

114TH CONGRESS
1ST SESSION

H. R. 1907

To reauthorize trade facilitation and trade enforcement functions and activities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

APRIL 21, 2015

Mr. TIBERI introduced the following bill; which was referred to the Committee on Ways and Means, and in addition to the Committees on Homeland Security, Foreign Affairs, Financial Services, and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To reauthorize trade facilitation and trade enforcement functions and activities, and for other purposes.

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; TABLE OF CONTENTS.**

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

6 (b) TABLE OF CONTENTS.—The table of contents for
7 this Act is as 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 programs.
- Sec. 104. Educational seminars to improve efforts to classify and appraise imported 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 Targeting Division and National Targeting and Analysis Groups.
- 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 new importer program.
- Sec. 116. Customs broker identification of importers.
- Sec. 117. Requirements applicable to non-resident importers.

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 investigation of evasion of antidumping and countervailing duty orders.
- Sec. 422. Government Accountability Office report.

Subtitle C—Other Matters

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

TITLE V—ADDITIONAL ENFORCEMENT PROVISIONS

- Sec. 501. Trade enforcement priorities.
- Sec. 502. Exercise of WTO authorization to suspend concessions or other obligations under trade agreements.
- Sec. 503. Trade monitoring.

TITLE VI—MISCELLANEOUS PROVISIONS

- Sec. 601. De minimis value.
- Sec. 602. Consultation on trade and customs revenue functions.
- Sec. 603. Penalties for customs brokers.
- Sec. 604. Amendments to chapter 98 of the Harmonized Tariff Schedule of the United States.
- Sec. 605. Exemption from duty of residue of bulk cargo contained in instruments of international traffic previously exported from the United States.
- Sec. 606. Drawback and refunds.
- Sec. 607. Office of the United States Trade Representative.
- Sec. 608. United States-Israel Trade and Commercial Enhancement.
- Sec. 609. Elimination of consumptive demand exception to prohibition on importation of goods made with convict labor, forced labor, or indentured labor; report.
- Sec. 610. Customs user fees.
- Sec. 611. Report on certain U.S. Customs and Border Protection agreements.

1 **SEC. 2. DEFINITIONS.**

2 In this Act:

3 (1) AUTOMATED COMMERCIAL ENVIRON-
4 MENT.—The term “Automated Commercial Environ-

ment” means the Automated Commercial Environment computer system authorized under section 13031(f)(4) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)(4)).

(2) COMMISSIONER.—The term “Commissioner” means the Commissioner responsible for U.S. Customs and Border Protection.

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

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

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

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

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

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

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

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

1 (H) The Foreign Trade Zones Act (19
2 U.S.C. 81a et seq.).

3 (I) Section 1 of the Act of March 2, 1911
4 (36 Stat. 965, chapter 191; 19 U.S.C. 198).

5 (J) The Trade Act of 1974 (19 U.S.C.
6 2102 et seq.).

7 (K) The Trade Agreements Act of 1979
8 (19 U.S.C. 2501 et seq.).

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

12 (M) The Uruguay Round Agreements Act
13 (19 U.S.C. 3501 et seq.).

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

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

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

20 (Q) The Customs Enforcement Act of
21 1986 (Public Law 99–570; 100 Stat. 3207–79).

22 (R) The Customs and Trade Act of 1990
23 (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 1263, chapter 566).

12 (X) Any other provision of law imple-
13 menting a trade agreement.

14 (Y) Any other provision of law vesting cus-
15 toms revenue functions in the Secretary of the
16 Treasury.

17 (Z) Any other provision of law relating to
18 trade facilitation or trade enforcement that is
19 administered by U.S. Customs and Border Pro-
20 tection on behalf of any Federal agency that is
21 required to participate in the International
22 Trade Data System.

23 (AA) Any other provision of customs or
24 trade law administered by U.S. Customs and

1 Border Protection or U.S. Immigration and
2 Customs Enforcement.

3 (4) PRIVATE SECTOR ENTITY.—The term “pri-
4 vate sector entity” means—

5 (A) an importer;

6 (B) an exporter;

7 (C) a forwarder;

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

9 (E) a contract logistics provider;

10 (F) a customs broker; or

11 (G) any other person (other than an em-
12 ployee of a government) affected by the imple-
13 mentation of the customs and trade laws of the
14 United States.

15 (5) TRADE ENFORCEMENT.—The term “trade
16 enforcement” means the enforcement of the customs
17 and trade laws of the United States.

18 (6) TRADE FACILITATION.—The term “trade
19 facilitation” refers to policies and activities of U.S.
20 Customs and Border Protection with respect to fa-
21 cilitating the movement of merchandise into and out
22 of the United States in a manner that complies with
23 the customs and trade laws of the United States.

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

3 **SEC. 101. IMPROVING PARTNERSHIP PROGRAMS.**

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

18 (b) ELEMENTS.—In developing and operating part-
19 nership programs under subsection (a), the Commissioner
20 shall—

21 (1) consult with private sector entities, the pub-
22 lic, and other Federal agencies when appropriate, to
23 ensure that participants in those programs receive
24 commercially significant and measurable trade bene-
25 fits, including providing pre-clearance of merchan-

1 dise for qualified persons that demonstrate the high-
2 est levels of compliance with the customs and trade
3 laws of the United States, regulations of U.S. Cus-
4 toms and Border Protection, and other requirements
5 the Commissioner determines to be necessary;

6 (2) ensure an integrated and transparent sys-
7 tem of trade benefits and compliance requirements
8 for all partnership programs of U.S. Customs and
9 Border Protection;

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

17 (4) coordinate with the Director of U.S. Immi-
18 gration and Customs Enforcement, and other Fed-
19 eral agencies with authority to detain and release
20 merchandise entering the United States—

21 (A) to ensure coordination in the release of
22 such merchandise through the Automated Com-
23 mercial Environment, or its predecessor, and
24 the International Trade Data System;

1 (B) to ensure that the partnership pro-
2 grams of those agencies are compatible with the
3 partnership programs of U.S. Customs and
4 Border Protection;

5 (C) to develop criteria for authorizing the
6 release, on an expedited basis, of merchandise
7 for which documentation is required from one
8 or more of those agencies to clear or license the
9 merchandise for entry into the United States;
10 and

11 (D) to create pathways, within and among
12 the appropriate Federal agencies, for qualified
13 persons that demonstrate the highest levels of
14 compliance to receive immediate clearance ab-
15 sent information that a transaction may pose a
16 national security or compliance threat; and

17 (5) ensure that trade benefits are provided to
18 participants in partnership programs.

19 (c) REPORT REQUIRED.—Not later than the date
20 that is 180 days after the date of the enactment of this
21 Act, and December 31 of each year thereafter, the Com-
22 missioner shall submit to the Committee on Finance of
23 the Senate and the Committee on Ways and Means of the
24 House of Representatives a report that—

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

3 (2) for each such program, identifies—

4 (A) the requirements for participants in
5 the program;

6 (B) the commercially significant and meas-
7 urable trade benefits provided to participants in
8 the program;

9 (C) the number of participants in the pro-
10 gram; and

11 (D) in the case of a program that provides
12 for participation at multiple tiers, the number
13 of participants at each such tier;

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

16 (4) assesses the effectiveness of each such part-
17 nership program in advancing the security, trade en-
18 forcement, and trade facilitation missions of U.S.
19 Customs and Border Protection, based on historical
20 developments, the level of participation in the pro-
21 gram, and the evolution of benefits provided to par-
22 ticipants in the program;

23 (5) summarizes the efforts of U.S. Customs and
24 Border Protection to work with other Federal agen-
25 cies with authority to detain and release merchan-

1 dise entering the United States to ensure that part-
2 nership programs of those agencies are compatible
3 with partnership programs of U.S. Customs and
4 Border Protection;

5 (6) summarizes criteria developed with those
6 agencies for authorizing the release, on an expedited
7 basis, of merchandise for which documentation is re-
8 quired from one or more of those agencies to clear
9 or license the merchandise for entry into the United
10 States;

11 (7) summarizes the efforts of U.S. Customs and
12 Border Protection to work with private sector enti-
13 ties and the public to develop and improve partner-
14 ship programs referred to in subsection (a);

15 (8) describes measures taken by U.S. Customs
16 and Border Protection to make private sector enti-
17 ties aware of the trade benefits available to partici-
18 pants in such programs; and

19 (9) summarizes the plans, targets, and goals of
20 U.S. Customs and Border Protection with respect to
21 such programs for the 2 years following the submis-
22 sion of the report.

1 **SEC. 102. REPORT ON EFFECTIVENESS OF TRADE EN-**
2 **FORCEMENT ACTIVITIES.**

3 (a) IN GENERAL.—Not later than one year after the
4 date of the enactment of this Act, the Comptroller General
5 of the United States shall submit to the Committee on
6 Finance of the Senate and the Committee on Ways and
7 Means of the House of Representatives a report on the
8 effectiveness of trade enforcement activities of U.S. Cus-
9 toms and Border Protection.

10 (b) CONTENTS.—The report required by subsection
11 (a) shall include—

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

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

22 **SEC. 103. PRIORITIES AND PERFORMANCE STANDARDS**
23 **FOR CUSTOMS MODERNIZATION, TRADE FA-**
24 **CILITATION, AND TRADE ENFORCEMENT**
25 **FUNCTIONS AND PROGRAMS.**

26 (a) PRIORITIES AND PERFORMANCE STANDARDS.—

1 (1) IN GENERAL.—The Commissioner, in con-
2 sultation with the Committee on Finance of the Sen-
3 ate and the Committee on Ways and Means of the
4 House of Representatives, shall establish priorities
5 and performance standards to measure the develop-
6 ment and levels of achievement of the customs mod-
7 ernization, trade facilitation, and trade enforcement
8 functions and programs described in subsection (b).

