subheadings 6203.42.07 and 6203.42.45 of such  
 6       Schedule, as added by subparagraph (A), on and  
 7       after such effective date.

1 (11)(A) By striking subheadings 6203.43.10  
 2 through 6203.43.40 and inserting the following, with  
 3 the superior text to subheading 6203.43.01 having  
 4 the same degree of indentation as the article descrip-  
 5 tion for subheading 6203.43.10 (as in effect on the  
 6 day before the effective date of this section):

“		Recreational performance outerwear:			
	6203.43.01	Containing 15 percent or more by weight of down and waterfowl plumage and of which down com- prises 35 percent or more by weight; con- taining 10 percent or more by weight of down Other:	Free		60%
	6203.43.03	Bib and brace overalls: Water resistant .....	7.1%	Free (AU,BH, CA, CL, CO, IL, JO, KR, MA,MX,OM, P, PA,PE,SG)	65%
	6203.43.05	Other .....	14.9%	Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX,OM, P, PA, PE,SG)	76%
	6203.43.09	Other: Containing 36 per- cent or more by weight of wool or fine animal hair .....	49.6¢/kg + 19.7%	Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX,OM, P, PA,PE,SG)	52.9¢/kg + 58.5%
	6203.43.11	Other: Water resistant trousers or breeches .....	7.1%	Free (AU,BH, CA, CL, CO, IL, JO, MA, MX,OM, P, PA,PE,SG) 1.4% (KR)	65%
	6203.43.13	Other .....	27.9%	Free (AU,BH, CA, CL, CO, IL, JO, MA, MX,OM, P, PA, PE,SG) 5.5% (KR)	90%
	6203.43.45	Other: Containing 15 percent or more by weight of down and waterfowl plumage and of which down com- prises 35 percent or more by weight; con- taining 10 percent or more by weight of down Other: Bib and brace overalls:	Free		60%

6203.43.55	Water resistant .....	7.1%	Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX,OM, P, PA, PE,SG)	65%	
6203.43.60	Other .....	14.9%	Free (AU,BH, CA, CL, CO,IL,JO, KR, MA, MX,OM, P, PA, PE,SG)	76%	
6203.43.65	Other: Certified hand- loomed and folklore products .....	12.2%	Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX,OM, P, PA, PE,SG)	76%	
6203.43.70	Other: Containing 36 percent or more by weight of wool or fine animal hair .....	49.6¢/kg + 19.7%	Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX,OM, P, PA, PE,SG)	52.9¢/kg + 58.5%	
6203.43.75	Other: Water resistant trousers or breeches .....	7.1%	Free (AU,BH, CA, CL, CO, IL, JO, MA, MX,OM, P, PA,PE,SG) 1.4% (KR)	65%	
6203.43.90	Other .....	27.9%	Free (AU,BH, CA, CL, CO, IL, JO, MA, MX,OM, P, PA, PE,SG) 5.5% (KR)	90%	”.

1 (B) The staged reductions in the special rate of  
 2 duty proclaimed for subheading 6203.43.35 of the  
 3 Harmonized Tariff Schedule of the United States  
 4 before the effective date of this section shall apply  
 5 to subheadings 6203.43.11 and 6203.43.75 of such  
 6 Schedule, as added by subparagraph (A), on and  
 7 after such effective date.

8 (C) The staged reductions in the special rate of  
 9 duty proclaimed for subheading 6203.43.40 of such  
 10 Schedule before the effective date of this section  
 11 shall apply to subheadings 6203.43.13 and  
 12 6203.43.90 of such Schedule, as added by subpara-  
 13 graph (A), on and after such effective date.

14 (12)(A) By striking subheadings 6203.49.10  
 15 through 6203.49.80 and the immediate superior text  
 16 to subheading 6203.49.10, and inserting the fol-  
 17 lowing, with the superior text to subheading  
 18 6203.49.01 having the same degree of indentation as  
 19 the article description for subheading 6203.49.10 (as  
 20 in effect on the day before the effective date of this  
 21 section):

“		Recreational performance outerwear:			
		Of artificial fibers:			
	6203.49.01	Bib and brace overalls .....	8.5%	Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX,OM, P, PA,PE, SG)	76%
	6203.49.05	Trousers, breeches and shorts .....	27.9%	Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX,OM, P,PA,PE, SG)	90%

6203.49.07	Of other textile materials: .....				
	Containing 70 percent or more by weight of silk or silk waste .....	Free		35%	
6203.49.09	Other .....	2.8%	Free (AU,BH, CA, CL, CO, E*, IL, JO,MA, MX,OM, P, PA,PE, SG) 0.5% (KR)	35%	
	Other:				
	Of artificial fibers:				
6203.49.25	Bib and brace overalls .....	8.5%	Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX,OM, P, PA,PE, SG)	76%	
	Trousers, breeches and shorts:				
6203.49.35	Certified hand-loomed and folklore products .....	12.2%	Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX,OM, P,PA,PE, SG)	76%	
6203.49.50	Other .....	27.9%	Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX,OM, P,PA,PE, SG)	90%	
	Of other textile materials: .....				
6203.49.60	Containing 70 percent or more by weight of silk or silk waste .....	Free		35%	
6203.49.90	Other .....	2.8%	Free (AU,BH, CA, CL, CO, E*, IL, JO,MA, MX,OM, P,PA,PE, SG) 0.5% (KR)	35%	”.

1 (B) The staged reductions in the special rate of  
2 duty proclaimed for subheading 6203.49.80 of the  
3 Harmonized Tariff Schedule of the United States  
4 before the effective date of this section shall apply  
5 to subheadings 6203.49.09 and 6203.49.90 of such  
6 Schedule, as added by subparagraph (A), on and  
7 after such effective date.

8 (13)(A) By striking subheadings 6204.61.10  
9 through 6204.61.90 and inserting the following, with  
10 the superior text to subheading 6204.61.05 having  
11 the same degree of indentation as the article descrip-  
12 tion for subheading 6204.61.10 (as in effect on the  
13 day before the effective date of this section):

“		Recreational performance outerwear:				
	6204.61.05	Trousers and breeches, containing elastomeric fiber, water resistant, without belt loops, weighing more than 6 kg per dozen .....	7.6%	Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX, P, PA, PE, SG) 2.2% (OM)	58.5%	
	6204.61.15	Other .....	13.6%	Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX, P, PA, PE, SG) 4% (OM)	58.5%	
	6204.61.60	Other: Trousers and breeches, containing elastomeric fiber, water resistant, without belt loops, weighing more than 6 kg per dozen .....	7.6%	Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX, P, PA, PE, SG) 2.2% (OM)	58.5%	
	6204.61.80	Other .....	13.6%	Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX, P, PA, PE, SG) 4% (OM)	58.5%	”.

1 (B) The staged reductions in the special rate of  
2 duty proclaimed for subheading 6204.61.10 of the  
3 Harmonized Tariff Schedule of the United States  
4 before the effective date of this section shall apply  
5 to subheadings 6204.61.05 and 6204.61.60 of such  
6 Schedule, as added by subparagraph (A), on and  
7 after such effective date.

