

109TH CONGRESS  
2D SESSION

**H. R. 5684**

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**AN ACT**

To implement the United States-Oman Free Trade  
Agreement.



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To implement the United States-Oman Free Trade  
Agreement.

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

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

2 (a) SHORT TITLE.—This Act may be cited as the  
 3 “United States-Oman Free Trade Agreement Implemen-  
 4 tation Act”.

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

Sec. 1. Short title; table of contents.  
 Sec. 2. Purposes.  
 Sec. 3. Definitions.

**TITLE I—APPROVAL OF, AND GENERAL PROVISIONS RELATING  
 TO, THE AGREEMENT**

Sec. 101. Approval and entry into force of the Agreement.  
 Sec. 102. Relationship of the Agreement to United States and State law.  
 Sec. 103. Implementing actions in anticipation of entry into force and initial  
       regulations.  
 Sec. 104. Consultation and layover provisions for, and effective date of, pro-  
       claimed actions.  
 Sec. 105. Administration of dispute settlement proceedings.  
 Sec. 106. Arbitration of claims.  
 Sec. 107. Effective dates; effect of termination.

**TITLE II—CUSTOMS PROVISIONS**

Sec. 201. Tariff modifications.  
 Sec. 202. Rules of origin.  
 Sec. 203. Customs user fees.  
 Sec. 204. Enforcement relating to trade in textile and apparel goods.  
 Sec. 205. Reliquidation of entries.  
 Sec. 206. Regulations.

**TITLE III—RELIEF FROM IMPORTS**

Sec. 301. Definitions.

**Subtitle A—Relief From Imports Benefiting From the Agreement**

Sec. 311. Commencing of action for relief.  
 Sec. 312. Commission action on petition.  
 Sec. 313. Provision of relief.  
 Sec. 314. Termination of relief authority.  
 Sec. 315. Compensation authority.  
 Sec. 316. Confidential business information.

**Subtitle B—Textile and Apparel Safeguard Measures**

Sec. 321. Commencement of action for relief.  
 Sec. 322. Determination and provision of relief.  
 Sec. 323. Period of relief.  
 Sec. 324. Articles exempt from relief.

Sec. 325. Rate after termination of import relief.  
 Sec. 326. Termination of relief authority.  
 Sec. 327. Compensation authority.  
 Sec. 328. Confidential business information.

#### TITLE IV—PROCUREMENT

Sec. 401. Eligible products.

### 1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are—

3 (1) to approve and implement the Free Trade  
 4 Agreement between the United States and Oman en-  
 5 tered into under the authority of section 2103(b) of  
 6 the Bipartisan Trade Promotion Authority Act of  
 7 2002 (19 U.S.C. 3803(b));

8 (2) to strengthen and develop economic rela-  
 9 tions between the United States and Oman for their  
 10 mutual benefit;

11 (3) to establish free trade between the 2 nations  
 12 through the reduction and elimination of barriers to  
 13 trade in goods and services and to investment; and

14 (4) to lay the foundation for further coopera-  
 15 tion to expand and enhance the benefits of such  
 16 Agreement.

### 17 **SEC. 3. DEFINITIONS.**

18 In this Act:

19 (1) **AGREEMENT.**—The term “Agreement”  
 20 means the United States-Oman Free Trade Agree-  
 21 ment approved by Congress under section 101(a)(1).

1           (2) HTS.—The term “HTS” means the Har-  
 2           monized Tariff Schedule of the United States.

3           (3) TEXTILE OR APPAREL GOOD.—The term  
 4           “textile or apparel good” means a good listed in the  
 5           Annex to the Agreement on Textiles and Clothing  
 6           referred to in section 101(d)(4) of the Uruguay  
 7           Round Agreements Act (19 U.S.C. 3511(d)(4)).

8       **TITLE I—APPROVAL OF, AND**  
 9       **GENERAL PROVISIONS RE-**  
 10      **LATING TO, THE AGREEMENT**

11      **SEC. 101. APPROVAL AND ENTRY INTO FORCE OF THE**  
 12                                      **AGREEMENT.**

13           (a) APPROVAL OF AGREEMENT AND STATEMENT OF  
 14           ADMINISTRATIVE ACTION.—Pursuant to section 2105 of  
 15           the Bipartisan Trade Promotion Authority Act of 2002  
 16           (19 U.S.C. 3805) and section 151 of the Trade Act of  
 17           1974 (19 U.S.C. 2191), Congress approves—

18                   (1) the United States-Oman Free Trade Agree-  
 19                   ment entered into on January 19, 2006, with Oman  
 20                   and submitted to Congress on June 26, 2006; and

21                   (2) the statement of administrative action pro-  
 22                   posed to implement the Agreement that was sub-  
 23                   mitted to Congress on June 26, 2006.

24           (b) CONDITIONS FOR ENTRY INTO FORCE OF THE  
 25           AGREEMENT.—At such time as the President determines

1 that Oman has taken measures necessary to bring it into  
2 compliance with those provisions of the Agreement that  
3 are to take effect on the date on which the Agreement  
4 enters into force, the President is authorized to exchange  
5 notes with the Government of Oman providing for the  
6 entry into force, on or after January 1, 2007, of the  
7 Agreement with respect to the United States.

8 **SEC. 102. RELATIONSHIP OF THE AGREEMENT TO UNITED**  
9 **STATES AND STATE LAW.**

10 (a) RELATIONSHIP OF AGREEMENT TO UNITED  
11 STATES LAW.—

12 (1) UNITED STATES LAW TO PREVAIL IN CON-  
13 FFLICT.—No provision of the Agreement, nor the ap-  
14 plication of any such provision to any person or cir-  
15 cumstance, which is inconsistent with any law of the  
16 United States shall have effect.

17 (2) CONSTRUCTION.—Nothing in this Act shall  
18 be construed—

19 (A) to amend or modify any law of the  
20 United States, or

21 (B) to limit any authority conferred under  
22 any law of the United States,  
23 unless specifically provided for in this Act.

24 (b) RELATIONSHIP OF AGREEMENT TO STATE  
25 LAW.—

1           (1) LEGAL CHALLENGE.—No State law, or the  
2           application thereof, may be declared invalid as to  
3           any person or circumstance on the ground that the  
4           provision or application is inconsistent with the  
5           Agreement, except in an action brought by the  
6           United States for the purpose of declaring such law  
7           or application invalid.

8           (2) DEFINITION OF STATE LAW.—For purposes  
9           of this subsection, the term “State law” includes—

10                   (A) any law of a political subdivision of a  
11                   State; and

12                   (B) any State law regulating or taxing the  
13                   business of insurance.

14           (c) EFFECT OF AGREEMENT WITH RESPECT TO PRI-  
15           VATE REMEDIES.—No person other than the United  
16           States—

17                   (1) shall have any cause of action or defense  
18                   under the Agreement or by virtue of congressional  
19                   approval thereof; or

20                   (2) may challenge, in any action brought under  
21                   any provision of law, any action or inaction by any  
22                   department, agency, or other instrumentality of the  
23                   United States, any State, or any political subdivision  
24                   of a State, on the ground that such action or inac-  
25                   tion is inconsistent with the Agreement.