9 (2) MINIMUM PRIORITIES AND STANDARDS.—
10 Such priorities and performance standards shall, at
11 a minimum, include priorities and standards relating
12 to efficiency, outcome, output, and other types of ap-
13 plicable measures.

14 (b) FUNCTIONS AND PROGRAMS DESCRIBED.—The
15 functions and programs referred to in subsection (a) are
16 the following:

17 (1) The Automated Commercial Environment.

18 (2) Each of the priority trade issues described
19 in paragraph (3)(B)(ii) of section 2(d) of the Act of
20 March 3, 1927 (44 Stat. 1381, chapter 348; 19
21 U.S.C. 2072(d)), as added by section 111(a) of this
22 Act.

23 (3) The Centers of Excellence and Expertise de-
24 scribed in section 110 of this Act.

1 (4) Drawback for exported merchandise under
2 section 313 of the Tariff Act of 1930 (19 U.S.C.
3 1313), as amended by section 406 of this Act.

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

6 (6) Collection of countervailing duties assessed
7 under subtitle A of title VII of the Tariff Act of
8 1930 (19 U.S.C. 1671 et seq.) and antidumping du-
9 ties assessed under subtitle B of title VII of the Tar-
10 iff Act of 1930 (19 U.S.C. 1673 et seq.).

11 (7) The expedited clearance of cargo.

12 (8) The issuance of regulations and rulings.

13 (9) The issuance of Regulatory Audit Reports.

14 (c) CONSULTATIONS AND NOTIFICATION.—

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

18 (2) NOTIFICATION.—The Commissioner shall
19 notify the Committee on Finance of the Senate and
20 the Committee on Ways and Means of the House of
21 Representatives of any changes to the priorities re-
22 ferred to in subsection (a) not later than 30 days be-
23 fore such changes are to take effect.

1 **SEC. 104. EDUCATIONAL SEMINARS TO IMPROVE EFFORTS**
2 **TO CLASSIFY AND APPRAISE IMPORTED AR-**
3 **TICLES, TO IMPROVE TRADE ENFORCEMENT**
4 **EFFORTS, AND TO OTHERWISE FACILITATE**
5 **LEGITIMATE INTERNATIONAL TRADE.**

6 (a) IN GENERAL.—

7 (1) ESTABLISHMENT.—The Commissioner and
8 the Director shall establish and carry out on a fiscal
9 year basis educational seminars to—

10 (A) improve the ability of U.S. Customs
11 and Border Protection personnel to classify and
12 appraise articles imported into the United
13 States in accordance with the customs and
14 trade laws of the United States;

15 (B) improve the trade enforcement efforts
16 of U.S. Customs and Border Protection per-
17 sonnel and U.S. Immigration and Customs En-
18 forcement personnel; and

19 (C) otherwise improve the ability and effec-
20 tiveness of U.S. Customs and Border Protection
21 personnel and U.S. Immigration and Customs
22 Enforcement personnel to facilitate legitimate
23 international trade.

24 (b) CONTENT.—

25 (1) CLASSIFYING AND APPRAISING IMPORTED
26 ARTICLES.—In carrying out subsection (a)(1)(A),

1 the Commissioner, the Director, and interested par-
2 ties in the private sector selected under subsection
3 (c) shall provide instruction and related instructional
4 materials at each educational seminar under this
5 section to U.S. Customs and Border Protection per-
6 sonnel and, as appropriate, to U.S. Immigration and
7 Customs Enforcement personnel on the following:

8 (A) Conducting a physical inspection of an
9 article imported into the United States, includ-
10 ing testing of samples of the article, to deter-
11 mine if the article is mislabeled in the manifest
12 or other accompanying documentation.

13 (B) Reviewing the manifest and other ac-
14 companying documentation of an article im-
15 ported into the United States to determine if
16 the country of origin of the article listed in the
17 manifest or other accompanying documentation
18 is accurate.

19 (C) Customs valuation.

20 (D) Industry supply chains and other re-
21 lated matters as determined to be appropriate
22 by the Commissioner.

23 (2) TRADE ENFORCEMENT EFFORTS.—In car-
24 rying out subsection (a)(1)(B), the Commissioner,
25 the Director, and interested parties in the private

1 sector selected under subsection (c) shall provide in-
2 struction and related instructional materials at each
3 educational seminar under this section to U.S. Cus-
4 toms and Border Protection personnel and, as ap-
5 propriate, to U.S. Immigration and Customs En-
6 forcement personnel to identify opportunities to en-
7 hance enforcement of the following:

8 (A) Collection of countervailing duties as-
9 sessed under subtitle A of title VII of the Tariff
10 Act of 1930 (19 U.S.C. 1671 et seq.) and anti-
11 dumping duties assessed under subtitle B of
12 title VII of the Tariff Act of 1930 (19 U.S.C.
13 1673 et seq.).

14 (B) Addressing evasion of duties on im-
15 ports of textiles.

16 (C) Protection of intellectual property
17 rights.

18 (D) Enforcement of child labor laws.

19 (3) APPROVAL OF COMMISSIONER AND DIREC-
20 TOR.—The instruction and related instructional ma-
21 terials at each educational seminar under this sec-
22 tion shall be subject to the approval of the Commis-
23 sioner and the Director.

24 (c) SELECTION PROCESS.—

1 (1) IN GENERAL.—The Commissioner shall es-
2 tablish a process to solicit, evaluate, and select inter-
3 ested parties in the private sector for purposes of as-
4 sisting in providing instruction and related instruc-
5 tional materials described in subsection (b) at each
6 educational seminar under this section.

7 (2) CRITERIA.—The Commissioner shall evalu-
8 ate and select interested parties in the private sector
9 under the process established under paragraph (1)
10 based on—

11 (A) availability and usefulness;

12 (B) the volume, value, and incidence of
13 mislabeling or misidentification of origin of im-
14 ported articles; and

15 (C) other appropriate criteria established
16 by the Commissioner.

17 (3) PUBLIC AVAILABILITY.—The Commissioner
18 and the Director shall publish in the Federal Reg-
19 ister a detailed description of the process established
20 under paragraph (1) and the criteria established
21 under paragraph (2).

22 (d) SPECIAL RULE FOR ANTIDUMPING AND COUN-
23 TERVAILING DUTY ORDERS.—

24 (1) IN GENERAL.—The Commissioner shall give
25 due consideration to carrying out an educational

1 seminar under this section in whole or in part to im-
2 prove the ability of U.S. Customs and Border Pro-
3 tection personnel to enforce a countervailing or anti-
4 dumping duty order issued under section 706 or 736
5 of the Tariff Act of 1930 (19 U.S.C. 1671e or
6 1673e) upon the request of a petitioner in an action
7 underlying such countervailing or antidumping duty
8 order.

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

13 (e) PERFORMANCE STANDARDS.—The Commissioner
14 and the Director shall establish performance standards to
15 measure the development and level of achievement of edu-
16 cational seminars under this section.

17 (f) REPORTING.—Beginning September 30, 2016, the
18 Commissioner and the Director shall submit to the Com-
19 mittee of Finance of the Senate and the Committee of
20 Ways and Means of the House of Representatives an an-
21 nual report on the effectiveness of educational seminars
22 under this section.

23 (g) DEFINITIONS.—In this section:

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

4 (2) UNITED STATES.—The term “United
5 States” means the customs territory of the United
6 States, as defined in General Note 2 to the Har-
7 monized Tariff Schedule of the United States.

8 (3) U.S. CUSTOMS AND BORDER PROTECTION
9 PERSONNEL.—The term “U.S. Customs and Border
10 Protection personnel” means import specialists,
11 auditors, and other appropriate employees of the
12 U.S. Customs and Border Protection.

13 (4) U.S. IMMIGRATION AND CUSTOMS ENFORCE-
14 MENT PERSONNEL.—The term “U.S. Immigrations
15 and Customs Enforcement personnel” means Home-
16 land Security Investigations Directorate personnel
17 and other appropriate employees of U.S. Immigra-
18 tions and Customs Enforcement.

19 **SEC. 105. JOINT STRATEGIC PLAN.**

20 (a) IN GENERAL.—Not later than one year after the
21 date of the enactment of this Act, and every 2 years there-
22 after, the Commissioner and the Director of U.S. Immi-
23 gration and Customs Enforcement shall jointly develop
24 and submit to the Committee on Finance of the Senate

1 and the Committee on Ways and Means of the House of
2 Representatives, a joint strategic plan.

3 (b) CONTENTS.—The joint strategic plan required
4 under this section shall be comprised of a comprehensive
5 multi-year plan for trade enforcement and trade facilita-
6 tion, and shall include—

7 (1) a summary of actions taken during the 2-
8 year period preceding the submission of the plan to
9 improve trade enforcement and trade facilitation, in-
10 cluding a description and analysis of specific per-
11 formance measures to evaluate the progress of U.S.
12 Customs and Border Protection and U.S. Immigra-
13 tion and Customs Enforcement in meeting each such
14 responsibility;

15 (2) a statement of objectives and plans for fur-
16 ther improving trade enforcement and trade facilita-
17 tion;

18 (3) a specific identification of the priority trade
19 issues described in paragraph (3)(B)(ii) of section
20 2(d) of the Act of March 3, 1927 (44 Stat. 1381,
21 chapter 348; 19 U.S.C. 2072(d)), as added by sec-
22 tion 111(a) of this Act, that can be addressed in
23 order to enhance trade enforcement and trade facili-
24 tation, and a description of strategies and plans for
25 addressing each such issue;

1 (4) a description of efforts made to improve
2 consultation and coordination among and within
3 Federal agencies, and in particular between U.S.
4 Customs and Border Protection and U.S. Immigra-
5 tion and Customs Enforcement, regarding trade en-
6 forcement and trade facilitation;

7 (5) a description of the training that has oc-
8 curred to date within U.S. Customs and Border Pro-
9 tection and U.S. Immigration and Customs Enforce-
10 ment to improve trade enforcement and trade facili-
11 tation, including training under section 104 of this
12 Act;

13 (6) a description of efforts to work with the
14 World Customs Organization and other international
15 organizations, in consultation with other Federal
16 agencies as appropriate, with respect to enhancing
17 trade enforcement and trade facilitation;

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

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

1 (9) any legislative recommendations to further
2 improve trade enforcement and trade facilitation;
3 and

4 (10) a description of efforts made to improve
5 consultation and coordination with the private sector
6 to enhance trade enforcement and trade facilitation.