8 (C) The staged reductions in the special rate of  
9 duty proclaimed for subheading 6204.61.90 of such  
10 Schedule before the effective date of this section  
11 shall apply to subheadings 6204.61.15 and  
12 6204.61.80 of such Schedule, as added by subpara-  
13 graph (A), on and after such effective date.

1 (14)(A) By striking subheadings 6204.62.10  
 2 through 6204.62.40 and inserting the following, with  
 3 the superior text to subheading 6204.62.03 having  
 4 the same degree of indentation as the article descrip-  
 5 tion for subheading 6204.62.10 (as in effect on the  
 6 day before the effective date of this section):

“		Recreational performance outerwear:					
	6204.62.03	Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down .....	Free			60%	
		Other:					
	6204.62.05	Bib and brace overalls .....	8.9%	Free (AU,BH, CA, CL,CO, IL, JO,KR, MA,MX, OM, P, PA, PE, SG)		90%	
		Other .....	16.6%	Free (AU,BH, CA, CL,CO, IL, JO, MA, MX,OM, P, PA,PE, SG)		90%	
		Other:					
	6204.62.50	Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down .....	Free			60%	
		Other:					
	6204.62.60	Bib and brace overalls .....	8.9%	Free (AU,BH, CA, CL,CO, IL, JO,KR, MA,MX, OM, P, PA, PE, SG)		90%	
		Other:					
	6204.62.70	Certified hand-loomed and folklore products .....	7.1%	Free (AU,BH, CA, CL,CO, E, IL, JO,KR, MA,MX, OM, P, PA, PE, SG)		37.5%	
		Other .....	16.6%	Free (AU,BH, CA, CL,CO, IL, JO, MA, MX,OM, P, PA,PE, SG)			
	6204.62.80			9.9% (KR)		90%	”.

1 (B) The staged reductions in the special rate of  
 2 duty proclaimed for subheading 6204.62.40 of the  
 3 Harmonized Tariff Schedule of the United States  
 4 before the effective date of this section shall apply  
 5 to subheadings 6204.62.15 and 6204.62.80 of such  
 6 Schedule, as added by subparagraph (A), on and  
 7 after such effective date.

8 (15)(A) By striking subheadings 6204.63.10  
 9 through 6204.63.35 and inserting the following, with  
 10 the superior text to subheading 6204.63.01 having  
 11 the same degree of indentation as the article descrip-  
 12 tion for subheading 6204.63.10 (as in effect on the  
 13 day before the effective date of this section):

“		Recreational performance outerwear: 6204.63.01 Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down ..... Other: Bib and brace overalls: 6204.63.02 Water resistant ..... 6204.63.03 Other ..... Other: 6204.63.08 Containing 36 percent or more by weight of wool or fine animal hair ..... Other:	Free 7.1% 14.9% 13.6%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, OM,P, PA,PE, SG) Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, OM,P, PA,PE, SG) Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX,OM,P, PA,PE, SG)	60% 65% 76% 58.5%
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6204.63.09	Water resistant trousers or breeches .....	7.1%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX,OM,P, PA,PE, SG)	65%	
6204.63.11	Other .....	28.6%	Free (AU,BH,CA, CL,CO, IL,JO, MA,MX,OM,P, PA,PE, SG) 5.7% (KR)	90%	
6204.63.50	Other: Containing 15 percent or more by weight of down and waterfowl plumage and of which down com- prises 35 percent or more by weight; containing 10 percent or more by weight of down .....	Free		60%	
6204.63.55	Other: Bib and brace overalls: Water resistant .....	7.1%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, OM,P, PA,PE, SG)	65%	
6204.63.60	Other .....	14.9%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, OM,P, PA,PE, SG)	76%	
6204.63.65	Certified hand-loomed and folklore products .....	11.3%	Free (AU, BH, CA, CL, CO, E, IL, JO,KR, MA,MX,OM,P, PA,PE, SG)	76%	
6204.63.70	Other: Containing 36 percent or more by weight of wool or fine animal hair .....	13.6%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, OM,P, PA,PE, SG)	58.5%	
6204.63.75	Other: Water resistant trousers or breeches .....	7.1%	Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, OM,P, PA,PE, SG)	65%	
6204.63.90	Other .....	28.6%	Free (AU, BH, CA, CL, CO,IL, JO, MA, MX,OM, P, PA, PE,SG) 5.7% (KR)	90%	”.

1 (B) The staged reductions in the special rate of  
2 duty proclaimed for subheading 6204.63.35 of the  
3 Harmonized Tariff Schedule of the United States

1 before the effective date of this section shall apply  
 2 to subheadings 6204.63.11 and 6204.63.90 of such  
 3 Schedule, as added by subparagraph (A), on and  
 4 after such effective date.

5 (16) By striking subheadings 6204.69.10  
 6 through 6204.69.90 and the immediate superior text  
 7 to subheading 6204.69.10, and inserting the fol-  
 8 lowing, with the first superior text having the same  
 9 degree of indentation as the article description of  
 10 subheading 6204.69.10 (as in effect on the day be-  
 11 fore the date of enactment of this Act):

“	6204.69.01	Recreational performance outerwear: Of artificial fibers: Bib and brace overalls .....	13.6%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	76%
	6204.69.02	Trousers, breeches and shorts: Containing 36 percent or more by weight of wool or fine animal hair .....	13.6%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	58.5%
	6204.69.03	Other .....	28.6%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%
	6204.69.04	Of silk or silk waste: Containing 70 percent or more by weight of silk or silk waste	1.1%	Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	65%
	6204.69.05	Other .....	7.1%	Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	65%

6204.69.06	Other .....	2.8%	Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	35%	
6204.69.15	Other: Of artificial fibers: Bib and brace overalls .....	13.6%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	76%	
6204.69.22	Trousers, breeches and shorts: Containing 36 percent or more by weight of wool or fine animal hair .....	13.6%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	58.5%	
6204.69.28	Other .....	28.6%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%	
6204.69.45	Of silk or silk waste: Containing 70 percent or more by weight of silk or silk waste	1.1%	Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	65%	
6204.69.65	Other .....	7.1%	Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	65%	
6204.69.80	Other .....	2.8%	Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	35%	”.

1 (17) By striking subheadings 6210.40.30  
2 through 6210.40.90 and the immediate superior text  
3 to subheading 6210.40.30, and inserting the fol-  
4 lowing, with the first superior text having the same  
5 degree of indentation as the immediate superior text  
6 to subheading 6210.40.30 (as in effect on the day  
7 before the effective date of this section):

“		Recreational performance outerwear:			
	6210.40.15	Of man-made fibers: Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric	3.8%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	65%
	6210.40.25	Other .....	7.1%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	65%
	6210.40.28	Other: Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric	3.3%	Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	37.5%
	6210.40.29	Other .....	6.2%	Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	37.5%
	6210.40.35	Other: Of man-made fibers: Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric	3.8%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	65%

6210.40.55	Other .....	7.1%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	65%	
6210.40.75	Other: Having an outer surface im- pregnated, coated, covered or laminated with rubber or plas- tics material which completely obscures the underlying fabric	3.3%	Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	37.5%	
6210.40.80	Other .....	6.2%	Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	37.5%	".