1 **SEC. 103. IMPLEMENTING ACTIONS IN ANTICIPATION OF**  
2 **ENTRY INTO FORCE AND INITIAL REGULA-**  
3 **TIONS.**

4 (a) IMPLEMENTING ACTIONS.—

5 (1) PROCLAMATION AUTHORITY.—After the  
6 date of the enactment of this Act—

7 (A) the President may proclaim such ac-  
8 tions, and

9 (B) other appropriate officers of the  
10 United States Government may issue such reg-  
11 ulations,

12 as may be necessary to ensure that any provision of  
13 this Act, or amendment made by this Act, that takes  
14 effect on the date on which the Agreement enters  
15 into force is appropriately implemented on such  
16 date, but no such proclamation or regulation may  
17 have an effective date earlier than the date on which  
18 the Agreement enters into force.

19 (2) EFFECTIVE DATE OF CERTAIN PROCLAIMED  
20 ACTIONS.—Any action proclaimed by the President  
21 under the authority of this Act that is not subject  
22 to the consultation and layover provisions under sec-  
23 tion 104 may not take effect before the 15th day  
24 after the date on which the text of the proclamation  
25 is published in the Federal Register.

1           (3) WAIVER OF 15-DAY RESTRICTION.—The 15-  
2       day restriction in paragraph (2) on the taking effect  
3       of proclaimed actions is waived to the extent that  
4       the application of such restriction would prevent the  
5       taking effect on the date on which the Agreement  
6       enters into force of any action proclaimed under this  
7       section.

8       (b) INITIAL REGULATIONS.—Initial regulations nec-  
9       essary or appropriate to carry out the actions required by  
10      or authorized under this Act or proposed in the statement  
11      of administrative action submitted under section  
12      101(a)(2) to implement the Agreement shall, to the max-  
13      imum extent feasible, be issued within 1 year after the  
14      date on which the Agreement enters into force. In the case  
15      of any implementing action that takes effect on a date  
16      after the date on which the Agreement enters into force,  
17      initial regulations to carry out that action shall, to the  
18      maximum extent feasible, be issued within 1 year after  
19      such effective date.

20   **SEC. 104. CONSULTATION AND LAYOVER PROVISIONS FOR,**  
21                   **AND EFFECTIVE DATE OF, PROCLAIMED AC-**  
22                   **TIONS.**

23       If a provision of this Act provides that the implemen-  
24      tation of an action by the President by proclamation is

1 subject to the consultation and layover requirements of  
2 this section, such action may be proclaimed only if—

3 (1) the President has obtained advice regarding  
4 the proposed action from—

5 (A) the appropriate advisory committees  
6 established under section 135 of the Trade Act  
7 of 1974 (19 U.S.C. 2155); and

8 (B) the United States International Trade  
9 Commission;

10 (2) the President has submitted to the Com-  
11 mittee on Finance of the Senate and the Committee  
12 on Ways and Means of the House of Representatives  
13 a report that sets forth—

14 (A) the action proposed to be proclaimed  
15 and the reasons therefor; and

16 (B) the advice obtained under paragraph  
17 (1);

18 (3) a period of 60 calendar days, beginning on  
19 the first day on which the requirements set forth in  
20 paragraphs (1) and (2) have been met has expired;  
21 and

22 (4) the President has consulted with the Com-  
23 mittees referred to in paragraph (2) regarding the  
24 proposed action during the period referred to in  
25 paragraph (3).

1 **SEC. 105. ADMINISTRATION OF DISPUTE SETTLEMENT PRO-**  
2 **CEEDINGS.**

3 (a) ESTABLISHMENT OR DESIGNATION OF OFFICE.—  
4 The President is authorized to establish or designate with-  
5 in the Department of Commerce an office that shall be  
6 responsible for providing administrative assistance to pan-  
7 els established under chapter 20 of the Agreement. The  
8 office may not be considered to be an agency for purposes  
9 of section 552 of title 5, United States Code.

10 (b) AUTHORIZATION OF APPROPRIATIONS.—There  
11 are authorized to be appropriated for each fiscal year after  
12 fiscal year 2006 to the Department of Commerce such  
13 sums as may be necessary for the establishment and oper-  
14 ations of the office established or designated under sub-  
15 section (a) and for the payment of the United States share  
16 of the expenses of panels established under chapter 20 of  
17 the Agreement.

18 **SEC. 106. ARBITRATION OF CLAIMS.**

19 The United States is authorized to resolve any claim  
20 against the United States covered by article  
21 10.15.1(a)(i)(C) or article 10.15.1(b)(i)(C) of the Agree-  
22 ment, pursuant to the Investor-State Dispute Settlement  
23 procedures set forth in section B of chapter 10 of the  
24 Agreement.

1 **SEC. 107. EFFECTIVE DATES; EFFECT OF TERMINATION.**

2 (a) EFFECTIVE DATES.—Except as provided in sub-  
3 section (b), the provisions of this Act and the amendments  
4 made by this Act take effect on the date on which the  
5 Agreement enters into force.

6 (b) EXCEPTIONS.—Sections 1 through 3 and this  
7 title take effect on the date of the enactment of this Act.

8 (c) TERMINATION OF THE AGREEMENT.—On the  
9 date on which the Agreement terminates, the provisions  
10 of this Act (other than this subsection) and the amend-  
11 ments made by this Act shall cease to be effective.

12 **TITLE II—CUSTOMS PROVISIONS**

13 **SEC. 201. TARIFF MODIFICATIONS.**

14 (a) TARIFF MODIFICATIONS PROVIDED FOR IN THE  
15 AGREEMENT.—

16 (1) PROCLAMATION AUTHORITY.—The Presi-  
17 dent may proclaim—

18 (A) such modifications or continuation of  
19 any duty,

20 (B) such continuation of duty-free or ex-  
21 cise treatment, or

22 (C) such additional duties,

23 as the President determines to be necessary or ap-  
24 propriate to carry out or apply articles 2.3, 2.5, 2.6,  
25 3.2.8, and 3.2.9, and Annex 2–B of the Agreement.

1           (2) EFFECT ON OMANI GSP STATUS.—Notwith-  
2           standing section 502(a)(1) of the Trade Act of 1974  
3           (19 U.S.C. 2462(a)(1)), the President shall, on the  
4           date on which the Agreement enters into force, ter-  
5           minate the designation of Oman as a beneficiary de-  
6           veloping country for purposes of title V of the Trade  
7           Act of 1974 (19 U.S.C. 2461 et seq.).

