

106TH CONGRESS
1ST SESSION

H. R. 842

To amend the Tariff Act of 1930 to eliminate disincentives to fair trade conditions.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 24, 1999

Mr. REGULA (for himself, Mr. LATOURETTE, Mr. CANADY of Florida, Ms. LOFGREN, Ms. ROS-LEHTINEN, Mr. MANZULLO, Mr. CUNNINGHAM, Mr. DOYLE, Mr. KLINK, Mr. NEY, Mr. SKELTON, Ms. KAPTUR, Mr. STRICKLAND, Mrs. THURMAN, Mr. ADERHOLT, Mr. WHITFIELD, Ms. DEGETTE, Mr. SHUSTER, Mr. SKEEN, Mr. MOLLOHAN, Mr. SOUDER, Mr. DEUTSCH, and Mr. SPRATT) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Tariff Act of 1930 to eliminate disincentives to fair trade conditions.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Continued Dumping
5 or Subsidy Offset Act of 1999”.

6 **SEC. 2. FINDINGS OF CONGRESS.**

7 Congress makes the following findings:

1 (1) Consistent with the rights of the United
2 States under the World Trade Organization, injuri-
3 ous dumping is to be condemned and actionable sub-
4 sidies which cause injury to domestic industries
5 must be effectively neutralized.

6 (2) United States unfair trade laws have as
7 their purpose the restoration of conditions of fair
8 trade so that jobs and investment that should be in
9 the United States are not lost through false market
10 signals.

11 (3) The continued dumping or subsidization of
12 imported product after the issuance of antidumping
13 orders or findings or countervailing duty orders can
14 frustrate the remedial purpose of the laws by pre-
15 venting market prices from returning to fair levels.

16 (4) Where dumping or subsidization continues,
17 domestic producers will be reluctant to reinvest or
18 rehire and may be unable to maintain pension and
19 health care benefits that conditions of fair trade
20 would permit. Similarly, small businesses and Ameri-
21 ca's farmers and ranchers may be unable to pay
22 down accumulated debt, to obtain working capital or
23 otherwise remain viable.

1 (5) United States trade laws should be
2 strengthened to see that the remedial purpose of the
3 laws is achieved in fact.

4 **SEC. 3. AMENDMENTS TO THE TARIFF ACT OF 1930.**

5 (a) IN GENERAL.—Chapter 1 of subtitle C of title
6 VII of the Tariff Act of 1930 (19 U.S.C. 1675 et seq.)
7 is amended by adding at the end the following new section:

8 **“SEC. 754. CONTINUED DUMPING OR SUBSIDY OFFSET.**

9 “(a) IN GENERAL.—Whenever continued dumping or
10 subsidization is found to exist by the administering au-
11 thority under section 751(a) of this Act or by operation
12 of law, any duties assessed shall be distributed to the af-
13 fected domestic producers for qualifying expenditures on
14 an annual basis. Such disbursement shall be known as the
15 ‘continued dumping or subsidy offset’.

16 “(b) DEFINITIONS.—As used in this section:

17 “(1) The term ‘affected domestic producer’
18 means any manufacturer, producer, farmer, rancher
19 or worker representative, including associations of
20 such individuals and entities, that was a petitioner
21 or interested party in support of the petition with
22 respect to which an antidumping duty finding or
23 order or countervailing duty order has been entered
24 and remains in operation. Companies or businesses
25 that have ceased the production of the product cov-

1 ered by the order or finding or who have been ac-
2 quired by a company or business that is related to
3 a company that opposed the investigation shall not
4 be an affected domestic producer.

5 “(2) The term ‘Commissioner’ means the Com-
6 missioner of the United States Customs Service.

7 “(3) The term ‘Commission’ means the United
8 States International Trade Commission.

9 “(4) The term ‘qualifying expenditure’ means
10 an expenditure incurred after the issuance of the
11 antidumping duty finding or order or countervailing
12 duty order in any of the following categories:

13 “(A) plant;

14 “(B) equipment;

15 “(C) research and development;

16 “(D) personnel training;

17 “(E) acquisition of technology;

18 “(F) health care benefits to employees paid
19 for by the employer;

20 “(G) pension benefits to employees paid
21 for by the employer;

22 “(H) environmental equipment, training,
23 or technology;

24 “(I) acquisition of raw materials and other
25 inputs; and

1 “(J) borrowed working capital or other
2 funds needed to maintain production.