1 (18) By striking subheadings 6210.50.30  
2 through 6210.50.90 and the immediate superior text  
3 to subheading 6210.50.30, and inserting the fol-  
4 lowing, with the first superior text having the same  
5 degree of indentation as the immediate superior text  
6 to subheading 6210.50.30 (as in effect on the day  
7 before the effective date of this section):

“		Recreational performance outerwear:			
	6210.50.03	Of man-made fibers: Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric	3.8%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM,P, PA, PE, SG)	65%
	6210.50.05	Other .....	7.1%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM,P, PA, PE, SG)	65%
	6210.50.12	Other: Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric	3.3%	Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA,PE, SG)	37.5%
	6210.50.22	Other .....	6.2%	Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P,PA, PE, SG)	37.5%
	6210.50.35	Other: Of man-made fibers: Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric	3.8%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM,P, PA, PE, SG)	65%
	6210.50.55	Other .....	7.1%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM,P, PA, PE, SG)	65%

6210.50.75	Other: Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric	3.3%	Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	37.5%	
6210.50.80	Other .....	6.2%	Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)		
				37.5%	”.

- 1                   (19) By striking subheading 6211.32.00 and in-
- 2                   serting the following, with the article description for
- 3                   subheading 6211.32 having the same degree of in-
- 4                   dentation as the article description for subheading
- 5                   6211.32.00 (as in effect on the day before the effective
- 6                   date of this section):

“	6211.32 6211.32.50	Of cotton: Recreational performance outerwear .....	8.1%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%	
	6211.32.90	Other .....	8.1%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%	”.

1           (20)(A) By striking subheading 6211.33.00 and  
 2           inserting the following, with the article description  
 3           for subheading 6211.33 having the same degree of  
 4           indentation as the article description for subheading  
 5           6211.33.00 (as in effect on the day before the effec-  
 6           tive date of this section):

“	6211.33	Of man-made fibers:					
	6211.33.50	Recreational performance outer- wear .....	16%		Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 4.8% (OM)	76%	
	6211.33.90	Other .....	16%		Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 4.8% (OM)	76%	”.

7           (B) The staged reductions in the special rate of  
 8           duty proclaimed for subheading 6211.33.00 of the  
 9           Harmonized Tariff Schedule of the United States  
 10          before the effective date of this section shall apply  
 11          to subheadings 6211.33.50 and 6211.33.90 of such  
 12          Schedule, as added by subparagraph (A), on and  
 13          after such effective date.

14          (21)(A) By striking subheadings 6211.39.05  
 15          through 6211.39.90 and inserting the following, with  
 16          the first superior text having the same degree of in-  
 17          dentation as the article description for subheading  
 18          6211.39.05 (as in effect on the day before the effec-  
 19          tive date of this section):



“		Recreational performance outerwear:					
	6211.39.03	Of wool or fine animal hair .....	12%		Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 3.6% (OM)	58.5%	
	6211.39.07	Containing 70 percent or more by weight of silk or silk waste ....	0.5%		Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	35%	
	6211.39.15	Other .....	2.8%		Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PE, SG)	35%	
	6211.39.30	Other: Of wool or fine animal hair .....	12%		Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 3.6% (OM)	58.5%	
	6211.39.60	Containing 70 percent or more by weight of silk or silk waste ....	0.5%		Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	35%	
	6211.39.80	Other .....	2.8%		Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PE, SG)	35%	”.

1 (B) The staged reductions in the special rate of  
2 duty proclaimed for subheading 6211.39.05 of the  
3 Harmonized Tariff Schedule of the United States  
4 before the effective date of this section shall apply  
5 to subheadings 6211.39.03 and 6211.39.30 of such  
6 Schedule, as added by subparagraph (A), on and  
7 after such effective date.

8 (22) By striking subheading 6211.42.00 and in-  
9 serting the following, with the article description for  
10 subheading 6211.42 having the same degree of in-  
11 dentation as the article description for subheading

1        6211.42.00 (as in effect on the day before the effective date of this section):

2

“	6211.42	Of cotton:				
	6211.42.05	Recreational performance outerwear .....	8.1%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%	
	6211.42.10	Other .....	8.1%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	90%	”.

3                    (23)(A) By striking subheading 6211.43.00 and

4        inserting the following, with the article description

5        for subheading 6211.43 having the same degree of

6        indentation as the article description for subheading

7        6211.43.00 (as in effect on the day before the effective date of this section):

8

“	6211.43	Of man-made fibers:				
	6211.43.05	Recreational performance outerwear .....	16%	Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG)	90%	
	6211.43.10	Other .....	16%	4.8% (OM) Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG)	90%	”.

9                    (B) The staged reductions in the special rate of

10        duty proclaimed for subheading 6211.43.00 of the

11        Harmonized Tariff Schedule of the United States

12        before the effective date of this section shall apply

13        to subheadings 6211.43.05 and 6211.43.10 of such

1 Schedule, as added by subparagraph (A), on and  
2 after such effective date.

3 (24)(A) By striking subheadings 6211.49.10  
4 through 6211.49.90 and inserting the following, with  
5 the first superior text having the same degree of in-  
6 dentation as the article description for subheading  
7 6211.49.90 (as in effect on the day before the effec-  
8 tive date of this section):

“		Recreational performance outerwear: 6211.49.03 Containing 70 percent or more by weight of silk or silk waste .... 1.2%		Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA,PE, SG)	35%	
		6211.49.15 Of wool or fine animal hair ..... 12%		Free (AU, BH, CA, CL, CO, IL, JO, KR, MA ,MX, P, PA, PE, SG)	58.5%	
		6211.49.25 Other ..... 7.3%		3.6% (OM) Free (AU, BH, CA, CL, CO, E, IL, JO, MA, MX, OM, P, PA, PE, SG) 1.4% (KR)	35%	
		6211.49.50 Other: Containing 70 percent or more by weight of silk or silk waste .... 1.2%		Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG)	35%	
		6211.49.60 Of wool or fine animal hair ..... 12%		Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE,SG)	58.5%	
		6211.49.80 Other ..... 7.3%		3.6% (OM) Free (AU, BH, CA, CL, CO, E, IL, JO, MA, MX,OM, P, PA, PE, SG) 1.4% (KR)	35%	
						”.

9 (B) The staged reductions in the special rate of  
10 duty proclaimed for subheading 6211.49.41 of the

1 Harmonized Tariff Schedule of the United States  
2 before the effective date of this section shall apply  
3 to subheadings 6211.49.15 and 6211.49.60 of such  
4 Schedule, as added by subparagraph (A), on and  
5 after such effective date.