8           (b) OTHER TARIFF MODIFICATIONS.—Subject to the  
9           consultation and layover provisions of section 104, the  
10          President may proclaim—

11           (1) such modifications or continuation of any  
12          duty,

13           (2) such modifications as the United States  
14          may agree to with Oman regarding the staging of  
15          any duty treatment set forth in Annex 2–B of the  
16          Agreement,

17           (3) such continuation of duty-free or excise  
18          treatment, or

19           (4) such additional duties,  
20          as the President determines to be necessary or appropriate  
21          to maintain the general level of reciprocal and mutually  
22          advantageous concessions with respect to Oman provided  
23          for by the Agreement.

24           (c) CONVERSION TO AD VALOREM RATES.—For pur-  
25          poses of subsections (a) and (b), with respect to any good

1 for which the base rate in the Tariff Schedule of the  
2 United States to Annex 2–B of the Agreement is a specific  
3 or compound rate of duty, the President may substitute  
4 for the base rate an ad valorem rate that the President  
5 determines to be equivalent to the base rate.

6 **SEC. 202. RULES OF ORIGIN.**

7 (a) APPLICATION AND INTERPRETATION.—In this  
8 section:

9 (1) TARIFF CLASSIFICATION.—The basis for  
10 any tariff classification is the HTS.

11 (2) REFERENCE TO HTS.—Whenever in this  
12 section there is a reference to a heading or sub-  
13 heading, such reference shall be a reference to a  
14 heading or subheading of the HTS.

15 (b) ORIGINATING GOODS.—

16 (1) IN GENERAL.—For purposes of this Act  
17 and for purposes of implementing the preferential  
18 tariff treatment provided for under the Agreement,  
19 a good is an originating good if—

20 (A) the good is imported directly—

21 (i) from the territory of Oman into  
22 the territory of the United States; or

23 (ii) from the territory of the United  
24 States into the territory of Oman; and

1 (B)(i) the good is a good wholly the  
2 growth, product, or manufacture of Oman or  
3 the United States, or both;

4 (ii) the good (other than a good to which  
5 clause (iii) applies) is a new or different article  
6 of commerce that has been grown, produced, or  
7 manufactured in Oman or the United States, or  
8 both, and meets the requirements of paragraph  
9 (2); or

10 (iii)(I) the good is a good covered by  
11 Annex 3–A or 4–A of the Agreement;

12 (II)(aa) each of the nonoriginating mate-  
13 rials used in the production of the good under-  
14 goes an applicable change in tariff classification  
15 specified in such Annex as a result of produc-  
16 tion occurring entirely in the territory of Oman  
17 or the United States, or both; or

18 (bb) the good otherwise satisfies the re-  
19 quirements specified in such Annex; and

20 (III) the good satisfies all other applicable  
21 requirements of this section.

22 (2) REQUIREMENTS.—A good described in  
23 paragraph (1)(B)(ii) is an originating good only if  
24 the sum of—



1 (A) the value of each material produced in  
2 the territory of Oman or the United States, or  
3 both, and

4 (B) the direct costs of processing oper-  
5 ations performed in the territory of Oman or  
6 the United States, or both,

7 is not less than 35 percent of the appraised value of  
8 the good at the time the good is entered into the ter-  
9 ritory of the United States.

10 (c) CUMULATION.—

11 (1) ORIGINATING GOOD OR MATERIAL INCOR-  
12 PORATED INTO GOODS OF OTHER COUNTRY.—An  
13 originating good, or a material produced in the terri-  
14 tory of Oman or the United States, or both, that is  
15 incorporated into a good in the territory of the other  
16 country shall be considered to originate in the terri-  
17 tory of the other country.

18 (2) MULTIPLE PRODUCERS.—A good that is  
19 grown, produced, or manufactured in the territory of  
20 Oman or the United States, or both, by 1 or more  
21 producers, is an originating good if the good satis-  
22 fies the requirements of subsection (b) and all other  
23 applicable requirements of this section.

24 (d) VALUE OF MATERIALS.—

1           (1) IN GENERAL.—Except as provided in para-  
2           graph (2), the value of a material produced in the  
3           territory of Oman or the United States, or both, in-  
4           cludes the following:

5                   (A) The price actually paid or payable for  
6                   the material by the producer of the good.

7                   (B) The freight, insurance, packing, and  
8                   all other costs incurred in transporting the ma-  
9                   terial to the producer's plant, if such costs are  
10                  not included in the price referred to in subpara-  
11                  graph (A).

12                  (C) The cost of waste or spoilage resulting  
13                  from the use of the material in the growth, pro-  
14                  duction, or manufacture of the good, less the  
15                  value of recoverable scrap.

16                  (D) Taxes or customs duties imposed on  
17                  the material by Oman or the United States, or  
18                  both, if the taxes or customs duties are not re-  
19                  mitted upon exportation from the territory of  
20                  Oman or the United States, as the case may be.

21           (2) EXCEPTION.—If the relationship between  
22           the producer of a good and the seller of a material  
23           influenced the price actually paid or payable for the  
24           material, or if there is no price actually paid or pay-  
25           able by the producer for the material, the value of

1 the material produced in the territory of Oman or  
2 the United States, or both, includes the following:

3 (A) All expenses incurred in the growth,  
4 production, or manufacture of the material, in-  
5 cluding general expenses.

6 (B) A reasonable amount for profit.

7 (C) Freight, insurance, packing, and all  
8 other costs incurred in transporting the mate-  
9 rial to the producer's plant.

10 (e) PACKAGING AND PACKING MATERIALS AND CON-  
11 TAINERS FOR RETAIL SALE AND FOR SHIPMENT.—Pack-  
12 aging and packing materials and containers for retail sale  
13 and shipment shall be disregarded in determining whether  
14 a good qualifies as an originating good, except to the ex-  
15 tent that the value of such packaging and packing mate-  
16 rials and containers has been included in meeting the re-  
17 quirements set forth in subsection (b)(2).

18 (f) INDIRECT MATERIALS.—Indirect materials shall  
19 be disregarded in determining whether a good qualifies as  
20 an originating good, except that the cost of such indirect  
21 materials may be included in meeting the requirements set  
22 forth in subsection (b)(2).

23 (g) TRANSIT AND TRANSSHIPMENT.—A good shall  
24 not be considered to meet the requirement of subsection  
25 (b)(1)(A) if, after exportation from the territory of Oman

1 or the United States, the good undergoes production, man-  
2 ufacturing, or any other operation outside the territory of  
3 Oman or the United States, other than unloading, reload-  
4 ing, or any other operation necessary to preserve the good  
5 in good condition or to transport the good to the territory  
6 of Oman or the United States.

7 (h) TEXTILE AND APPAREL GOODS.—

8 (1) DE MINIMIS AMOUNTS OF NONORIGINATING  
9 MATERIALS.—

10 (A) IN GENERAL.—Except as provided in  
11 subparagraph (B), a textile or apparel good  
12 that is not an originating good because certain  
13 fibers or yarns used in the production of the  
14 component of the good that determines the tar-  
15 iff classification of the good do not undergo an  
16 applicable change in tariff classification set out  
17 in Annex 3–A of the Agreement shall be consid-  
18 ered to be an originating good if the total  
19 weight of all such fibers or yarns in that com-  
20 ponent is not more than 7 percent of the total  
21 weight of that component.