7 (c) CONSULTATIONS.—

8 (1) IN GENERAL.—In developing the joint strategic
9 plan required under this section, the Commissioner and the Director shall consult with—

11 (A) appropriate officials from the relevant
12 Federal agencies, including—

13 (i) the Department of the Treasury;

14 (ii) the Department of Agriculture;

15 (iii) the Department of Commerce;

16 (iv) the Department of Justice;

17 (v) the Department of the Interior;

18 (vi) the Department of Health and

19 Human Services;

20 (vii) the Food and Drug Administration;
21 tion;

22 (viii) the Consumer Product Safety
23 Commission; and

24 (ix) the Office of the United States
25 Trade Representative; and

1 (B) the Commercial Customs Operations
2 Advisory Committee established by section 109
3 of this Act.

4 (2) OTHER CONSULTATIONS.—In developing
5 the joint strategic plan required under this section,
6 the Commissioner and the Director shall seek to
7 consult with—

8 (A) appropriate officials from relevant for-
9 eign law enforcement agencies and international
10 organizations, including the World Customs Or-
11 ganization; and

12 (B) interested parties in the private sector.

13 **SEC. 106. AUTOMATED COMMERCIAL ENVIRONMENT.**

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

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

19 (2) by striking “such amounts as are available
20 in that Account” and inserting “not less than
21 \$153,736,000”; and

22 (3) by striking “for the development” and in-
23 serting “to complete the development and implemen-
24 tation”.

1 (b) REPORT.—Section 311(b)(3) of the Customs Bor-
2 der Security Act of 2002 (19 U.S.C. 2075 note) is amend-
3 ed to read as follows:

4 “(3) REPORT.—

5 “(A) IN GENERAL.—Not later than De-
6 cember 31, 2016, the Commissioner responsible
7 for U.S. Customs and Border Protection shall
8 submit to the Committee on Appropriations and
9 the Committee on Finance of the Senate and
10 the Committee on Appropriations and the Com-
11 mittee on Ways and Means of the House of
12 Representatives a report detailing—

13 “(i) U.S. Customs and Border Protec-
14 tion’s incorporation of all core trade proc-
15 essing capabilities, including cargo release,
16 entry summary, cargo manifest, cargo fi-
17 nancial data, and export data elements
18 into the Automated Commercial Environ-
19 ment computer system authorized under
20 section 13031(f)(4) of the Consolidated
21 Omnibus Budget and Reconciliation Act of
22 1985 (19 U.S.C. 58c(f)(4)) not later than
23 September 30, 2016, to conform with the
24 admissibility criteria of agencies partici-
25 pating in the International Trade Data

1 System identified pursuant to section
2 411(d)(4)(A)(iii) of the Tariff Act of 1930;

3 “(ii) U.S. Customs and Border Pro-
4 tection’s remaining priorities for processing
5 entry summary data elements, cargo mani-
6 fest data elements, cargo financial data
7 elements, and export elements in the Auto-
8 mated Commercial Environment computer
9 system, and the objectives and plans for
10 implementing these remaining priorities;

11 “(iii) the components of the National
12 Customs Automation Program specified in
13 subsection (a)(2) of section 411 of the
14 Tariff Act of 1930 that have not been im-
15 plemented; and

16 “(iv) any additional components of the
17 National Customs Automation Program
18 initiated by the Commissioner to complete
19 the development, establishment, and imple-
20 mentation of the Automated Commercial
21 Environment computer system.

22 “(B) UPDATE OF REPORTS.—Not later
23 than September 30, 2017, the Commissioner
24 shall submit to the Committee on Appropria-
25 tions and the Committee on Finance of the

Senate and the Committee on Appropriations and the Committee on Ways and Means of the House of Representatives an updated report addressing each of the matters referred to in subparagraph (A), and—

“(i) evaluating the effectiveness of the implementation of the Automated Commercial Environment computer system; and

“(ii) detailing the percentage of trade processed in the Automated Commercial Environment every month since September 30, 2016.”.

(c) GOVERNMENT ACCOUNTABILITY OFFICE REPORT.—Not later than December 31, 2017, the Comptroller General of the United States shall submit to the Committee on Appropriations and the Committee on Finance of the Senate and the Committee on Appropriations and the Committee on Ways and Means of the House of Representatives a report—

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

(2) assessing the potential cost savings to the United States Government and importers and exporters and the potential benefits to enforcement of

1 the customs and trade laws of the United States if
 2 the elements identified in clauses (i) through (iv) of
 3 section 311(b)(3)(A) of the Customs Border Secu-
 4 rity Act of 2002, as amended by subsection (b) of
 5 this section, are implemented.

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

7 (a) INFORMATION TECHNOLOGY INFRASTRUC-
 8 TURE.—Section 411(d) of the Tariff Act of 1930 (19
 9 U.S.C. 1411(d)) is amended—

10 (1) by redesignating paragraphs (4) through
 11 (7) as paragraphs (5) through (8), respectively;

12 (2) by inserting after paragraph (3) the fol-
 13 lowing:

14 “(4) INFORMATION TECHNOLOGY INFRASTRUC-
 15 TURE.—

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

20 “(i) develops and maintains the nec-
 21 essary information technology infrastruc-
 22 ture to support the operation of the ITDS
 23 and to submit all data to the ITDS elec-
 24 tronically;

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

8 “(iii) not later than June 30, 2016,
9 identifies and transmits to the Commis-
10 sioner responsible for U.S. Customs and
11 Border Protection the admissibility criteria
12 and data elements required by the agency
13 to authorize the release of cargo by U.S.
14 Customs and Border Protection for incor-
15 poration into the operational functionality
16 of the Automated Commercial Environ-
17 ment computer system authorized under
18 section 13031(f)(4) of the Consolidated
19 Omnibus Budget and Reconciliation Act of
20 1985 (19 U.S.C. 58c(f)(4)); and

21 “(iv) not later than December 31,
22 2016, utilizes the ITDS as the primary
23 means of receiving from users the standard
24 set of data and other relevant documenta-
25 tion, exclusive of applications for permits,

1 licenses, or certifications required for the
2 release of imported cargo and clearance of
3 cargo for export.

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

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

14 **SEC. 108. CONSULTATIONS WITH RESPECT TO MUTUAL**
15 **RECOGNITION ARRANGEMENTS.**

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

22 (1) not later than 30 days before initiating ne-
23 gotiations to enter into any such arrangement or
24 similar agreement, with the Committee on Finance

1 of the Senate and the Committee on Ways and
2 Means of the House of Representatives; and

3 (2) not later than 30 days before entering into
4 any such arrangement or similar agreement, with
5 the Committee on Finance of the Senate and the
6 Committee on Ways and Means of the House of
7 Representatives.

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

19 **SEC. 109. COMMERCIAL CUSTOMS OPERATIONS ADVISORY**
20 **COMMITTEE.**

21 (a) ESTABLISHMENT.—Not later than the date that
22 is 60 days after the date of the enactment of this Act,
23 the Secretary of the Treasury and the Secretary of Home-
24 land Security shall jointly establish a Commercial Customs

1 Operations Advisory Committee (in this section referred
2 to as the “Advisory Committee”).

3 (b) MEMBERSHIP.—

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

6 (A) 20 individuals appointed under para-
7 graph (2);

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

12 (C) the Assistant Secretary for Policy and
13 the Director of U.S. Immigration and Customs
14 Enforcement of the Department of Homeland
15 Security, who shall serve as deputy co-chairs of
16 meetings of the Advisory Committee.

17 (2) APPOINTMENT.—

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

22 (B) REQUIREMENTS.—In making appoint-
23 ments under subparagraph (A), the Secretary
24 of the Treasury and the Secretary of Homeland
25 Security shall appoint members—

1 (i) to ensure that the membership of
2 the Advisory Committee is representative
3 of the individuals and firms affected by the
4 commercial operations of U.S. Customs
5 and Border Protection; and

6 (ii) without regard to political affili-
7 ation.

8 (C) TERMS.—Each individual appointed to
9 the Advisory Committee under this paragraph
10 shall be appointed for a term of not more than
11 3 years, and may be reappointed to subsequent
12 terms, but may not serve more than 2 terms se-
13 quentially.

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

24 (c) DUTIES.—The Advisory Committee established
25 under subsection (a) shall—

1 (1) advise the Secretary of the Treasury and
2 the Secretary of Homeland Security on all matters
3 involving the commercial operations of U.S. Customs
4 and Border Protection, including advising with re-
5 spect to significant changes that are proposed with
6 respect to regulations, policies, or practices of U.S.
7 Customs and Border Protection;

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

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

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

19 (d) MEETINGS.—

20 (1) IN GENERAL.—The Advisory Committee
21 shall meet at the call of the Secretary of the Treas-
22 ury and the Secretary of Homeland Security, or at
23 the call of not less than $\frac{2}{3}$ of the membership of the
24 Advisory Committee. The Advisory Committee shall
25 meet at least 4 times each calendar year.