6 (C) The staged reductions in the special rate of  
7 duty proclaimed for subheading 6211.49.90 of such  
8 Schedule before the effective date of this section  
9 shall apply to subheadings 6211.49.25 and  
10 6211.49.80 of such Schedule, as added by subpara-  
11 graph (A), on and after such effective date.

12 (d) EFFECTIVE DATE.—

13 (1) IN GENERAL.—Except as provided in para-  
14 graph (2), this section and the amendments made by  
15 this section—

16 (A) shall take effect on the 180th day after  
17 the date of the enactment of this Act; and

18 (B) shall apply to articles entered, or with-  
19 drawn from warehouse for consumption, on or  
20 after such 180th day.

21 (2) SUBSECTION (a).—Subsection (a) shall take  
22 effect on the date of the enactment of this Act.

1   **SEC. 913. MODIFICATIONS TO DUTY TREATMENT OF PRO-**  
2                   **TECTIVE ACTIVE FOOTWEAR.**

3           (a) IN GENERAL.—Chapter 64 of the Harmonized  
4   Tariff Schedule of the United States is amended—

5               (1) by redesignating the Additional U.S. Note  
6           added by section 602(a) of the Trade Preferences  
7           Extension Act of 2015 (Public Law 114–27; 129  
8           Stat. 413) as Additional U.S. Note 6;

9               (2) in subheading 6402.91.42, by striking the  
10          matter in the column 1 special rate of duty column  
11          and inserting the following: “Free  
12          (AU, BH, CA, CL, D, IL, JO, MA, MX, P, R, SG)  
13          1%(PA) 6%(OM) 6%(PE) 12%(CO) 20%(KR)”;  
14          and

15              (3) in subheading 6402.99.32, by striking the  
16          matter in the column 1 special rate of duty column  
17          and inserting the following: “Free  
18          (AU, BH, CA, CL, D, IL, JO, MA, MX, P, R, SG)  
19          1%(PA) 6%(OM) 6%(PE) 12%(CO) 20%(KR)”.

20          (b) STAGED RATE REDUCTIONS.—Section 602(c) of  
21   the Trade Preferences Extension Act of 2015 (Public Law  
22   114–27; 129 Stat. 414) is amended to read as follows:  
23          “(c) STAGED RATE REDUCTIONS.—Beginning in cal-  
24   endar year 2016, the staged reductions in special rates  
25   of duty proclaimed before the date of the enactment of  
26   this Act—

1           “(1) for subheading 6402.91.90 of the Har-  
2           monized Tariff Schedule of the United States shall  
3           be applied to subheading 6402.91.42 of such Sched-  
4           ule, as added by subsection (b)(1); and

5           “(2) for subheading 6402.99.90 of such Sched-  
6           ule shall be applied to subheading 6402.99.32 of  
7           such Schedule, as added by subsection (b)(2).”.

8           (c) EFFECTIVE DATE.—

9           (1) IN GENERAL.—The amendments made by  
10          this section shall take effect as if included in the en-  
11          actment of the Trade Preferences Extension Act of  
12          2015 (Public Law 114–27; 129 Stat. 362).

13          (2) RETROACTIVE APPLICATION FOR CERTAIN  
14          LIQUIDATIONS AND RELIQUIDATIONS.—

15                (A) IN GENERAL.—Notwithstanding sec-  
16          tion 514 of the Tariff Act of 1930 (19 U.S.C.  
17          1514) or any other provision of law and subject  
18          to subparagraph (B), any entry of an article  
19          classified under subheading 6402.91.42 or  
20          6402.99.32 of the Harmonized Tariff Schedule  
21          of the United States, that—

22                       (i) was made—

23                               (I) after the effective date speci-  
24                               fied in section 602(d) of the Trade  
25                               Preferences Extension Act of 2015

1 (Public Law 114–27; 129 Stat. 414),  
2 and

3 (II) before the date of the enact-  
4 ment of this Act, and

5 (ii) to which a lower rate of duty  
6 would be applicable if the entry were made  
7 after such date of enactment,

8 shall be liquidated or reliquidated as though  
9 such entry occurred on such date of enactment.

10 (B) REQUESTS.—A liquidation or reliqui-  
11 dation may be made under subparagraph (A)  
12 with respect to an entry only if a request there-  
13 for is filed with U.S. Customs and Border Pro-  
14 tection not later than 180 days after the date  
15 of the enactment of this Act that contains suffi-  
16 cient information to enable U.S. Customs and  
17 Border Protection—

18 (i) to locate the entry; or

19 (ii) to reconstruct the entry if it can-  
20 not be located.

21 (C) PAYMENT OF AMOUNTS OWED.—Any  
22 amounts owed by the United States pursuant to  
23 the liquidation or reliquidation of an entry of  
24 an article under subparagraph (A) shall be  
25 paid, without interest, not later than 90 days

1 after the date of the liquidation or reliquidation  
2 (as the case may be).

3 **SEC. 914. AMENDMENTS TO BIPARTISAN CONGRESSIONAL**  
4 **TRADE PRIORITIES AND ACCOUNTABILITY**  
5 **ACT OF 2015.**

6 (a) IMMIGRATION LAWS OF THE UNITED STATES.—  
7 Section 102(a) of the Bipartisan Congressional Trade Pri-  
8 orities and Accountability Act of 2015 (Public Law 114–  
9 26; 19 U.S.C. 4201(a)) is amended—

10 (1) in paragraph (12), by striking “and” at the  
11 end;

12 (2) in paragraph (13), by striking the period at  
13 the end and inserting “; and”; and

14 (3) by adding at the end the following:

15 “(14) to ensure that trade agreements do not  
16 require changes to the immigration laws of the  
17 United States or obligate the United States to grant  
18 access or expand access to visas issued under section  
19 101(a)(15) of the Immigration and Nationality Act  
20 (8 U.S.C. 1101(a)(15)).”.

21 (b) GREENHOUSE GAS EMISSIONS MEASURES.—Sec-  
22 tion 102(a) of the Bipartisan Congressional Trade Prior-  
23 ities and Accountability Act of 2015 (Public Law 114–  
24 26; 19 U.S.C. 4201(a)), as amended by subsection (a) of  
25 this section, is further amended—



1           (1) in paragraph (13), by striking “and” at the  
2       end;

3           (2) in paragraph (14), by striking the period at  
4       the end and inserting “; and”; and

5           (3) by adding at the end the following:

6           “(15) to ensure that trade agreements do not  
7       establish obligations for the United States regarding  
8       greenhouse gas emissions measures, including obli-  
9       gations that require changes to United States laws  
10      or regulations or that would affect the implementa-  
11      tion of such laws or regulations, other than those  
12      fulfilling the other negotiating objectives in this sec-  
13      tion.”.