22 (B) CERTAIN TEXTILE OR APPAREL  
23 GOODS.—A textile or apparel good containing  
24 elastomeric yarns in the component of the good  
25 that determines the tariff classification of the

1           good shall be considered to be an originating  
2           good only if such yarns are wholly formed in  
3           the territory of Oman or the United States.

4           (C) YARN, FABRIC, OR GROUP OF FI-  
5           BERS.—For purposes of this paragraph, in the  
6           case of a textile or apparel good that is a yarn,  
7           fabric, or group of fibers, the term “component  
8           of the good that determines the tariff classifica-  
9           tion of the good” means all of the fibers in the  
10          yarn, fabric, or group of fibers.

11          (2) GOODS PUT UP IN SETS FOR RETAIL  
12          SALE.—Notwithstanding the rules set forth in Annex  
13          3–A of the Agreement, textile or apparel goods clas-  
14          sifiable as goods put up in sets for retail sale as pro-  
15          vided for in General Rule of Interpretation 3 of the  
16          HTS shall not be considered to be originating goods  
17          unless each of the goods in the set is an originating  
18          good or the total value of the nonoriginating goods  
19          in the set does not exceed 10 percent of the value  
20          of the set determined for purposes of assessing cus-  
21          toms duties.

22          (i) DEFINITIONS.—In this section:

23               (1) DIRECT COSTS OF PROCESSING OPER-  
24               ATIONS.—

1 (A) IN GENERAL.—The term “direct costs  
2 of processing operations”, with respect to a  
3 good, includes, to the extent they are includable  
4 in the appraised value of the good when im-  
5 ported into Oman or the United States, as the  
6 case may be, the following:

7 (i) All actual labor costs involved in  
8 the growth, production, or manufacture of  
9 the good, including fringe benefits, on-the-  
10 job training, and the cost of engineering,  
11 supervisory, quality control, and similar  
12 personnel.

13 (ii) Tools, dies, molds, and other indi-  
14 rect materials, and depreciation on ma-  
15 chinery and equipment that are allocable  
16 to the good.

17 (iii) Research, development, design,  
18 engineering, and blueprint costs, to the ex-  
19 tent that they are allocable to the good.

20 (iv) Costs of inspecting and testing  
21 the good.

22 (v) Costs of packaging the good for  
23 export to the territory of the other country.

24 (B) EXCEPTIONS.—The term “direct costs  
25 of processing operations” does not include costs

1 that are not directly attributable to a good or  
2 are not costs of growth, production, or manu-  
3 facture of the good, such as—

4 (i) profit; and

5 (ii) general expenses of doing business  
6 that are either not allocable to the good or  
7 are not related to the growth, production,  
8 or manufacture of the good, such as ad-  
9 ministrative salaries, casualty and liability  
10 insurance, advertising, and sales staff sala-  
11 ries, commissions, or expenses.

12 (2) GOOD.—The term “good” means any mer-  
13 chandise, product, article, or material.

14 (3) GOOD WHOLLY THE GROWTH, PRODUCT, OR  
15 MANUFACTURE OF OMAN OR THE UNITED STATES,  
16 OR BOTH.—The term “good wholly the growth,  
17 product, or manufacture of Oman or the United  
18 States, or both” means—

19 (A) a mineral good extracted in the terri-  
20 tory of Oman or the United States, or both;

21 (B) a vegetable good, as such a good is  
22 provided for in the HTS, harvested in the terri-  
23 tory of Oman or the United States, or both;

1 (C) a live animal born and raised in the  
2 territory of Oman or the United States, or  
3 both;

4 (D) a good obtained from live animals  
5 raised in the territory of Oman or the United  
6 States, or both;

7 (E) a good obtained from hunting, trap-  
8 ping, or fishing in the territory of Oman or the  
9 United States, or both;

10 (F) a good (fish, shellfish, and other ma-  
11 rine life) taken from the sea by vessels reg-  
12 istered or recorded with Oman or the United  
13 States and flying the flag of that country;

14 (G) a good produced from goods referred  
15 to in subparagraph (F) on board factory ships  
16 registered or recorded with Oman or the United  
17 States and flying the flag of that country;

18 (H) a good taken by Oman or the United  
19 States or a person of Oman or the United  
20 States from the seabed or beneath the seabed  
21 outside territorial waters, if Oman or the  
22 United States, as the case may be, has rights  
23 to exploit such seabed;

24 (I) a good taken from outer space, if such  
25 good is obtained by Oman or the United States



1 or a person of Oman or the United States and  
2 not processed in the territory of a country other  
3 than Oman or the United States;

4 (J) waste and scrap derived from—

5 (i) production or manufacture in the  
6 territory of Oman or the United States, or  
7 both; or

8 (ii) used goods collected in the terri-  
9 tory of Oman or the United States, or  
10 both, if such goods are fit only for the re-  
11 covery of raw materials;

12 (K) a recovered good derived in the terri-  
13 tory of Oman or the United States from used  
14 goods and utilized in the territory of that coun-  
15 try in the production of remanufactured goods;  
16 and

17 (L) a good produced in the territory of  
18 Oman or the United States, or both, exclu-  
19 sively—

20 (i) from goods referred to in subpara-  
21 graphs (A) through (J), or

22 (ii) from the derivatives of goods re-  
23 ferred to in clause (i),

24 at any stage of production.

1           (4) INDIRECT MATERIAL.—The term “indirect  
2           material” means a good used in the growth, produc-  
3           tion, manufacture, testing, or inspection of a good  
4           but not physically incorporated into the good, or a  
5           good used in the maintenance of buildings or the op-  
6           eration of equipment associated with the growth,  
7           production, or manufacture of a good, including—

8                   (A) fuel and energy;

9                   (B) tools, dies, and molds;

10                  (C) spare parts and materials used in the  
11                  maintenance of equipment and buildings;

12                  (D) lubricants, greases, compounding ma-  
13                  terials, and other materials used in the growth,  
14                  production, or manufacture of a good or used  
15                  to operate equipment and buildings;

16                  (E) gloves, glasses, footwear, clothing,  
17                  safety equipment, and supplies;

18                  (F) equipment, devices, and supplies used  
19                  for testing or inspecting the good;

20                  (G) catalysts and solvents; and

21                  (H) any other goods that are not incor-  
22                  porated into the good but the use of which in  
23                  the growth, production, or manufacture of the  
24                  good can reasonably be demonstrated to be a

1 part of that growth, production, or manufac-  
2 ture.

3 (5) MATERIAL.—The term “material” means a  
4 good, including a part or ingredient, that is used in  
5 the growth, production, or manufacture of another  
6 good that is a new or different article of commerce  
7 that has been grown, produced, or manufactured in  
8 Oman or the United States, or both.