1 (2) OPEN MEETINGS.—Notwithstanding section
2 10(a) of the Federal Advisory Committee Act (5
3 U.S.C. App.), the Advisory Committee meetings
4 shall be open to the public unless the Secretary of
5 the Treasury or the Secretary of Homeland Security
6 determines that the meeting will include matters the
7 disclosure of which would compromise the develop-
8 ment of policies, priorities, or negotiating objectives
9 or positions that could impact the commercial oper-
10 ations of U.S. Customs and Border Protection or
11 the operations or investigations of U.S. Immigration
12 and Customs Enforcement.

13 (e) ANNUAL REPORT.—Not later than December 31,
14 2016, and annually thereafter, the Advisory Committee
15 shall submit to the Committee on Finance of the Senate
16 and the Committee on Ways and Means of the House of
17 Representatives a report that—

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

20 (2) sets forth any recommendations of the Advi-
21 sory Committee regarding the commercial operations
22 of U.S. Customs and Border Protection.

23 (f) TERMINATION.—Section 14(a)(2) of the Federal
24 Advisory Committee Act (5 U.S.C. App.; relating to the

1 termination of advisory committees) shall not apply to the
 2 Advisory Committee.

3 (g) CONFORMING AMENDMENT.—

4 (1) IN GENERAL.—Effective on the date on
 5 which the Advisory Committee is established under
 6 subsection (a), section 9503(c) of the Omnibus
 7 Budget Reconciliation Act of 1987 (19 U.S.C. 2071
 8 note) is repealed.

9 (2) REFERENCE.—Any reference in law to the
 10 Advisory Committee on Commercial Operations of
 11 the United States Customs Service established under
 12 section 9503(c) of the Omnibus Budget Reconcili-
 13 ation Act of 1987 (19 U.S.C. 2071 note) made on
 14 or after the date on which the Advisory Committee
 15 is established under subsection (a), shall be deemed
 16 a reference to the Commercial Customs Operations
 17 Advisory Committee established under subsection
 18 (a).

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

20 (a) IN GENERAL.—The Commissioner shall, in con-
 21 sultation with the Committee on Finance of the Senate,
 22 the Committee on Ways and Means of the House of Rep-
 23 resentatives, and the Commercial Customs Operations Ad-
 24 visory Committee established by section 109 of this Act,
 25 develop and implement Centers of Excellence and Exper-

1 tise throughout U.S. Customs and Border Protection
2 that—

3 (1) enhance the economic competitiveness of the
4 United States by consistently enforcing the laws and
5 regulations of the United States at all ports of entry
6 of the United States and by facilitating the flow of
7 legitimate trade through increasing industry-based
8 knowledge;

9 (2) improve enforcement efforts, including en-
10 forcement of priority trade issues described in sub-
11 paragraph (B)(ii) of section 2(d)(3) of the Act of
12 March 3, 1927 (44 Stat. 1381, chapter 348; 19
13 U.S.C. 2072(d)), as added by section 111(a) of this
14 Act, in specific industry sectors through the applica-
15 tion of targeting information from the Commercial
16 Targeting Division established under subparagraph
17 (A) of such section 2(d)(3) and from other means of
18 verification;

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

22 (4) promote the uniform implementation at
23 each port of entry of the United States of policies
24 and regulations relating to imports;

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

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

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

10 (8) develop applicable performance measure-
11 ments to meet internal efficiency and effectiveness
12 goals; and

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

15 (b) REPORT.—Not later than December 31, 2016,
16 the Commissioner shall submit to the Committee on Fi-
17 nance of the Senate and the Committee on Ways and
18 Means of the House of Representatives a report describ-
19 ing—

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

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

1 forts, including enforcement of priority trade issues,
2 and facilitating legitimate trade;

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

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

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

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

1 **SEC. 111. COMMERCIAL TARGETING DIVISION AND NA-**
2 **TIONAL TARGETING AND ANALYSIS GROUPS.**

3 (a) IN GENERAL.—Section 2(d) of the Act of March
4 3, 1927 (44 Stat. 1381, chapter 348; 19 U.S.C. 2072(d))
5 is amended by adding at the end the following:

6 “(3) COMMERCIAL TARGETING DIVISION AND
7 NATIONAL TARGETING AND ANALYSIS GROUPS.—

8 “(A) ESTABLISHMENT OF COMMERCIAL
9 TARGETING DIVISION.—

10 “(i) IN GENERAL.—The Secretary of
11 Homeland Security shall establish and
12 maintain within the Office of International
13 Trade a Commercial Targeting Division.

14 “(ii) COMPOSITION.—The Commercial
15 Targeting Division shall be composed of—

16 “(I) headquarters personnel led
17 by an Executive Director, who shall
18 report to the Assistant Commissioner
19 for Trade; and

20 “(II) individual National Tar-
21 geting and Analysis Groups, each led
22 by a Director who shall report to the
23 Executive Director of the Commercial
24 Targeting Division.

25 “(iii) DUTIES.—The Commercial Tar-
26 geting Division shall be dedicated—

1 “(I) to the development and con-
 2 duct of commercial risk assessment
 3 targeting with respect to cargo des-
 4 tined for the United States in accord-
 5 ance with subparagraph (C); and

6 “(II) to issuing Trade Alerts de-
 7 scribed in subparagraph (D).

8 “(B) NATIONAL TARGETING AND ANALYSIS
 9 GROUPS.—

10 “(i) IN GENERAL.—A National Tar-
 11 geting and Analysis Group referred to in
 12 subparagraph (A)(ii)(II) shall, at a min-
 13 imum, be established for each priority
 14 trade issue described in clause (ii).

15 “(ii) PRIORITY TRADE ISSUES.—

16 “(I) IN GENERAL.—The priority
 17 trade issues described in this clause
 18 are the following:

19 “(aa) Agriculture programs.

20 “(bb) Antidumping and
 21 countervailing duties.

22 “(cc) Import safety.

23 “(dd) Intellectual property
 24 rights.

25 “(ee) Revenue.

1 “(ff) Textiles and wearing
2 apparel.

3 “(gg) Trade agreements and
4 preference programs.

5 “(II) MODIFICATION.—The Com-
6 missioner is authorized to establish
7 new priority trade issues and elimi-
8 nate, consolidate, or otherwise modify
9 the priority trade issues described in
10 this paragraph if the Commissioner—

11 “(aa) determines it nec-
12 essary and appropriate to do so;

13 “(bb) submits to the Com-
14 mittee on Finance of the Senate
15 and the Committee on Ways and
16 Means of the House of Rep-
17 resentatives a summary of pro-
18 posals to consolidate, eliminate,
19 or otherwise modify existing pri-
20 ority trade issues not later than
21 60 days before such changes are
22 to take effect; and

23 “(cc) submits to the Com-
24 mittee on Finance of the Senate
25 and the Committee on Ways and

1 Means of the House of Rep-
2 resentatives a summary of pro-
3 posals to establish new priority
4 trade issues not later than 30
5 days after such changes are to
6 take effect.

7 “(iii) DUTIES.—The duties of each
8 National Targeting and Analysis Group
9 shall include—

10 “(I) directing the trade enforce-
11 ment and compliance assessment ac-
12 tivities of U.S. Customs and Border
13 Protection that relate to the Group’s
14 priority trade issue;

15 “(II) facilitating, promoting, and
16 coordinating cooperation and the ex-
17 change of information between U.S.
18 Customs and Border Protection, U.S.
19 Immigration and Customs Enforce-
20 ment, and other relevant Federal de-
21 partments and agencies regarding the
22 Group’s priority trade issue; and

23 “(III) serving as the primary liai-
24 son between U.S. Customs and Bor-
25 der Protection and the public regard-

1 ing United States Government activi-
2 ties regarding the Group's priority
3 trade issue, including—

4 “(aa) providing for receipt
5 and transmission to the appro-
6 priate U.S. Customs and Border
7 Protection office of allegations
8 from interested parties in the pri-
9 vate sector of violations of cus-
10 toms and trade laws of the
11 United States of merchandise re-
12 lating to the priority trade issue;

13 “(bb) obtaining information
14 from the appropriate U.S. Cus-
15 toms and Border Protection of-
16 fice on the status of any activi-
17 ties resulting from the submis-
18 sion of any such allegation, in-
19 cluding any decision not to pur-
20 sue the allegation, and providing
21 any such information to each in-
22 terested party in the private sec-
23 tor that submitted the allegation
24 every 90 days after the allegation
25 was received by U.S. Customs

1 and Border Protection unless
2 providing such information would
3 compromise an ongoing law en-
4 forcement investigation; and

5 “(cc) notifying on a timely
6 basis each interested party in the
7 private sector that submitted
8 such allegation of any civil or
9 criminal actions taken by U.S.
10 Customs and Border Protection
11 or other Federal department or
12 agency resulting from the allega-
13 tion.