14       (c) FISHERIES NEGOTIATIONS.—Section 102(b) of  
15   the Bipartisan Congressional Trade Priorities and Ac-  
16   countability Act of 2015 (Public Law 114–26; 19 U.S.C.  
17   4201(b)) is amended by adding at the end the following:

18           “(22) FISHERIES NEGOTIATIONS.—The prin-  
19      cipal negotiating objectives of the United States with  
20      respect to trade in fish, seafood, and shellfish prod-  
21      ucts are—

22           “(A) to obtain competitive opportunities  
23      for United States exports of fish, seafood, and  
24      shellfish products in foreign markets substan-  
25      tially equivalent to the competitive opportunities

1           afforded foreign exports of fish, seafood, and  
2           shellfish products in United States markets and  
3           to achieve fairer and more open conditions of  
4           trade in fish, seafood, and shellfish products,  
5           including by reducing or eliminating tariff and  
6           nontariff barriers;

7           “(B) to eliminate fisheries subsidies that  
8           distort trade, including subsidies of the type re-  
9           ferred to in paragraph 9 of Annex D to the  
10          Ministerial Declaration adopted by the World  
11          Trade Organization at the Sixth Ministerial  
12          Conference at Hong Kong, China on December  
13          18, 2005;

14          “(C) to pursue transparency in fisheries  
15          subsidies programs; and

16          “(D) to address illegal, unreported, and  
17          unregulated fishing.”.

18          (d) ACCREDITATION.—Section 104 of the Bipartisan  
19          Congressional Trade Priorities and Accountability Act of  
20          2015 (Public Law 114–26; 19 U.S.C. 4203) is amended—

21                 (1) in subsection (b)(3), by striking “an offi-  
22                 cial” and inserting “a delegate and official”; and

23                 (2) in subsection (c)(2)(C)—

1 (A) by striking “an official” each place it  
2 appears and inserting “a delegate and official”;  
3 and

4 (B) by inserting after the first sentence  
5 the following: “In addition, the chairmen and  
6 ranking members described in subparagraphs  
7 (A)(i) and (B)(i) shall each be permitted to des-  
8 ignate up to 3 personnel with proper security  
9 clearances to serve as delegates and official ad-  
10 visers to the United States delegation in nego-  
11 tiations for any trade agreement to which this  
12 title applies.”.

13 (e) **TRAFFICKING IN PERSONS.**—

14 (1) **IN GENERAL.**—Section 106(b)(6) of the Bi-  
15 partisan Congressional Trade Priorities and Ac-  
16 countability Act of 2015 (Public Law 114–26; 19  
17 U.S.C. 4205(b)(6)) is amended by striking subpara-  
18 graph (B) and inserting the following:

19 “(B) **EXCEPTION.**—

20 “(i) **INVOKING EXCEPTION.**—If the  
21 President submits to the appropriate con-  
22 gressional committees a letter stating that  
23 a country to which subparagraph (A) ap-  
24 plies has taken concrete actions to imple-  
25 ment the principal recommendations with

1           respect to that country in the most recent  
2           annual report on trafficking in persons, the  
3           prohibition under subparagraph (A) shall  
4           not apply with respect to a trade agree-  
5           ment or trade agreements with that coun-  
6           try.

7           “(ii) CONTENT OF LETTER; PUBLIC  
8           AVAILABILITY.—A letter submitted under  
9           clause (i) with respect to a country shall—

10           “(I) include a description of the  
11           concrete actions that the country has  
12           taken to implement the principal rec-  
13           ommendations described in clause (i);

14           “(II) be accompanied by sup-  
15           porting documentation providing cred-  
16           ible evidence of each such concrete ac-  
17           tion, including copies of relevant laws  
18           or regulations adopted or modified,  
19           and any enforcement actions taken, by  
20           that country, where appropriate; and

21           “(III) be made available to the  
22           public.

23           “(C) SPECIAL RULE FOR CHANGES IN CER-  
24           TAIN DETERMINATIONS.—If a country is listed  
25           as a tier 3 country in an annual report on traf-

1           ficking in persons submitted in calendar year  
2           2014 or any calendar year thereafter and, in  
3           the annual report on trafficking in persons sub-  
4           mitted in the next calendar year, is listed on  
5           the tier 2 watch list, the President shall submit  
6           a detailed description of the credible evidence  
7           supporting the change in listing of the country,  
8           accompanied by copies of documents providing  
9           such evidence, where appropriate, to the appro-  
10          priate congressional committees—

11                 “(i) in the case of a change in listing  
12                 reflected in the annual report on traf-  
13                 ficking in persons submitted in calendar  
14                 year 2015, not later than 90 days after the  
15                 date of the enactment of the Trade Facili-  
16                 tation and Trade Enforcement Act of  
17                 2015; and

18                 “(ii) in the case of a change in listing  
19                 reflected in an annual report on trafficking  
20                 in persons submitted in calendar year 2016  
21                 or any calendar year thereafter, not later  
22                 than 90 days after the submission of that  
23                 report.

24                 “(D) SENSE OF CONGRESS.—It is the  
25                 sense of Congress that the integrity of the proc-

1           ess for making the determinations in the annual  
2           report on trafficking in persons, including de-  
3           terminations with respect to country rankings  
4           and the substance of the assessments in the re-  
5           port, should be respected and not affected by  
6           unrelated considerations.

7           “(E) DEFINITIONS.—In this paragraph:

8           “(i) ANNUAL REPORT ON TRAF-  
9           FICKING IN PERSONS.—The term ‘annual  
10          report on trafficking in persons’ means the  
11          annual report on trafficking in persons re-  
12          quired under section 110(b)(1) of the Traf-  
13          ficking Victims Protection Act of 2000 (22  
14          U.S.C. 7107(b)(1)).

15          “(ii) APPROPRIATE CONGRESSIONAL  
16          COMMITTEES.—The term ‘appropriate con-  
17          gressional committees’ means—

18                 “(I) the Committee on Ways and  
19                 Means and the Committee on Foreign  
20                 Affairs of the House of Representa-  
21                 tives; and

22                 “(II) the Committee on Finance  
23                 and the Committee on Foreign Rela-  
24                 tions of the Senate.

1 “(iii) TIER 2 WATCH LIST.—The term  
2 ‘tier 2 watch list’ means the list of coun-  
3 tries required under section  
4 110(b)(2)(A)(iii) of the Trafficking Victims  
5 Protection Act of 2000 (22 U.S.C.  
6 7107(b)(2)(A)(iii)).

7 “(iv) TIER 3 COUNTRY.—The term  
8 ‘tier 3 country’ means a country on the list  
9 of countries required under section  
10 110(b)(1)(C) of the Trafficking Victims  
11 Protection Act of 2000 (22 U.S.C.  
12 7107(b)(1)(C)).”.