9 (6) MATERIAL PRODUCED IN THE TERRITORY  
10 OF OMAN OR THE UNITED STATES, OR BOTH.—The  
11 term “material produced in the territory of Oman or  
12 the United States, or both” means a good that is ei-  
13 ther wholly the growth, product, or manufacture of  
14 Oman or the United States, or both, or a new or dif-  
15 ferent article of commerce that has been grown, pro-  
16 duced, or manufactured in the territory of Oman or  
17 the United States, or both.

18 (7) NEW OR DIFFERENT ARTICLE OF COM-  
19 MERCE.—

20 (A) IN GENERAL.—The term “new or dif-  
21 ferent article of commerce” means, except as  
22 provided in subparagraph (B), a good that—

23 (i) has been substantially transformed  
24 from a good or material that is not wholly

1 the growth, product, or manufacture of  
2 Oman or the United States, or both; and  
3 (ii) has a new name, character, or use  
4 distinct from the good or material from  
5 which it was transformed.

6 (B) EXCEPTION.—A good shall not be con-  
7 sidered a new or different article of commerce  
8 by virtue of having undergone simple combining  
9 or packaging operations, or mere dilution with  
10 water or another substance that does not mate-  
11 rially alter the characteristics of the good.

12 (8) RECOVERED GOODS.—The term “recovered  
13 goods” means materials in the form of individual  
14 parts that result from—

15 (A) the disassembly of used goods into in-  
16 dividual parts; and

17 (B) the cleaning, inspecting, testing, or  
18 other processing of those parts as necessary for  
19 improvement to sound working condition.

20 (9) REMANUFACTURED GOOD.—The term “re-  
21 manufactured good” means an industrial good that  
22 is assembled in the territory of Oman or the United  
23 States and that—

24 (A) is entirely or partially comprised of re-  
25 covered goods;

1 (B) has a similar life expectancy to a like  
2 good that is new; and

3 (C) enjoys a factory warranty similar to  
4 that of a like good that is new.

5 (10) SIMPLE COMBINING OR PACKAGING OPER-  
6 ATIONS.—The term “simple combining or packaging  
7 operations” means operations such as adding bat-  
8 teries to devices, fitting together a small number of  
9 components by bolting, gluing, or soldering, and re-  
10 packing or packaging components together.

11 (11) SUBSTANTIALLY TRANSFORMED.—The  
12 term “substantially transformed” means, with re-  
13 spect to a good or material, changed as the result  
14 of a manufacturing or processing operation so  
15 that—

16 (A)(i) the good or material is converted  
17 from a good that has multiple uses into a good  
18 or material that has limited uses;

19 (ii) the physical properties of the good or  
20 material are changed to a significant extent; or

21 (iii) the operation undergone by the good  
22 or material is complex by reason of the number  
23 of different processes and materials involved  
24 and the time and level of skill required to per-  
25 form those processes; and

1 (B) the good or material loses its separate  
 2 identity in the manufacturing or processing op-  
 3 eration.

4 (j) PRESIDENTIAL PROCLAMATION AUTHORITY.—

5 (1) IN GENERAL.—The President is authorized  
 6 to proclaim, as part of the HTS—

7 (A) the provisions set forth in Annex 3–A  
 8 and Annex 4–A of the Agreement; and

9 (B) any additional subordinate category  
 10 that is necessary to carry out this title, con-  
 11 sistent with the Agreement.

12 (2) MODIFICATIONS.—

13 (A) IN GENERAL.—Subject to the consulta-  
 14 tion and layover provisions of section 104, the  
 15 President may proclaim modifications to the  
 16 provisions proclaimed under the authority of  
 17 paragraph (1)(A), other than provisions of  
 18 chapters 50 through 63 of the HTS (as in-  
 19 cluded in Annex 3–A of the Agreement).

20 (B) ADDITIONAL PROCLAMATIONS.—Not-  
 21 withstanding subparagraph (A), and subject to  
 22 the consultation and layover provisions of sec-  
 23 tion 104, the President may proclaim—

24 (i) modifications to the provisions pro-  
 25 claimed under the authority of paragraph

1 (1)(A) as are necessary to implement an  
2 agreement with Oman pursuant to article  
3 3.2.5 of the Agreement; and

4 (ii) before the end of the 1-year period  
5 beginning on the date of the enactment of  
6 this Act, modifications to correct any typo-  
7 graphical, clerical, or other nonsubstantive  
8 technical error regarding the provisions of  
9 chapters 50 through 63 of the HTS (as in-  
10 cluded in Annex 3–A of the Agreement).

11 **SEC. 203. CUSTOMS USER FEES.**

12 Section 13031(b) of the Consolidated Omnibus Budg-  
13 et Reconciliation Act of 1985 (19 U.S.C. 58c(b)) is  
14 amended by adding after paragraph (16) the following:

15 “(17) No fee may be charged under subsection (a)  
16 (9) or (10) with respect to goods that qualify as origi-  
17 nating goods under section 202 of the United States-  
18 Oman Free Trade Agreement Implementation Act. Any  
19 service for which an exemption from such fee is provided  
20 by reason of this paragraph may not be funded with  
21 money contained in the Customs User Fee Account.”.

22 **SEC. 204. ENFORCEMENT RELATING TO TRADE IN TEXTILE**  
23 **AND APPAREL GOODS.**

24 (a) ACTION DURING VERIFICATION.—

1           (1) IN GENERAL.—If the Secretary of the  
2       Treasury requests the Government of Oman to con-  
3       duct a verification pursuant to article 3.3 of the  
4       Agreement for purposes of making a determination  
5       under paragraph (2), the President may direct the  
6       Secretary to take appropriate action described in  
7       subsection (b) while the verification is being con-  
8       ducted.

9           (2) DETERMINATION.—A determination under  
10      this paragraph is a determination—

11           (A) that an exporter or producer in Oman  
12           is complying with applicable customs laws, reg-  
13           ulations, procedures, requirements, or practices  
14           affecting trade in textile or apparel goods; or

15           (B) that a claim that a textile or apparel  
16           good exported or produced by such exporter or  
17           producer—

18                   (i) qualifies as an originating good  
19                   under section 202, or

20                   (ii) is a good of Oman,  
21           is accurate.

22      (b) APPROPRIATE ACTION DESCRIBED.—Appropriate  
23      action under subsection (a)(1) includes—

24           (1) suspension of liquidation of the entry of any  
25           textile or apparel good exported or produced by the



1 person that is the subject of a verification referred  
2 to in subsection (a)(1) regarding compliance de-  
3 scribed in subsection (a)(2)(A), in a case in which  
4 the request for verification was based on a reason-  
5 able suspicion of unlawful activity related to such  
6 good; and

7 (2) suspension of liquidation of the entry of a  
8 textile or apparel good for which a claim has been  
9 made that is the subject of a verification referred to  
10 in subsection (a)(1) regarding a claim described in  
11 subsection (a)(2)(B).