14 “(C) COMMERCIAL RISK ASSESSMENT TAR-
15 GETING.—In carrying out its duties with re-
16 spect to commercial risk assessment targeting,
17 the Commercial Targeting Division shall—

18 “(i) establish targeted risk assessment
19 methodologies and standards—

20 “(I) for evaluating the risk that
21 cargo destined for the United States
22 may violate the customs and trade
23 laws of the United States, particularly
24 those laws applicable to merchandise

1 subject to the priority trade issues de-
2 scribed in subparagraph (B)(ii); and

3 “(II) for issuing, as appropriate,
4 Trade Alerts described in subpara-
5 graph (D); and

6 “(ii) to the extent practicable and oth-
7 erwise authorized by law, use, to admin-
8 ister the methodologies and standards es-
9 tablished under clause (i)—

10 “(I) publicly available informa-
11 tion;

12 “(II) information available from
13 the Automated Commercial System,
14 the Automated Commercial Environ-
15 ment computer system, the Auto-
16 mated Targeting System, the Auto-
17 mated Export System, the Inter-
18 national Trade Data System, the
19 TECS (formerly known as the ‘Treas-
20 ury Enforcement Communications
21 System’), the case management sys-
22 tem of U.S. Immigration and Customs
23 Enforcement, and any successor sys-
24 tems; and

1 “(III) information made available
2 to the Commercial Targeting Division,
3 including information provided by pri-
4 vate sector entities.

5 “(D) TRADE ALERTS.—

6 “(i) ISSUANCE.—Based upon the ap-
7 plication of the targeted risk assessment
8 methodologies and standards established
9 under subparagraph (C), the Executive Di-
10 rector of the Commercial Targeting Divi-
11 sion and the Directors of the National
12 Targeting and Analysis Groups may issue
13 Trade Alerts to directors of United States
14 ports of entry directing further inspection,
15 or physical examination or testing, of spe-
16 cific merchandise to ensure compliance
17 with all applicable customs and trade laws
18 and regulations administered by U.S. Cus-
19 toms and Border Protection.

20 “(ii) DETERMINATIONS NOT TO IM-
21 PLEMENT TRADE ALERTS.—The director
22 of a United States port of entry may deter-
23 mine not to conduct further inspections, or
24 physical examination or testing, pursuant

1 to a Trade Alert issued under clause (i)
2 if—

3 “(I) the director finds that such
4 a determination is justified by security
5 interests; and

6 “(II) notifies the Assistant Com-
7 missioner of the Office of Field Oper-
8 ations and the Assistant Commis-
9 sioner of International Trade of U.S.
10 Customs and Border Protection of the
11 determination and the reasons for the
12 determination not later than 48 hours
13 after making the determination.

14 “(iii) SUMMARY OF DETERMINATIONS
15 NOT TO IMPLEMENT.—The Assistant Com-
16 missioner of the Office of Field Operations
17 of U.S. Customs and Border Protection
18 shall—

19 “(I) compile an annual public
20 summary of all determinations by di-
21 rectors of United States ports of entry
22 under clause (ii) and the reasons for
23 those determinations;

1 “(II) conduct an evaluation of
2 the utilization of Trade Alerts issued
3 under clause (i); and

4 “(III) submit the summary to the
5 Committee on Finance of the Senate
6 and the Committee on Ways and
7 Means of the House of Representa-
8 tives not later than December 31 of
9 each year.

10 “(iv) INSPECTION DEFINED.—In this
11 subparagraph, the term ‘inspection’ means
12 the comprehensive evaluation process used
13 by U.S. Customs and Border Protection,
14 other than physical examination or testing,
15 to permit the entry of merchandise into the
16 United States, or the clearance of mer-
17 chandise for transportation in bond
18 through the United States, for purposes
19 of—

20 “(I) assessing duties;

21 “(II) identifying restricted or
22 prohibited items; and

23 “(III) ensuring compliance with
24 all applicable customs and trade laws

1 and regulations administered by U.S.
2 Customs and Border Protection.”.

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

7 “(F) The information collected pursuant to
8 the regulations shall be used exclusively for en-
9 suring cargo safety and security, preventing
10 smuggling, and commercial risk assessment tar-
11 geting, and shall not be used for any commer-
12 cial enforcement purposes, including for deter-
13 mining merchandise entry. Notwithstanding the
14 preceding sentence, nothing in this section shall
15 be treated as amending, repealing, or otherwise
16 modifying title IV of the Tariff Act of 1930 or
17 regulations prescribed thereunder.”.

18 **SEC. 112. REPORT ON OVERSIGHT OF REVENUE PROTEC-**
19 **TION AND ENFORCEMENT MEASURES.**

20 (a) IN GENERAL.—Not later the March 31, 2016,
21 and not later than March 31 of each second year there-
22 after, the Inspector General of the Department of the
23 Treasury shall submit to the Committee on Finance of the
24 Senate and the Committee on Ways and Means of the
25 House of Representatives a report assessing, with respect

1 to the period covered by the report, as specified in sub-
2 section (b), the following:

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

6 (A) the collection of countervailing duties
7 assessed under subtitle A of title VII of the
8 Tariff Act of 1930 (19 U.S.C. 1671 et seq.)
9 and antidumping duties assessed under subtitle
10 B of title VII of the Tariff Act of 1930 (19
11 U.S.C. 1673 et seq.);

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

14 (C) the use of bonds, including continuous
15 and single transaction bonds, to secure that
16 revenue; and

17 (D) the adequacy of the policies of U.S.
18 Customs and Border Protection with respect to
19 the monitoring and tracking of merchandise
20 transported in bond and collecting duties, as
21 appropriate.

22 (2) The effectiveness of actions taken by U.S.
23 Customs and Border Protection to measure account-
24 ability and performance with respect to protection of
25 revenue.

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

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

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

11 **SEC. 113. REPORT ON SECURITY AND REVENUE MEASURES**
12 **WITH RESPECT TO MERCHANDISE TRANS-**
13 **PORTED IN BOND.**

14 (a) IN GENERAL.—Not later than December 31 of
15 2016, 2017, and 2018, the Secretary of Homeland Secu-
16 rity and the Secretary of the Treasury shall jointly submit
17 to the Committee on Finance of the Senate and the Com-
18 mittee on Ways and Means of the House of Representa-
19 tives a report on efforts undertaken by U.S. Customs and
20 Border Protection to ensure the secure transportation of
21 merchandise in bond through the United States and the
22 collection of revenue owed upon the entry of such mer-
23 chandise into the United States for consumption.

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

4 (1) the overall number of entries of merchan-
5 dise for transportation in bond through the United
6 States;

7 (2) the ports at which merchandise arrives in
8 the United States for transportation in bond and at
9 which records of the arrival of such merchandise are
10 generated;

11 (3) the average time taken to reconcile such
12 records with the records at the final destination of
13 the merchandise in the United States to demonstrate
14 that the merchandise reaches its final destination or
15 is re-exported;

16 (4) the average time taken to transport mer-
17 chandise in bond from the port at which the mer-
18 chandise arrives in the United States to its final des-
19 tination in the United States;

20 (5) the total amount of duties, taxes, and fees
21 owed with respect to shipments of merchandise
22 transported in bond and the total amount of such
23 duties, taxes, and fees paid;

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

4 (7) the number of entries that remain
5 unreconciled.

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

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

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

15 (1) develops criteria that importers must meet
16 in order to obtain an importer of record number, in-
17 cluding—

18 (A) criteria to ensure sufficient informa-
19 tion is collected to allow U.S. Customs and Bor-
20 der Protection to verify the existence of the im-
21 porter requesting the importer of record num-
22 ber;

23 (B) criteria to ensure sufficient informa-
24 tion is collected to allow U.S. Customs and Bor-
25 der Protection to identify linkages or other af-

1 filiations between importers that are requesting
2 or have been assigned importer of record num-
3 bers; and

4 (C) criteria to ensure sufficient informa-
5 tion is collected to allow U.S. Customs and Bor-
6 der Protection to identify changes in address
7 and corporate structure of importers;

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

10 (3) maintains a centralized database of im-
11 porter of record numbers, including a history of im-
12 porter of record numbers associated with each im-
13 porter, and the information described in subpara-
14 graphs (A), (B), and (C) of paragraph (1);

15 (4) evaluates and maintains the accuracy of the
16 database if such information changes; and

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

19 (c) REPORT.—Not later than one year after the date
20 of the enactment of this Act, the Secretary shall submit
21 to the Committee on Finance of the Senate and the Com-
22 mittee on Ways and Means of the House of Representa-
23 tives a report on the importer of record program estab-
24 lished under subsection (a).

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

8 **SEC. 115. ESTABLISHMENT OF NEW IMPORTER PROGRAM.**

9 (a) IN GENERAL.—Not later than the date that is
10 180 days after the date of the enactment of this Act, the
11 Commissioner shall establish a new importer program that
12 directs U.S. Customs and Border Protection to adjust
13 bond amounts for new importers based on the level of risk
14 assessed by U.S. Customs and Border Protection for pro-
15 tection of revenue of the Federal Government.

16 (b) REQUIREMENTS.—The Commissioner shall en-
17 sure that, as part of the new importer program established
18 under subsection (a), U.S. Customs and Border Protec-
19 tion—

20 (1) develops risk-based criteria for determining
21 which importers are considered to be new importers
22 for the purposes of this subsection;

23 (2) develops risk assessment guidelines for new
24 importers to determine if and to what extent—

1 (A) to adjust bond amounts of imported
2 products of new importers; and

3 (B) to increase screening of imported prod-
4 ucts of new importers;

5 (3) develops procedures to ensure increased
6 oversight of imported products of new importers re-
7 lating to the enforcement of the priority trade issues
8 described in paragraph (3)(B)(ii) of section 2(d) of
9 the Act of March 3, 1927 (44 Stat. 1381, chapter
10 348; 19 U.S.C. 2072(d)), as added by section 111(a)
11 of this Act;

12 (4) develops procedures to ensure increased
13 oversight of imported products of new importers by
14 Centers of Excellence and Expertise established
15 under section 110 of this Act; and

16 (5) establishes a centralized database of new
17 importers to ensure accuracy of information that is
18 required to be provided by new importers to U.S.
19 Customs and Border Protection.