13 (2) CONFORMING AMENDMENT.—Section  
14 106(b)(6)(A) of the Bipartisan Congressional Trade  
15 Priorities and Accountability Act of 2015 (Public  
16 Law 114–26; 19 U.S.C. 4205(b)(6)(A)) is amended  
17 by striking “to which the minimum” and all that fol-  
18 lows through “7107(b)(1))” and inserting “listed as  
19 a tier 3 country in the most recent annual report on  
20 trafficking in persons”.

21 (f) TECHNICAL AMENDMENTS.—The Bipartisan  
22 Congressional Trade Priorities and Accountability Act of  
23 2015 is amended—

24 (1) in section 105(b)(3) (Public Law 114–26;  
25 129 Stat. 346; 19 U.S.C. 4204(b)(3))—

1 (A) in subparagraph (A)(ii), by striking  
2 “section 102(b)(16)” and inserting “section  
3 102(b)(17)”; and

4 (B) in subparagraph (B)(ii), by striking  
5 “section 102(b)(16)” and inserting “section  
6 102(b)(17)”; and

7 (2) in section 106(b)(5) (Public Law 114–26;  
8 129 Stat. 354; 19 U.S.C. 4205(b)(5)), by striking  
9 “section 102(b)(15)(C)” and inserting “section  
10 102(b)(16)(C)”.

11 (g) **EFFECTIVE DATE.**—The amendments made by  
12 this section shall take effect as if included in the enact-  
13 ment of the Bipartisan Congressional Trade Priorities and  
14 Accountability Act of 2015 (Public Law 114–26; 129 Stat.  
15 320; 19 U.S.C. 4201 et seq.).

16 **SEC. 915. TRADE PREFERENCES FOR NEPAL.**

17 (a) **FINDINGS.**—Congress makes the following find-  
18 ings:

19 (1) Nepal is among the least developed coun-  
20 tries in the world, with a per capita gross national  
21 income of \$730 in 2014.

22 (2) Nepal suffered a devastating earthquake in  
23 April 2015, with subsequent aftershocks. More than  
24 9,000 people died and approximately 23,000 people  
25 were injured.



1 (b) ELIGIBILITY REQUIREMENTS.—

2 (1) IN GENERAL.—The President may author-  
3 ize the provision of preferential treatment under this  
4 section to articles that are imported directly from  
5 Nepal into the customs territory of the United  
6 States pursuant to subsection (c) if the President  
7 determines—

8 (A) that Nepal meets the requirements set  
9 forth in paragraphs (1), (2), and (3) of section  
10 104(a) of the African Growth and Opportunity  
11 Act (19 U.S.C. 3703(a)); and

12 (B) after taking into account the factors  
13 set forth in paragraphs (1) through (7) of sub-  
14 section (c) of section 502 of the Trade Act of  
15 1974 (19 U.S.C. 2462), that Nepal meets the  
16 eligibility requirements of such section 502.

17 (2) WITHDRAWAL, SUSPENSION, OR LIMITATION  
18 OF PREFERENTIAL TREATMENT; MANDATORY GRAD-  
19 UATION.—The provisions of subsections (d) and (e)  
20 of section 502 of the Trade Act of 1974 (19 U.S.C.  
21 2462) shall apply with respect to Nepal to the same  
22 extent and in the same manner as such provisions  
23 apply with respect to beneficiary developing coun-  
24 tries under title V of that Act (19 U.S.C. 2461 et  
25 seq.).

1 (c) ELIGIBLE ARTICLES.—

2 (1) IN GENERAL.—An article described in para-  
3 graph (2) may enter the customs territory of the  
4 United States free of duty.

5 (2) ARTICLES DESCRIBED.—

6 (A) IN GENERAL.—An article is described  
7 in this paragraph if—

8 (i)(I) the article is the growth, prod-  
9 uct, or manufacture of Nepal; and

10 (II) in the case of a textile or apparel  
11 article, Nepal is the country of origin of  
12 the article, as determined under section  
13 102.21 of title 19, Code of Federal Regula-  
14 tions (as in effect on the day before the  
15 date of the enactment of this Act);

16 (ii) the article is imported directly  
17 from Nepal into the customs territory of  
18 the United States;

19 (iii) the article is classified under any  
20 of the following subheadings of the Har-  
21 monized Tariff Schedule of the United  
22 States (as in effect on the day before the  
23 date of the enactment of this Act):

4202.11.00 .....	4202.22.60 .....	4202.92.08
4202.12.20 .....	4202.22.70 .....	4202.92.15
4202.12.40 .....	4202.22.80 .....	4202.92.20
4202.12.60 .....	4202.29.50 .....	4202.92.30
4202.12.80 .....	4202.29.90 .....	4202.92.45
4202.21.60 .....	4202.31.60 .....	4202.92.60

4202.21.90 .....	4202.32.40 .....	4202.92.90
4202.22.15 .....	4202.32.80 .....	4202.99.90
4202.22.40 .....	4202.32.95 .....	4203.29.50
4202.22.45 .....	4202.91.00	
5701.10.90 .....	5702.91.30 .....	5703.10.80
5702.31.20 .....	5702.91.40 .....	5703.90.00
5702.49.20 .....	5702.92.90 .....	5705.00.20
5702.50.40 .....	5702.99.15	
5702.50.59 .....	5703.10.20	
6117.10.60 .....	6214.20.00 .....	6217.10.85
6117.80.85 .....	6214.40.00 .....	6301.90.00
6214.10.10 .....	6214.90.00 .....	6308.00.00
6214.10.20 .....	6216.00.80	
6504.00.90 .....	6505.00.30 .....	6505.00.90
6505.00.08 .....	6505.00.40 .....	6506.99.30
6505.00.15 .....	6505.00.50 .....	6506.99.60
6505.00.20 .....	6505.00.60	
6505.00.25 .....	6505.00.80	

1 (iv) the President determines, after  
2 receiving the advice of the United States  
3 International Trade Commission in accord-  
4 ance with section 503(e) of the Trade Act  
5 of 1974 (19 U.S.C. 2463(e)), that the arti-  
6 cle is not import-sensitive in the context of  
7 imports from Nepal; and

8 (v) subject to subparagraph (C), the  
9 sum of the cost or value of the materials  
10 produced in, and the direct costs of proc-  
11 essing operations performed in, Nepal or  
12 the customs territory of the United States  
13 is not less than 35 percent of the ap-  
14 praised value of the article at the time it  
15 is entered.

16 (B) EXCLUSIONS.—An article shall not be  
17 treated as the growth, product, or manufacture

1 of Nepal for purposes of subparagraph (A)(i)(I)  
2 by virtue of having merely undergone—

3 (i) simple combining or packaging op-  
4 erations; or

5 (ii) mere dilution with water or mere  
6 dilution with another substance that does  
7 not materially alter the characteristics of  
8 the article.

9 (C) LIMITATION ON UNITED STATES  
10 COST.—For purposes of subparagraph (A)(v),  
11 the cost or value of materials produced in, and  
12 the direct costs of processing operations per-  
13 formed in, the customs territory of the United  
14 States and attributed to the 35-percent require-  
15 ment under that subparagraph may not exceed  
16 15 percent of the appraised value of the article  
17 at the time it is entered.