3 “(c) DISBURSEMENT PROCEDURES.—The Commis-
4 sioner shall prescribe procedures for disbursing the contin-
5 ued dumping or subsidies offset required by this section
6 provided that disbursement shall occur for monies as-
7 sessed during a fiscal year not later than sixty days after
8 the beginning of the following fiscal year.

9 “(d) PARTIES ELIGIBLE FOR DISTRIBUTION OF
10 ANTIDUMPING AND COUNTERVAILING DUTIES AS-
11 SESSED.—

12 “(1) The Commission shall forward to the Com-
13 missioner within sixty days of the effective date of
14 this section or within sixty days of an antidumping
15 or countervailing duty order issued after the effec-
16 tive date of this section a list of petitioners and com-
17 panies that indicate support of the petition by inclu-
18 sion in the petition or supplements thereto, by letter
19 or through questionnaire response. Where no injury
20 test was required or where the Commission’s records
21 do not permit an identification of those in support
22 of a petition the Commission shall consult with the
23 Department of Commerce to determine the identity
24 of the petitioner and those domestic parties who
25 have entered appearances during administrative re-

1 views conducted by Commerce and sought vigorous
2 enforcement of United States law.

3 “(2) The Commissioner shall publish in the
4 Federal Register at least thirty days prior to the
5 issuance of payments, a notice of intention to dis-
6 tribute duty assessments, the list of companies eligi-
7 ble based on the list obtained from the Commission,
8 and shall request a certification from each recipient
9 as to—

10 “(A) desire to receive distribution,

11 “(B) continued eligibility as an affected
12 domestic producer, and

13 “(C) the qualifying expenditures incurred
14 since the issuance of the order for which dis-
15 tribution under this section has not previously
16 been made.

17 “(3) The Commissioner shall distribute all
18 funds (including all interest earned) from assess-
19 ments received in the completed fiscal year to af-
20 fected domestic producers based on the affirmative
21 responses to paragraph (2) on a pro rata basis based
22 on new and remaining qualifying expenditures.

23 “(e) SPECIAL ACCOUNTS.—

24 “(1) Within fourteen days of the effective date
25 of this provision for outstanding antidumping orders

1 and findings or for outstanding countervailing duty
2 orders or within fourteen days of the date an anti-
3 dumping or countervailing duty order takes effect,
4 the Commissioner shall establish in the Treasury a
5 special account with respect to that order or finding.

6 “(2) The Commissioner shall have deposited
7 into the special accounts all antidumping or counter-
8 vailing duties, including interest on such duties, that
9 are assessed under the antidumping order or finding
10 or the countervailing duty order with respect to
11 which the account was established since the effective
12 date of this section.

13 “(3) The monies in a special account shall be
14 available for distribution to the extent of actual as-
15 sessment (including interest).

16 “(4) Consistent with the requirements of sub-
17 section (c), the Commissioner shall by regulation
18 prescribe the time and manner in which distribution
19 of funds from special accounts will be made.

20 “(5) The special accounts shall remain in exist-
21 ence until all entries relating to an order which has
22 been terminated are liquidated and duties assessed
23 collected and the Commissioner has provided one
24 last notice of opportunity to obtain distribution pur-
25 suant to subsection (c). Amounts not claimed within

1 90 days of the time of such final distribution shall
2 be returned to the general fund of the Treasury.”.

3 (b) CONFORMING AMENDMENT.—The table of con-
4 tents for title VII of the Tariff Act of 1930 is amended
5 by inserting the following new item after the item relating
6 to section 753:

“Sec. 754. Continued dumping or subsidy offset.”.

7 (c) EFFECTIVE DATE.—The continued antidumping
8 or subsidy offset shall apply with regard to all assessments
9 made on or after October 1, 1996, on outstanding anti-
10 dumping findings or orders or countervailing duty orders.

○