20 **SEC. 116. CUSTOMS BROKER IDENTIFICATION OF IMPORT-**
21 **ERS.**

22 (a) IN GENERAL.—Section 641 of the Tariff Act of
23 1930 (19 U.S.C. 1641) is amended by adding at the end
24 the following:

25 “(i) IDENTIFICATION OF IMPORTERS.—

1 “(1) IN GENERAL.—The Secretary shall pre-
2 scribe regulations setting forth the minimum stand-
3 ards for customs brokers and importers, including
4 nonresident importers, regarding the identity of the
5 importer that shall apply in connection with the im-
6 portation of merchandise into the United States.

7 “(2) MINIMUM REQUIREMENTS.—The regula-
8 tions shall, at a minimum, require customs brokers
9 to implement, and importers (after being given ade-
10 quate notice) to comply with, reasonable procedures
11 for—

12 “(A) collecting the identity of importers,
13 including nonresident importers, seeking to im-
14 port merchandise into the United States to the
15 extent reasonable and practicable; and

16 “(B) maintaining records of the informa-
17 tion used to substantiate a person’s identity, in-
18 cluding name, address, and other identifying in-
19 formation.

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 subject to revocation or suspension of a license or
2 permit of the customs broker pursuant to the proce-
3 dures set forth in subsection (d).

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

5 “(A) the term ‘importer’ means one of the
6 parties qualifying as an importer of record
7 under section 484(a)(2)(B); and

8 “(B) the term ‘nonresident importer’
9 means an importer who is—

10 “(i) an individual who is not a citizen
11 of the United States or an alien lawfully
12 admitted for permanent residence in the
13 United States; or

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

22 (b) STUDY AND REPORT REQUIRED.—Not later than
23 180 days after the date of enactment of this Act, the Com-
24 missioner shall submit to Congress a report containing
25 recommendations for—

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

11 (2) establishing a system for customs brokers to
12 review information maintained by relevant Federal
13 agencies for purposes of verifying the identities of
14 importers, including nonresident importers, seeking
15 to import merchandise into the United States.

16 **SEC. 117. REQUIREMENTS APPLICABLE TO NON-RESIDENT**
17 **IMPORTERS.**

18 (a) IN GENERAL.—Part III of title IV of the Tariff
19 Act of 1930 (19 U.S.C. 1481 et seq.) is amended by in-
20 serting after section 484b the following new section:

21 **“SEC. 484c. REQUIREMENTS APPLICABLE TO NON-RESI-**
22 **DENT IMPORTERS.**

23 “(a) IN GENERAL.—Except as provided in subsection
24 (c), if an importer of record under section 484 of this Act
25 is not a resident of the United States, the Commissioner

1 of U.S. Customs and Border Protection shall require the
2 non-resident importer to designate a resident agent in the
3 United States subject to the requirements described in
4 subsection (b).

5 “(b) REQUIREMENTS.—The requirements described
6 in this subsection are the following:

7 “(1) The resident agent shall be authorized to
8 accept service of process against the non-resident
9 importer in connection with the importation of mer-
10 chandise.

11 “(2) The Commissioner of U.S. Customs and
12 Border Protection shall require the non-resident im-
13 porter to establish a power of attorney with the resi-
14 dent agent in connection with the importation of
15 merchandise.

16 “(c) NON-APPLICABILITY.—The requirements of this
17 section shall not apply with respect to a non-resident im-
18 porter who is a validated Tier 2 or Tier 3 participant in
19 the Customs-Trade Partnership Against Terrorism pro-
20 gram established under subtitle B of title II of the SAFE
21 Port Act (6 U.S.C. 961 et seq.).

22 “(d) PENALTIES.—

23 “(1) IN GENERAL.—It shall be unlawful for any
24 person to import into the United States any mer-
25 chandise in violation of this section.

1 “(2) CIVIL PENALTIES.—Any person who vio-
2 lates paragraph (1) shall be liable for a civil penalty
3 of \$50,000 for each such violation.

4 “(3) OTHER PENALTIES.—In addition to the
5 penalties specified in paragraph (2), any violation of
6 this section that violates any other customs and
7 trade laws of the United States shall be subject to
8 any applicable civil and criminal penalty, including
9 seizure and forfeiture, that may be imposed under
10 such customs or trade law or title 18, United States
11 Code, with respect to the importation of merchan-
12 dise.

13 “(4) DEFINITION.—In this subsection, the term
14 ‘customs and trade laws of the United States’ has
15 the meaning given such term in section 2 of the
16 Customs Trade Facilitation and Enforcement Act of
17 2015.”.

18 (b) EFFECTIVE DATE.—Section 484c of the Tariff
19 Act of 1930, as added by subsection (a), takes effect on
20 the date of the enactment of this Act and applies with
21 respect to the importation of merchandise of an importer
22 of record under section 484 of the Tariff Act of 1930 who
23 is not resident of the United States on or after the date
24 that is 180 days after such date of enactment.

1 **TITLE II—IMPORT HEALTH AND**
2 **SAFETY**

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

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

6 (b) MEMBERSHIP.—The interagency Import Safety
7 Working Group shall consist of the following officials or
8 their designees:

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

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

13 (3) The Secretary of the Treasury.

14 (4) The Secretary of Commerce.

15 (5) The Secretary of Agriculture.

16 (6) The United States Trade Representative.

17 (7) The Director of the Office of Management
18 and Budget.

19 (8) The Commissioner of Food and Drugs.

20 (9) The Commissioner responsible for U.S. Cus-
21 toms and Border Protection.

22 (10) The Chairman of the Consumer Product
23 Safety Commission.

24 (11) The Director of U.S. Immigration and
25 Customs Enforcement.

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

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

7 (1) consulting on the development of the joint
8 import safety rapid response plan required by sec-
9 tion 202 of this Act;

10 (2) periodically evaluating the adequacy of the
11 plans, practices, and resources of the Federal Gov-
12 ernment dedicated to ensuring the safety of mer-
13 chandise imported in the United States and the ex-
14 peditious entry of such merchandise, including—

15 (A) minimizing the duplication of efforts
16 among agencies the heads of which are mem-
17 bers of the interagency Import Safety Working
18 Group and ensuring the compatibility of the
19 policies and regulations of those agencies; and

20 (B) recommending additional administra-
21 tive actions, as appropriate, designed to ensure
22 the safety of merchandise imported into the
23 United States and the expeditious entry of such
24 merchandise and considering the impact of
25 those actions on private sector entities;

1 (3) reviewing the engagement and cooperation
2 of foreign governments and foreign manufacturers in
3 facilitating the inspection and certification, as appro-
4 priate, of such merchandise to be imported into the
5 United States and the facilities producing such mer-
6 chandise to ensure the safety of the merchandise
7 and the expeditious entry of the merchandise into
8 the United States;

9 (4) identifying best practices, in consultation
10 with private sector entities as appropriate, to assist
11 United States importers in taking all appropriate
12 steps to ensure the safety of merchandise imported
13 into the United States, including with respect to—

14 (A) the inspection of manufacturing facili-
15 ties in foreign countries;

16 (B) the inspection of merchandise destined
17 for the United States before exportation from a
18 foreign country or before distribution in the
19 United States; and

20 (C) the protection of the international sup-
21 ply chain (as defined in section 2 of the Secu-
22 rity and Accountability For Every Port Act of
23 2006 (6 U.S.C. 901));

24 (5) identifying best practices to assist Federal,
25 State, and local governments and agencies, and port

1 authorities, to improve communication and coordina-
2 tion among such agencies and authorities with re-
3 spect to ensuring the safety of merchandise imported
4 into the United States and the expeditious entry of
5 such merchandise; and

6 (6) otherwise identifying appropriate steps to
7 increase the accountability of United States import-
8 ers and the engagement of foreign government agen-
9 cies with respect to ensuring the safety of merchan-
10 dise imported into the United States and the expedi-
11 tious entry of such merchandise.

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

13 (a) IN GENERAL.—Not later than December 31,
14 2016, the Secretary of Homeland Security, in consultation
15 with the interagency Import Safety Working Group, shall
16 develop a plan (to be known as the “joint import safety
17 rapid response plan”) that sets forth protocols and defines
18 practices for U.S. Customs and Border Protection to
19 use—

20 (1) in taking action in response to, and coordi-
21 nating Federal responses to, an incident in which
22 cargo destined for or merchandise entering the
23 United States has been identified as posing a threat
24 to the health or safety of consumers in the United
25 States; and

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

4 (b) CONTENTS.—The joint import safety rapid re-
5 sponse plan shall address—

6 (1) the statutory and regulatory authorities and
7 responsibilities of U.S. Customs and Border Protec-
8 tion and other Federal agencies in responding to an
9 incident described in subsection (a)(1);

10 (2) the protocols and practices to be used by
11 U.S. Customs and Border Protection when taking
12 action in response to, and coordinating Federal re-
13 sponses to, such an incident;

14 (3) the measures to be taken by U.S. Customs
15 and Border Protection and other Federal agencies in
16 recovering from or mitigating the effects of actions
17 taken in response to such an incident after the inci-
18 dent to ensure the resumption of the entry of mer-
19 chandise into the United States; and

20 (4) exercises that U.S. Customs and Border
21 Protection may conduct in conjunction with Federal,
22 State, and local agencies, and private sector entities,
23 to simulate responses to such an incident.

24 (c) UPDATES OF PLAN.—The Secretary of Homeland
25 Security shall review and update the joint import safety

1 rapid response plan, as appropriate, after conducting exer-
2 cises under subsection (d).