18 (3) VERIFICATION WITH RESPECT TO TRANS-  
19 SHIPMENT FOR TEXTILE AND APPAREL ARTICLES.—

20 (A) IN GENERAL.—Not later than January  
21 1, April 1, July 1, and October 1 of each cal-  
22 endar year, the Commissioner shall verify that  
23 textile and apparel articles imported from Nepal  
24 to which preferential treatment is extended

1 under this section are not being unlawfully  
2 transshipped into the United States.

3 (B) REPORT TO PRESIDENT.—If the Com-  
4 missioner determines under subparagraph (A)  
5 that textile and apparel articles imported from  
6 Nepal to which preferential treatment is ex-  
7 tended under this section are being unlawfully  
8 transshipped into the United States, the Com-  
9 missioner shall report that determination to the  
10 President.

11 (d) TRADE FACILITATION AND CAPACITY BUILD-  
12 ING.—

13 (1) FINDINGS.—Congress makes the following  
14 findings:

15 (A) As a land-locked least-developed coun-  
16 try, Nepal has severe challenges reaching mar-  
17 kets and developing capacity to export goods.  
18 As of 2015, exports from Nepal are approxi-  
19 mately \$800,000,000 per year, with India the  
20 major market at \$450,000,000 annually. The  
21 United States imports about \$80,000,000 worth  
22 of goods from Nepal, or 10 percent of the total  
23 goods exported from Nepal.

24 (B) The World Bank has found evidence  
25 that the overall export competitiveness of Nepal

1 has been declining since 2005. Indices compiled  
2 by the World Bank and the Organization for  
3 Economic Co-operation and Development found  
4 that export costs in Nepal are high with respect  
5 to both air cargo and container shipments rel-  
6 ative to other low-income countries. Such indi-  
7 ces also identify particular weaknesses in Nepal  
8 with respect to automation of customs and  
9 other trade functions, involvement of local ex-  
10 porters and importers in preparing regulations  
11 and trade rules, and export finance.

12 (C) Implementation by Nepal of the Agree-  
13 ment on Trade Facilitation of the World Trade  
14 Organization could directly address some of the  
15 weaknesses described in subparagraph (B).

16 (2) ESTABLISHMENT OF TRADE FACILITATION  
17 AND CAPACITY BUILDING PROGRAM.—Not later than  
18 180 days after the date of the enactment of this Act,  
19 the President shall, in consultation with the Govern-  
20 ment of Nepal, establish a trade facilitation and ca-  
21 pacity building program for Nepal—

22 (A) to enhance the central export pro-  
23 motion agency of Nepal to support successful  
24 exporters and to build awareness among poten-  
25 tial exporters in Nepal about opportunities

1           abroad and ways to manage trade documenta-  
2           tion and regulations in the United States and  
3           other countries;

4                 (B) to provide export finance training for  
5           financial institutions in Nepal and the Govern-  
6           ment of Nepal;

7                 (C) to assist the Government of Nepal in  
8           maintaining publication on the Internet of all  
9           trade regulations, forms for exporters and im-  
10          porters, tax and tariff rates, and other docu-  
11          mentation relating to exporting goods and de-  
12          veloping a robust public-private dialogue,  
13          through its National Trade Facilitation Com-  
14          mittee, for Nepal to identify timelines for imple-  
15          mentation of key reforms and solutions, as pro-  
16          vided for under the Agreement on Trade Facili-  
17          tation of the World Trade Organization; and

18                 (D) to increase access to guides for im-  
19          porters and exporters, through publication of  
20          such guides on the Internet, including rules and  
21          documentation for United States tariff pref-  
22          erence programs.

23          (e) REPORTING REQUIREMENT.—Not later than one  
24          year after the date of the enactment of this Act, and annu-  
25          ally thereafter, the President shall monitor, review, and

1 report to Congress on the implementation of this section,  
2 the compliance of Nepal with subsection (b)(1), and the  
3 trade and investment policy of the United States with re-  
4 spect to Nepal.

5 (f) **TERMINATION OF PREFERENTIAL TREATMENT.**—  
6 No preferential treatment extended under this section  
7 shall remain in effect after December 31, 2025.

8 (g) **EFFECTIVE DATE.**—The provisions of this sec-  
9 tion shall take effect on the date that is 30 days after  
10 the date of the enactment of this Act.

11 **SEC. 916. AGREEMENT BY ASIA-PACIFIC ECONOMIC CO-**  
12 **OPERATION MEMBERS TO REDUCE RATES OF**  
13 **DUTY ON CERTAIN ENVIRONMENTAL GOODS.**

14 Section 107 of the Bipartisan Congressional Trade  
15 Priorities and Accountability Act of 2015 (Public Law  
16 114–26; 19 U.S.C. 4206) is amended by adding at the  
17 end the following:

18 “(c) **AGREEMENT BY ASIA-PACIFIC ECONOMIC CO-**  
19 **OPERATION MEMBERS TO REDUCE RATES OF DUTY ON**  
20 **CERTAIN ENVIRONMENTAL GOODS.**—Notwithstanding  
21 the notification requirement described in section  
22 103(a)(2), the President may exercise the proclamation  
23 authority provided for in section 103(a)(1)(B) to imple-  
24 ment an agreement by members of the Asia-Pacific Eco-  
25 nomic Cooperation (APEC) to reduce any rate of duty on



1 certain environmental goods included in Annex C of the  
2 APEC Leaders Declaration issued on September 9, 2012,  
3 if (and only if) the President, as soon as feasible after  
4 the date of the enactment of the Trade Facilitation and  
5 Trade Enforcement Act of 2015, and before exercising  
6 proclamation authority under section 103(a)(1)(B), noti-  
7 fies Congress of the negotiations relating to the agreement  
8 and the specific United States objectives in the negotia-  
9 tions.”.

10 **SEC. 917. AMENDMENT TO TARIFF ACT OF 1930 TO REQUIRE**  
11 **COUNTRY OF ORIGIN MARKING OF CERTAIN**  
12 **CASTINGS.**

13 (a) IN GENERAL.—Section 304(e) of the Tariff Act  
14 of 1930 (19 U.S.C. 1304(e)) is amended—

15 (1) in the subsection heading, by striking  
16 “MANHOLE RINGS OR FRAMES, COVERS, AND AS-  
17 SEMBLIES THEREOF” and inserting “CASTINGS”;

18 (2) by inserting “inlet frames, tree and trench  
19 grates, lampposts, lamppost bases, cast utility poles,  
20 bollards, hydrants, utility boxes,” before “manhole  
21 rings,”; and

22 (3) by adding at the end before the period the  
23 following: “in a location such that it will remain visi-  
24 ble after installation”.

1 (b) EFFECTIVE DATE.—The amendments made by  
2 subsection (a) take effect on the date of the enactment  
3 of this Act and apply with respect to the importation of  
4 castings described in such amendments on or after the  
5 date that is 180 days after such date of enactment.