12 (c) ACTION WHEN INFORMATION IS INSUFFI-  
13 CIENT.—If the Secretary of the Treasury determines that  
14 the information obtained within 12 months after making  
15 a request for a verification under subsection (a)(1) is in-  
16 sufficient to make a determination under subsection  
17 (a)(2), the President may direct the Secretary to take ap-  
18 propriate action described in subsection (d) until such  
19 time as the Secretary receives information sufficient to  
20 make a determination under subsection (a)(2) or until  
21 such earlier date as the President may direct.

22 (d) APPROPRIATE ACTION DESCRIBED.—Appro-  
23 priate action referred to in subsection (c) includes—

24 (1) publication of the name and address of the  
25 person that is the subject of the verification;

1           (2) denial of preferential tariff treatment under  
2   the Agreement to—

3           (A) any textile or apparel good exported or  
4           produced by the person that is the subject of a  
5           verification referred to in subsection (a)(1) re-  
6           garding compliance described in subsection  
7           (a)(2)(A); or

8           (B) a textile or apparel good for which a  
9           claim has been made that is the subject of a  
10          verification referred to in subsection (a)(1) re-  
11          garding a claim described in subsection  
12          (a)(2)(B); and

13       (3) denial of entry into the United States of—

14           (A) any textile or apparel good exported or  
15           produced by the person that is the subject of a  
16           verification referred to in subsection (a)(1) re-  
17           garding compliance described in subsection  
18           (a)(2)(A); or

19           (B) a textile or apparel good for which a  
20           claim has been made that is the subject of a  
21           verification referred to in subsection (a)(1) re-  
22           garding a claim described in subsection  
23           (a)(2)(B).

1 **SEC. 205. RELIQUIDATION OF ENTRIES.**

2 Subsection (d) of section 520 of the Tariff Act of  
3 1930 (19 U.S.C. 1520(d)) is amended—

4 (1) in the matter preceding paragraph (1)—

5 (A) by striking “or”; and

6 (B) by striking “for which” and inserting  
7 “, or section 202 of the United States-Oman  
8 Free Trade Agreement Implementation Act for  
9 which”; and

10 (2) in paragraph (3), by inserting “and infor-  
11 mation” after “documentation”.

12 **SEC. 206. REGULATIONS.**

13 The Secretary of the Treasury shall prescribe such  
14 regulations as may be necessary to carry out—

15 (1) subsections (a) through (i) of section 202;

16 (2) the amendment made by section 203; and

17 (3) proclamations issued under section 202(j).

18 **TITLE III—RELIEF FROM**  
19 **IMPORTS**

20 **SEC. 301. DEFINITIONS.**

21 In this title:

22 (1) OMANI ARTICLE.—The term “Omani arti-  
23 cle” means an article that—

24 (A) qualifies as an originating good under  
25 section 202(b); or

1 (B) receives preferential tariff treatment  
 2 under paragraphs 8 through 11 of article 3.2 of  
 3 the Agreement.

4 (2) OMANI TEXTILE OR APPAREL ARTICLE.—  
 5 The term “Omani textile or apparel article” means  
 6 an article that—

7 (A) is listed in the Annex to the Agree-  
 8 ment on Textiles and Clothing referred to in  
 9 section 101(d)(4) of the Uruguay Round Agree-  
 10 ments Act (19 U.S.C. 3511(d)(4)); and

11 (B) is an Omani article.

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

## 15 **Subtitle A—Relief From Imports** 16 **Benefiting From the Agreement**

### 17 **SEC. 311. COMMENCING OF ACTION FOR RELIEF.**

18 (a) FILING OF PETITION.—A petition requesting ac-  
 19 tion under this subtitle for the purpose of adjusting to  
 20 the obligations of the United States under the Agreement  
 21 may be filed with the Commission by an entity, including  
 22 a trade association, firm, certified or recognized union, or  
 23 group of workers, that is representative of an industry.  
 24 The Commission shall transmit a copy of any petition filed

1 under this subsection to the United States Trade Rep-  
2 resentative.

3 (b) INVESTIGATION AND DETERMINATION.—Upon  
4 the filing of a petition under subsection (a), the Commis-  
5 sion, unless subsection (d) applies, shall promptly initiate  
6 an investigation to determine whether, as a result of the  
7 reduction or elimination of a duty provided for under the  
8 Agreement, an Omani article is being imported into the  
9 United States in such increased quantities, in absolute  
10 terms or relative to domestic production, and under such  
11 conditions that imports of the Omani article constitute a  
12 substantial cause of serious injury or threat thereof to the  
13 domestic industry producing an article that is like, or di-  
14 rectly competitive with, the imported article.

15 (c) APPLICABLE PROVISIONS.—The following provi-  
16 sions of section 202 of the Trade Act of 1974 (19 U.S.C.  
17 2252) apply with respect to any investigation initiated  
18 under subsection (b):

19 (1) Paragraphs (1)(B) and (3) of subsection  
20 (b).

21 (2) Subsection (c).

22 (3) Subsection (i).

23 (d) ARTICLES EXEMPT FROM INVESTIGATION.—No  
24 investigation may be initiated under this section with re-  
25 spect to any Omani article if, after the date on which the

1 Agreement enters into force with respect to the United  
2 States, import relief has been provided with respect to that  
3 Omani article under this subtitle.

4 **SEC. 312. COMMISSION ACTION ON PETITION.**

5 (a) DETERMINATION.—Not later than 120 days after  
6 the date on which an investigation is initiated under sec-  
7 tion 311(b) with respect to a petition, the Commission  
8 shall make the determination required under that section.

9 (b) APPLICABLE PROVISIONS.—For purposes of this  
10 subtitle, the provisions of paragraphs (1), (2), and (3) of  
11 section 330(d) of the Tariff Act of 1930 (19 U.S.C.  
12 1330(d) (1), (2), and (3)) shall be applied with respect  
13 to determinations and findings made under this section  
14 as if such determinations and findings were made under  
15 section 202 of the Trade Act of 1974 (19 U.S.C. 2252).

16 (c) ADDITIONAL FINDING AND RECOMMENDATION IF  
17 DETERMINATION AFFIRMATIVE.—

18 (1) IN GENERAL.—If the determination made  
19 by the Commission under subsection (a) with respect  
20 to imports of an article is affirmative, or if the  
21 President may consider a determination of the Com-  
22 mission to be an affirmative determination as pro-  
23 vided for under paragraph (1) of section 330(d) of  
24 the Tariff Act of 1930 (19 U.S.C. 1330(d)), the  
25 Commission shall find, and recommend to the Presi-

1       dent in the report required under subsection (d), the  
2       amount of import relief that is necessary to remedy  
3       or prevent the injury found by the Commission in  
4       the determination and to facilitate the efforts of the  
5       domestic industry to make a positive adjustment to  
6       import competition.

7           (2) LIMITATION ON RELIEF.—The import relief  
8       recommended by the Commission under this sub-  
9       section shall be limited to that described in section  
10      313(c).