3 (d) IMPORT HEALTH AND SAFETY EXERCISES.—

4 (1) IN GENERAL.—The Secretary of Homeland
5 Security and the Commissioner shall periodically en-
6 gage in the exercises referred to in subsection (b)(4),
7 in conjunction with Federal, State, and local agen-
8 cies and private sector entities, as appropriate, to
9 test and evaluate the protocols and practices identi-
10 fied in the joint import safety rapid response plan at
11 United States ports of entry.

12 (2) REQUIREMENTS FOR EXERCISES.—In con-
13 ducting exercises under paragraph (1), the Secretary
14 and the Commissioner shall—

15 (A) make allowance for the resources,
16 needs, and constraints of United States ports of
17 entry of different sizes in representative geo-
18 graphic locations across the United States;

19 (B) base evaluations on current risk as-
20 sessments of merchandise entering the United
21 States at representative United States ports of
22 entry located across the United States;

23 (C) ensure that such exercises are con-
24 ducted in a manner consistent with the Na-
25 tional Incident Management System, the Na-

1 tional Response Plan, the National Infrastruc-
2 ture Protection Plan, the National Prepared-
3 ness Guidelines, the Maritime Transportation
4 System Security Plan, and other such national
5 initiatives of the Department of Homeland Se-
6 curity, as appropriate; and

7 (D) develop metrics with respect to the re-
8 sumption of the entry of merchandise into the
9 United States after an incident described in
10 subsection (a)(1).

11 (3) REQUIREMENTS FOR TESTING AND EVALUA-
12 TION.—The Secretary and the Commissioner shall
13 ensure that the testing and evaluation carried out in
14 conducting exercises under paragraph (1)—

15 (A) are performed using clear and objec-
16 tive performance measures; and

17 (B) result in the identification of specific
18 recommendations or best practices for respond-
19 ing to an incident described in subsection
20 (a)(1).

21 (4) DISSEMINATION OF RECOMMENDATIONS
22 AND BEST PRACTICES.—The Secretary and the
23 Commissioner shall—

24 (A) share the recommendations or best
25 practices identified under paragraph (3)(B)

1 among the members of the interagency Import
2 Safety Working Group and with, as appropriate—
3

4 (i) State, local, and tribal govern-
5 ments;

6 (ii) foreign governments; and

7 (iii) private sector entities; and

8 (B) use such recommendations and best
9 practices to update the joint import safety rapid
10 response plan.

11 **SEC. 203. TRAINING.**

12 The Commissioner shall ensure that personnel of
13 U.S. Customs and Border Protection assigned to United
14 States ports of entry are trained to effectively administer
15 the provisions of this title and to otherwise assist in ensur-
16 ing the safety of merchandise imported into the United
17 States and the expeditious entry of such merchandise.

18 **TITLE III—IMPORT-RELATED**
19 **PROTECTION OF INTELLEC-**
20 **TUAL PROPERTY RIGHTS**

21 **SEC. 301. DEFINITION OF INTELLECTUAL PROPERTY**
22 **RIGHTS.**

23 In this title, the term “intellectual property rights”
24 refers to copyrights, trademarks, and other forms of intel-
25 lectual property rights that are enforced by U.S. Customs

1 and Border Protection or U.S. Immigration and Customs
2 Enforcement.

3 **SEC. 302. EXCHANGE OF INFORMATION RELATED TO**
4 **TRADE ENFORCEMENT.**

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

8 **“SEC. 628A. EXCHANGE OF INFORMATION RELATED TO**
9 **TRADE ENFORCEMENT.**

10 “(a) IN GENERAL.—Subject to subsections (c) and
11 (d), if the Commissioner responsible for U.S. Customs and
12 Border Protection suspects that merchandise is being im-
13 ported into the United States in violation of section 526
14 of this Act or section 602, 1201(a)(2), or 1201(b)(1) of
15 title 17, United States Code, and determines that the ex-
16 amination or testing of the merchandise by a person de-
17 scribed in subsection (b) would assist the Commissioner
18 in determining if the merchandise is being imported in vio-
19 lation of that section, the Commissioner, to permit the
20 person to conduct the examination and testing—

21 “(1) shall provide to the person information
22 that appears on the merchandise and its packaging
23 and labels, including unredacted images of the mer-
24 chandise and its packaging and labels; and

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

4 “(b) PERSON DESCRIBED.—A person described in
5 this subsection is—

6 “(1) in the case of merchandise suspected of
7 being imported in violation of section 526, the owner
8 of the trademark suspected of being copied or simu-
9 lated by the merchandise;

10 “(2) in the case of merchandise suspected of
11 being imported in violation of section 602 of title 17,
12 United States Code, the owner of the copyright sus-
13 pected of being infringed by the merchandise;

14 “(3) in the case of merchandise suspected of
15 being primarily designed or produced for the pur-
16 pose of circumventing a technological measure that
17 effectively controls access to a work protected under
18 that title, and being imported in violation of section
19 1201(a)(2) of that title, the owner of a copyright in
20 the work; and

21 “(4) in the case of merchandise suspected of
22 being primarily designed or produced for the pur-
23 pose of circumventing protection afforded by a tech-
24 nological measure that effectively protects a right of
25 an owner of a copyright in a work or a portion of

1 a work, and being imported in violation of section
 2 1201(b)(1) of that title, the owner of the copyright.

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

7 “(d) EXCEPTION.—The Commissioner may not pro-
 8 vide under subsection (a) information, photographs, or
 9 samples to a person described in subsection (b) if pro-
 10 viding such information, photographs, or samples would
 11 compromise an ongoing law enforcement investigation or
 12 national security.”.

13 (b) TERMINATION OF PREVIOUS AUTHORITY.—Not-
 14 withstanding paragraph (2) of section 818(g) of the Na-
 15 tional Defense Authorization Act for Fiscal Year 2012
 16 (Public Law 112–81; 125 Stat. 1496; 10 U.S.C. 2302
 17 note), paragraph (1) of that section shall have no force
 18 or effect on or after the date of the enactment of this Act.

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

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

- 22 (1) in subparagraph (E), by striking “or”;
- 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) U.S. Customs and Border Protection
2 determines it is a technology, product, service,
3 device, component, or part thereof the importa-
4 tion of which is prohibited under subsection
5 (a)(2) or (b)(1) of section 1201 of title 17,
6 United States Code.”.

7 (b) NOTIFICATION OF PERSONS INJURED.—

8 (1) IN GENERAL.—Not later than the date that
9 is 30 business days after seizing merchandise pursu-
10 ant to subparagraph (G) of section 596(c)(2) of the
11 Tariff Act of 1930, as added by subsection (a), the
12 Commissioner shall provide to any person identified
13 under paragraph (2) information regarding the mer-
14 chandise seized that is equivalent to information
15 provided to copyright owners under regulations of
16 U.S. Customs and Border Protection for merchan-
17 dise seized for violation of the copyright laws.

18 (2) PERSONS TO BE PROVIDED INFORMA-
19 TION.—Any person injured by the violation of (a)(2)
20 or (b)(1) of section 1201 of title 17, United States
21 Code, that resulted in the seizure of the merchandise
22 shall be provided information under paragraph (1),
23 if that person is included on a list maintained by the
24 Commissioner that is revised annually through publi-
25 cation in the Federal Register.

1 (3) REGULATIONS.—Not later than one year
2 after the date of the enactment of this Act, the Sec-
3 retary of the Treasury shall prescribe regulations es-
4 tablishing procedures that implement this sub-
5 section.

6 **SEC. 304. ENFORCEMENT BY U.S. CUSTOMS AND BORDER**
7 **PROTECTION OF WORKS FOR WHICH COPY-**
8 **RIGHT REGISTRATION IS PENDING.**

9 Not later than the date that is 180 days after the
10 date of the enactment of this Act, the Secretary of Home-
11 land Security shall authorize a process pursuant to which
12 the Commissioner shall enforce a copyright for which the
13 owner has submitted an application for registration under
14 title 17, United States Code, with the United States Copy-
15 right Office, to the same extent and in the same manner
16 as if the copyright were registered with the Copyright Of-
17 fice, including by sharing information, images, and sam-
18 ples of merchandise suspected of infringing the copyright
19 under section 628A of the Tariff Act of 1930, as added
20 by section 302.

21 **SEC. 305. NATIONAL INTELLECTUAL PROPERTY RIGHTS**
22 **COORDINATION CENTER.**

23 (a) ESTABLISHMENT.—The Secretary of Homeland
24 Security shall—

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

4 (2) appoint an Assistant Director to head the
5 National Intellectual Property Rights Coordination
6 Center.

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

9 (1) coordinate the investigation of sources of
10 merchandise that infringe intellectual property rights
11 to identify organizations and individuals that
12 produce, smuggle, or distribute such merchandise;

13 (2) conduct and coordinate training with other
14 domestic and international law enforcement agencies
15 on investigative best practices—

16 (A) to develop and expand the capability of
17 such agencies to enforce intellectual property
18 rights; and

19 (B) to develop metrics to assess whether
20 the training improved enforcement of intellec-
21 tual property rights;

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

1 (4) support the international interdiction of
2 merchandise destined for the United States that in-
3 fringes intellectual property rights;

4 (5) collect and integrate information regarding
5 infringement of intellectual property rights from do-
6 mestic and international law enforcement agencies
7 and other non-Federal sources;

8 (6) develop a means to receive and organize in-
9 formation regarding infringement of intellectual
10 property rights from such agencies and other
11 sources;

12 (7) disseminate information regarding infringe-
13 ment of intellectual property rights to other Federal
14 agencies, as appropriate;

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

19 (9) coordinate with the offices of United States
20 attorneys in order to develop expertise in, and assist
21 with the investigation and prosecution of, crimes re-
22 lating to the infringement of intellectual property
23 rights; and

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

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

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

6 (2) the Food and Drug Administration;

7 (3) the Department of Justice;

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

10 (5) the United States Postal Inspection Service;

11 (6) the Office of the United States Trade Rep-
12 resentative;

13 (7) any Federal, State, local, or international
14 law enforcement agencies that the Director of U.S.
15 Immigration and Customs Enforcement considers
16 appropriate; and

17 (8) any other entities that the Director con-
18 sider appropriate.