6 **SEC. 918. INCLUSION OF CERTAIN INFORMATION IN SUB-**  
7 **MISSION OF NOMINATION FOR APPOINT-**  
8 **MENT AS DEPUTY UNITED STATES TRADE**  
9 **REPRESENTATIVE.**

10 Section 141(b) of the Trade Act of 1974 (19 U.S.C.  
11 2171(b)) is amended by adding at the end the following:

12 “(5)(A) When the President submits to the Senate  
13 for its advice and consent a nomination of an individual  
14 for appointment as a Deputy United States Trade Rep-  
15 resentative under paragraph (2), the President shall in-  
16 clude in that submission information on the country, re-  
17 gional offices, and functions of the Office of the United  
18 States Trade Representative with respect to which that  
19 individual will have responsibility.

20 “(B) The President shall notify the Committee on  
21 Ways and Means of the House of Representatives and the  
22 Committee on Finance of the Senate not less than 30 days  
23 prior to making any change to the responsibilities of any  
24 Deputy United States Trade Representative included in

1 a submission under subparagraph (A), including the rea-  
2 son for that change.”.

3 **SEC. 919. SENSE OF CONGRESS ON THE NEED FOR A MIS-**  
4 **CELLANEOUS TARIFF BILL PROCESS.**

5 (a) FINDINGS.—Congress makes the following find-  
6 ings:

7 (1) As of the date of the enactment of this Act,  
8 the Harmonized Tariff Schedule of the United  
9 States imposes duties on imported goods for which  
10 there is no domestic availability or insufficient do-  
11 mestic availability.

12 (2) The imposition of duties on such goods cre-  
13 ates artificial distortions in the economy of the  
14 United States that negatively affect United States  
15 manufacturers and consumers.

16 (3) It would be in the interests of the United  
17 States if the Harmonized Tariff Schedule were up-  
18 dated regularly and predictably to eliminate such ar-  
19 tificial distortions by suspending or reducing duties  
20 on such goods.

21 (4) The manufacturing competitiveness of the  
22 United States around the world would be enhanced  
23 if the Harmonized Tariff Schedule were updated  
24 regularly and predictably to suspend or reduce du-  
25 ties on such goods.

1       (b) SENSE OF CONGRESS.—It is the sense of Con-  
2 gress that, to remove the competitive disadvantage to  
3 United States manufacturers and consumers resulting  
4 from the imposition of such duties and to promote the  
5 competitiveness of United States manufacturers, the Com-  
6 mittee on Finance of the Senate and the Committee on  
7 Ways and Means of the House of Representatives are  
8 urged to advance, as soon as possible, after consultation  
9 with the public and Members of the Senate and the House  
10 of Representatives, a regular and predictable legislative  
11 process for the temporary suspension and reduction of du-  
12 ties that is consistent with the rules of the Senate and  
13 the House.

14 **SEC. 920. CUSTOMS USER FEES.**

15       (a) IN GENERAL.—Section 13031(j)(3) of the Con-  
16 solidated Omnibus Budget Reconciliation Act of 1985 (19  
17 U.S.C. 58c(j)(3)) is amended—

- 18               (1) in subparagraph (A), by striking “July 7,  
19       2025” and inserting “September 30, 2025”; and  
20               (2) by striking subparagraph (D).

21       (b) RATE FOR MERCHANDISE PROCESSING FEES.—  
22 Section 503 of the United States–Korea Free Trade  
23 Agreement Implementation Act (Public Law 112–41; 19  
24 U.S.C. 3805 note) is amended—

1 (1) by striking “June 30, 2025” and inserting  
2 “September 30, 2025”; and

3 (2) by striking subsection (c).

4 **SEC. 921. INCREASE IN PENALTY FOR FAILURE TO FILE RE-**  
5 **TURN OF TAX.**

6 (a) IN GENERAL.—Section 6651(a) of the Internal  
7 Revenue Code of 1986 is amended by striking “\$135” in  
8 the last sentence and inserting “\$205”.

9 (b) CONFORMING AMENDMENT.—Section 6651(i) of  
10 such Code is amended by striking “\$135” and inserting  
11 “\$205”.

12 (c) EFFECTIVE DATE.—The amendments made by  
13 this section shall apply to returns required to be filed in  
14 calendar years after 2015.

15 **SEC. 922. PERMANENT MORATORIUM ON INTERNET AC-**  
16 **CESS TAXES AND ON MULTIPLE AND DIS-**  
17 **CRIMINATORY TAXES ON ELECTRONIC COM-**  
18 **MERCE.**

19 (a) PERMANENT MORATORIUM.—Section 1101(a) of  
20 the Internet Tax Freedom Act (47 U.S.C. 151 note) is  
21 amended by striking “during the period beginning Novem-  
22 ber 1, 2003, and ending October 1, 2015”.

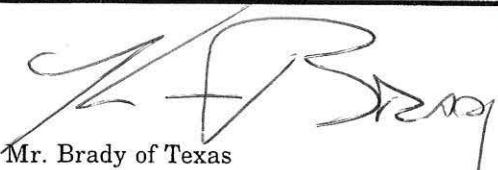
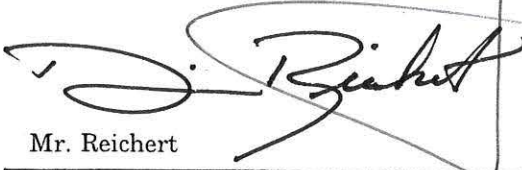
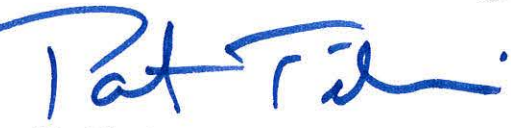
23 (b) TEMPORARY EXTENSION.—Section  
24 1104(a)(2)(A) of the Internet Tax Freedom Act (47

1 U.S.C. 151 note) is amended by striking “October 1,  
2 2015” and inserting “June 30, 2020”.


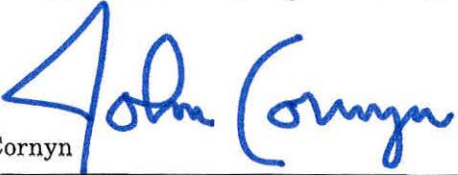




And the House agree to the same.



**H.R. 644**

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
 Mr. Brady of Texas	
 Mr. Reichert	
 Mr. Tiberi	
<del>Mr. Levin</del>	
<del>Ms. Linda T. Sánchez of California</del>	

**H.R. 644—Continued**

<i>Managers on the part of the HOUSE</i>	<i>Managers on the part of the SENATE</i>
	 Mr. Hatch
	 Mr. Cornyn
	 Mr. Thune
	 Mr. Isakson
	 Mr. Wyden
	Mr. Schumer
	 Ms. Stabenow