11          (3) VOTING; SEPARATE VIEWS.—Only those  
12      members of the Commission who voted in the af-  
13      firmative under subsection (a) are eligible to vote on  
14      the proposed action to remedy or prevent the injury  
15      found by the Commission. Members of the Commis-  
16      sion who did not vote in the affirmative may submit,  
17      in the report required under subsection (d), separate  
18      views regarding what action, if any, should be taken  
19      to remedy or prevent the injury.

20          (d) REPORT TO PRESIDENT.—Not later than the  
21      date that is 30 days after the date on which a determina-  
22      tion is made under subsection (a) with respect to an inves-  
23      tigation, the Commission shall submit to the President a  
24      report that includes—

1           (1) the determination made under subsection  
2           (a) and an explanation of the basis for the deter-  
3           mination;

4           (2) if the determination under subsection (a) is  
5           affirmative, any findings and recommendations for  
6           import relief made under subsection (c) and an ex-  
7           planation of the basis for each recommendation; and

8           (3) any dissenting or separate views by mem-  
9           bers of the Commission regarding the determination  
10          and recommendation referred to in paragraphs (1)  
11          and (2).

12          (e) PUBLIC NOTICE.—Upon submitting a report to  
13          the President under subsection (d), the Commission shall  
14          promptly make public such report (with the exception of  
15          information which the Commission determines to be con-  
16          fidential) and shall cause a summary thereof to be pub-  
17          lished in the Federal Register.

18      **SEC. 313. PROVISION OF RELIEF.**

19          (a) IN GENERAL.—Not later than the date that is  
20          30 days after the date on which the President receives the  
21          report of the Commission in which the Commission's de-  
22          termination under section 312(a) is affirmative, or which  
23          contains a determination under section 312(a) that the  
24          President considers to be affirmative under paragraph (1)  
25          of section 330(d) of the Tariff Act of 1930 (19 U.S.C.



1 1330(d)(1)), the President, subject to subsection (b), shall  
 2 provide relief from imports of the article that is the subject  
 3 of such determination to the extent that the President de-  
 4 termines necessary to remedy or prevent the injury found  
 5 by the Commission and to facilitate the efforts of the do-  
 6 mestic industry to make a positive adjustment to import  
 7 competition.

8 (b) EXCEPTION.—The President is not required to  
 9 provide import relief under this section if the President  
 10 determines that the provision of the import relief will not  
 11 provide greater economic and social benefits than costs.

12 (c) NATURE OF RELIEF.—

13 (1) IN GENERAL.—The import relief that the  
 14 President is authorized to provide under this section  
 15 with respect to imports of an article is as follows:

16 (A) The suspension of any further reduc-  
 17 tion provided for under Annex 2–B of the  
 18 Agreement in the duty imposed on such article.

19 (B) An increase in the rate of duty im-  
 20 posed on such article to a level that does not  
 21 exceed the lesser of—

22 (i) the column 1 general rate of duty  
 23 imposed under the HTS on like articles at  
 24 the time the import relief is provided; or

1 (ii) the column 1 general rate of duty  
2 imposed under the HTS on like articles on  
3 the day before the date on which the  
4 Agreement enters into force.

5 (2) PROGRESSIVE LIBERALIZATION.—If the pe-  
6 riod for which import relief is provided under this  
7 section is greater than 1 year, the President shall  
8 provide for the progressive liberalization of such re-  
9 lief at regular intervals during the period in which  
10 the relief is in effect.

11 (d) PERIOD OF RELIEF.—

12 (1) IN GENERAL.—Subject to paragraph (2),  
13 any import relief that the President provides under  
14 this section may not, in the aggregate, be in effect  
15 for more than 3 years.

16 (2) EXTENSION.—

17 (A) IN GENERAL.—If the initial period for  
18 any import relief provided under this section is  
19 less than 3 years, the President, after receiving  
20 a determination from the Commission under  
21 subparagraph (B) that is affirmative, or which  
22 the President considers to be affirmative under  
23 paragraph (1) of section 330(d) of the Tariff  
24 Act of 1930 (19 U.S.C. 1330(d)(1)), may ex-  
25 tend the effective period of any import relief

1 provided under this section, subject to the limi-  
2 tation under paragraph (1), if the President de-  
3 termines that—

4 (i) the import relief continues to be  
5 necessary to remedy or prevent serious in-  
6 jury and to facilitate adjustment by the do-  
7 mestic industry to import competition; and

8 (ii) there is evidence that the industry  
9 is making a positive adjustment to import  
10 competition.

11 (B) ACTION BY COMMISSION.—

12 (i) INVESTIGATION.—Upon a petition  
13 on behalf of the industry concerned that is  
14 filed with the Commission not earlier than  
15 the date which is 9 months, and not later  
16 than the date which is 6 months, before  
17 the date any action taken under subsection  
18 (a) is to terminate, the Commission shall  
19 conduct an investigation to determine  
20 whether action under this section continues  
21 to be necessary to remedy or prevent seri-  
22 ous injury and to facilitate adjustment by  
23 the domestic industry to import competi-  
24 tion and whether there is evidence that the

1 industry is making a positive adjustment  
2 to import competition.

3 (ii) NOTICE AND HEARING.—The  
4 Commission shall publish notice of the  
5 commencement of any proceeding under  
6 this subparagraph in the Federal Register  
7 and shall, within a reasonable time there-  
8 after, hold a public hearing at which the  
9 Commission shall afford interested parties  
10 and consumers an opportunity to be  
11 present, to present evidence, and to re-  
12 spond to the presentations of other parties  
13 and consumers, and otherwise to be heard.

14 (iii) REPORT.—The Commission shall  
15 transmit to the President a report on its  
16 investigation and determination under this  
17 subparagraph not later than 60 days be-  
18 fore the action under subsection (a) is to  
19 terminate, unless the President specifies a  
20 different date.

21 (e) RATE AFTER TERMINATION OF IMPORT RE-  
22 LIEF.—When import relief under this section is termi-  
23 nated with respect to an article, the rate of duty on that  
24 article shall be the rate that would have been in effect,

1 but for the provision of such relief, on the date on which  
2 the relief terminates.

3 (f) ARTICLES EXEMPT FROM RELIEF.—No import  
4 relief may be provided under this section on any article  
5 that has been subject to import relief under this subtitle  
6 after the date on which the Agreement enters into force.

7 **SEC. 314. TERMINATION OF RELIEF AUTHORITY.**

8 (a) GENERAL RULE.—Subject to subsection (b), no  
9 import relief may be provided under this subtitle after the  
10 date that is 10 years after the date on which the Agree-  
11 ment enters into force.

12 (b) PRESIDENTIAL DETERMINATION.—Import relief  
13 may be provided under this subtitle in the case of an  
14 Omani article after the date on which such relief would,  
15 but for this subsection, terminate under subsection (a),  
16 if the President determines that Oman has consented to  
17 such relief.

18 **SEC. 315. COMPENSATION AUTHORITY.**

19 For purposes of section 123 of the Trade Act of 1974  
20 (19 U.S.C. 2133), any import relief provided by the Presi-  
21 dent under section 313 shall be treated as action taken  
22 under chapter 1 of title II of such Act (19 U.S.C. 2251  
23 et seq.).

1 **SEC. 316. CONFIDENTIAL BUSINESS INFORMATION.**

2 Section 202(a)(8) of the Trade Act of 1974 (19  
3 U.S.C. 2252(a)(8)) is amended in the first sentence—

4 (1) by striking “and”; and

5 (2) by inserting before the period at the end “,  
6 and title III of the United States-Oman Free Trade  
7 Agreement Implementation Act”.

8 **Subtitle B—Textile and Apparel**  
9 **Safeguard Measures**

10 **SEC. 321. COMMENCEMENT OF ACTION FOR RELIEF.**

11 (a) IN GENERAL.—A request under this subtitle for  
12 the purpose of adjusting to the obligations of the United  
13 States under the Agreement may be filed with the Presi-  
14 dent by an interested party. Upon the filing of a request,  
15 the President shall review the request to determine, from  
16 information presented in the request, whether to com-  
17 mence consideration of the request.

18 (b) PUBLICATION OF REQUEST.—If the President de-  
19 termines that the request under subsection (a) provides  
20 the information necessary for the request to be considered,  
21 the President shall cause to be published in the Federal  
22 Register a notice of commencement of consideration of the  
23 request, and notice seeking public comments regarding the  
24 request. The notice shall include a summary of the request  
25 and the dates by which comments and rebuttals must be  
26 received.

1 **SEC. 322. DETERMINATION AND PROVISION OF RELIEF.**

2 (a) DETERMINATION.—

3 (1) IN GENERAL.—If a positive determination is  
4 made under section 321(b), the President shall de-  
5 termine whether, as a result of the reduction or  
6 elimination of a duty under the Agreement, an  
7 Omani textile or apparel article is being imported  
8 into the United States in such increased quantities,  
9 in absolute terms or relative to the domestic market  
10 for that article, and under such conditions as to  
11 cause serious damage, or actual threat thereof, to a  
12 domestic industry producing an article that is like,  
13 or directly competitive with, the imported article.

14 (2) SERIOUS DAMAGE.—In making a deter-  
15 mination under paragraph (1), the President—

16 (A) shall examine the effect of increased  
17 imports on the domestic industry, as reflected  
18 in changes in such relevant economic factors as  
19 output, productivity, utilization of capacity, in-  
20 ventories, market share, exports, wages, em-  
21 ployment, domestic prices, profits, and invest-  
22 ment, none of which is necessarily decisive; and

23 (B) shall not consider changes in tech-  
24 nology or consumer preference as factors sup-  
25 porting a determination of serious damage or  
26 actual threat thereof.

1 (b) PROVISION OF RELIEF.—

2 (1) IN GENERAL.—If a determination under  
3 subsection (a) is affirmative, the President may pro-  
4 vide relief from imports of the article that is the  
5 subject of such determination, as described in para-  
6 graph (2), to the extent that the President deter-  
7 mines necessary to remedy or prevent the serious  
8 damage and to facilitate adjustment by the domestic  
9 industry to import competition.

10 (2) NATURE OF RELIEF.—The relief that the  
11 President is authorized to provide under this sub-  
12 section with respect to imports of an article is an in-  
13 crease in the rate of duty imposed on the article to  
14 a level that does not exceed the lesser of—

15 (A) the column 1 general rate of duty im-  
16 posed under the HTS on like articles at the  
17 time the import relief is provided; or

18 (B) the column 1 general rate of duty im-  
19 posed under the HTS on like articles on the  
20 day before the date on which the Agreement en-  
21 ters into force.

22 **SEC. 323. PERIOD OF RELIEF.**

23 (a) IN GENERAL.—Subject to subsection (b), any im-  
24 port relief that the President provides under subsection



1 (b) of section 322 may not, in the aggregate, be in effect  
2 for more than 3 years.

3 (b) EXTENSION.—If the initial period for any import  
4 relief provided under section 322 is less than 3 years, the  
5 President may extend the effective period of any import  
6 relief provided under that section, subject to the limitation  
7 set forth in subsection (a), if the President determines  
8 that—

9 (1) the import relief continues to be necessary  
10 to remedy or prevent serious damage and to facili-  
11 tate adjustment by the domestic industry to import  
12 competition; and

13 (2) there is evidence that the industry is mak-  
14 ing a positive adjustment to import competition.

15 **SEC. 324. ARTICLES EXEMPT FROM RELIEF.**

16 The President may not provide import relief under  
17 this subtitle with respect to any article if—

18 (1) the article has been subject to import relief  
19 under this subtitle after the date on which the  
20 Agreement enters into force; or

21 (2) the article is subject to import relief under  
22 chapter 1 of title II of the Trade Act of 1974 (19  
23 U.S.C. 2251 et seq.).

1 **SEC. 325. RATE AFTER TERMINATION OF IMPORT RELIEF.**

2       When import relief under this subtitle is terminated  
3 with respect to an article, the rate of duty on that article  
4 shall be the rate that would have been in effect, but for  
5 the provision of such relief, on the date on which the relief  
6 terminates.

7 **SEC. 326. TERMINATION OF RELIEF AUTHORITY.**

8       No import relief may be provided under this subtitle  
9 with respect to any article after the date that is 10 years  
10 after the date on which duties on the article are eliminated  
11 pursuant to the Agreement.

12 **SEC. 327. COMPENSATION AUTHORITY.**

13       For purposes of section 123 of the Trade Act of 1974  
14 (19 U.S.C. 2133), any import relief provided by the Presi-  
15 dent under this subtitle shall be treated as action taken  
16 under chapter 1 of title II of such Act.

17 **SEC. 328. CONFIDENTIAL BUSINESS INFORMATION.**

18       The President may not release information that is  
19 submitted in a proceeding under this subtitle and that the  
20 President considers to be confidential business informa-  
21 tion unless the party submitting the confidential business  
22 information had notice, at the time of submission, that  
23 such information would be released, or such party subse-  
24 quently consents to the release of the information. To the  
25 extent a party submits confidential business information  
26 to the President in a proceeding under this subtitle, the

1 party shall also submit a nonconfidential version of the  
 2 information, in which the confidential business informa-  
 3 tion is summarized or, if necessary, deleted.

## 4 **TITLE IV—PROCUREMENT**

### 5 **SEC. 401. ELIGIBLE PRODUCTS.**

6 Section 308(4)(A) of the Trade Agreements Act of  
 7 1979 (19 U.S.C. 2518(4)(A)) is amended—

8 (1) by striking “or” at the end of clause (iv);

9 (2) by striking the period at the end of clause  
 10 (v) and inserting “; or”; and

11 (3) by adding at the end the following new  
 12 clause:

13 “(vi) a party to the United States-  
 14 Oman Free Trade Agreement, a product or  
 15 service of that country or instrumentality  
 16 which is covered under that Agreement for  
 17 procurement by the United States.”.

Passed the House of Representatives July 20, 2006.

Attest:

*Clerk.*