19 (d) PRIVATE SECTOR OUTREACH.—

20 (1) IN GENERAL.—The Assistant Director of
21 the National Intellectual Property Rights Coordina-
22 tion Center shall work with U.S. Customs and Bor-
23 der Protection and other Federal agencies to con-
24 duct outreach to private sector entities in order to

1 determine trends in and methods of infringing intel-
2 lectual property rights.

3 (2) INFORMATION SHARING.—The Assistant Di-
4 rector shall share information and best practices
5 with respect to the enforcement of intellectual prop-
6 erty rights with private sector entities, as appro-
7 priate, in order to coordinate public and private sec-
8 tor efforts to combat the infringement of intellectual
9 property rights.

10 **SEC. 306. JOINT STRATEGIC PLAN FOR THE ENFORCEMENT**
11 **OF INTELLECTUAL PROPERTY RIGHTS.**

12 The Commissioner and the Director of U.S. Immigra-
13 tion and Customs Enforcement shall include in the joint
14 strategic plan required by section 105 of this Act—

15 (1) a description of the efforts of the Depart-
16 ment of Homeland Security to enforce intellectual
17 property rights;

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

24 (3) a recommendation for the optimal allocation
25 of personnel, resources, and technology to ensure

1 that U.S. Customs and Border Protection and U.S.
2 Immigration and Customs Enforcement are ade-
3 quately enforcing intellectual property rights.

4 **SEC. 307. PERSONNEL DEDICATED TO THE ENFORCEMENT**
5 **OF INTELLECTUAL PROPERTY RIGHTS.**

6 (a) PERSONNEL OF U.S. CUSTOMS AND BORDER
7 PROTECTION.—The Commissioner and the Director of
8 U.S. Immigration and Customs Enforcement shall ensure
9 that sufficient personnel are assigned throughout U.S.
10 Customs and Border Protection and U.S. Immigration
11 and Customs Enforcement, respectively, who have respon-
12 sibility for preventing the importation into the United
13 States of merchandise that infringes intellectual property
14 rights.

15 (b) STAFFING OF NATIONAL INTELLECTUAL PROP-
16 erty Rights Coordination Center.—The Commis-
17 sioner shall—

18 (1) assign not fewer than 3 full-time employees
19 of U.S. Customs and Border Protection to the Na-
20 tional Intellectual Property Rights Coordination
21 Center established under section 305 of this Act;
22 and

23 (2) ensure that sufficient personnel are as-
24 signed to United States ports of entry to carry out
25 the directives of the Center.

1 **SEC. 308. TRAINING WITH RESPECT TO THE ENFORCEMENT**
2 **OF INTELLECTUAL PROPERTY RIGHTS.**

3 (a) **TRAINING.**—The Commissioner shall ensure that
4 officers of U.S. Customs and Border Protection are
5 trained to effectively detect and identify merchandise des-
6 tined for the United States that infringes intellectual
7 property rights, including through the use of technologies
8 identified under subsection (c).

9 (b) **CONSULTATION WITH PRIVATE SECTOR.**—The
10 Commissioner shall consult with private sector entities to
11 better identify opportunities for collaboration between
12 U.S. Customs and Border Protection and such entities
13 with respect to training for officers of U.S. Customs and
14 Border Protection in enforcing intellectual property rights.

15 (c) **IDENTIFICATION OF NEW TECHNOLOGIES.**—In
16 consultation with private sector entities, the Commissioner
17 shall identify—

18 (1) technologies with the cost-effective capa-
19 bility to detect and identify merchandise at United
20 States ports of entry that infringes intellectual prop-
21 erty rights; and

22 (2) cost-effective programs for training officers
23 of U.S. Customs and Border Protection to use such
24 technologies.

25 (d) **DONATIONS OF TECHNOLOGY.**—Not later than
26 the date that is 180 days after the date of the enactment

1 of this Act, the Commissioner shall prescribe regulations
2 to enable U.S. Customs and Border Protection to receive
3 donations of hardware, software, equipment, and similar
4 technologies, and to accept training and other support
5 services, from private sector entities, for the purpose of
6 enforcing intellectual property rights.

7 **SEC. 309. INTERNATIONAL COOPERATION AND INFORMA-**
8 **TION SHARING.**

9 (a) COOPERATION.—The Secretary of Homeland Se-
10 curity shall coordinate with the competent law enforce-
11 ment and customs authorities of foreign countries, includ-
12 ing by sharing information relevant to enforcement ac-
13 tions, to enhance the efforts of the United States and such
14 authorities to enforce intellectual property rights.

15 (b) TECHNICAL ASSISTANCE.—The Secretary of
16 Homeland Security shall provide technical assistance to
17 competent law enforcement and customs authorities of for-
18 eign countries to enhance the ability of such authorities
19 to enforce intellectual property rights.

20 (c) INTERAGENCY COLLABORATION.—The Commis-
21 sioner and the Director of U.S. Immigration and Customs
22 Enforcement shall lead interagency efforts to collaborate
23 with law enforcement and customs authorities of foreign
24 countries to enforce intellectual property rights.

1 **SEC. 310. REPORT ON INTELLECTUAL PROPERTY RIGHTS**
2 **ENFORCEMENT.**

3 Not later than June 30, 2016, and annually there-
4 after, the Commissioner and the Director of U.S. Immi-
5 gration and Customs Enforcement shall jointly submit to
6 the Committee on Finance of the Senate and the Com-
7 mittee on Ways and Means of the House of Representa-
8 tives a report that contains the following:

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

11 (A) The number of referrals from U.S.
12 Customs and Border Protection to U.S. Immi-
13 gration and Customs Enforcement relating to
14 infringement of intellectual property rights dur-
15 ing the preceding year.

16 (B) The number of investigations relating
17 to the infringement of intellectual property
18 rights referred by U.S. Immigration and Cus-
19 toms Enforcement to a United States attorney
20 for prosecution and the United States attorneys
21 to which those investigations were referred.

22 (C) The number of such investigations ac-
23 cepted by each such United States attorney and
24 the status or outcome of each such investiga-
25 tion.

1 (D) The number of such investigations
2 that resulted in the imposition of civil or criminal
3 penalties.

4 (E) A description of the efforts of U.S.
5 Custom and Border Protection and U.S. Immigration
6 and Customs Enforcement to improve
7 the success rates of investigations and prosecutions
8 relating to the infringement of intellectual
9 property rights.

10 (2) An estimate of the average time required by
11 the Office of International Trade of U.S. Customs
12 and Border Protection to respond to a request from
13 port personnel for advice with respect to whether
14 merchandise detained by U.S. Customs and Border
15 Protection infringed intellectual property rights, distinguished
16 by types of intellectual property rights infringed.
17

18 (3) A summary of the outreach efforts of U.S.
19 Customs and Border Protection and U.S. Immigration
20 and Customs Enforcement with respect to—

21 (A) the interdiction and investigation of,
22 and the sharing of information between those
23 agencies and other Federal agencies to prevent
24 the infringement of intellectual property rights;

1 (B) collaboration with private sector enti-
2 ties—

3 (i) to identify trends in the infringe-
4 ment of, and technologies that infringe, in-
5 tellectual property rights;

6 (ii) to identify opportunities for en-
7 hanced training of officers of U.S. Cus-
8 toms and Border Protection and U.S. Im-
9 migration and Customs Enforcement; and

10 (iii) to develop best practices to en-
11 force intellectual property rights; and

12 (C) coordination with foreign governments
13 and international organizations with respect to
14 the enforcement of intellectual property rights.

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

24 (5) A summary of training relating to the en-
25 forcement of intellectual property rights conducted

1 under section 308 of this Act and expenditures for
2 such training.

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

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

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

9 **SEC. 402. DEFINITIONS.**

10 In this title:

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

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

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

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

23 (A) a countervailing duty order issued
24 under section 706 of the Tariff Act of 1930; or

1 (B) an antidumping duty order issued
2 under section 736 of the Tariff Act of 1930.

3 (3) ELIGIBLE SMALL BUSINESS.—

4 (A) IN GENERAL.—The term “eligible
5 small business” means any business concern
6 which, in the Commissioner’s judgment, due to
7 its small size, has neither adequate internal re-
8 sources nor financial ability to obtain qualified
9 outside assistance in preparing and submitting
10 for consideration allegations of evasion.

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

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

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

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

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

7 (7) TRADE REMEDY LAWS.—The term “trade
 8 remedy laws” means title VII of the Tariff Act of
 9 1930.

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

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

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

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

20 (a) ESTABLISHMENT.—

21 (1) IN GENERAL.—The Secretary of Homeland
 22 Security shall establish and maintain within the Of-
 23 fice of International Trade of U.S. Customs and
 24 Border Protection, established under section 2(d) of
 25 the Act of March 3, 1927 (44 Stat. 1381, chapter

1 348; 19 U.S.C. 2072(d)), a Trade Remedy Law En-
2 forcement Division.

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

5 (A) headquarters personnel led by a Direc-
6 tor, who shall report to the Assistant Commis-
7 sioner of the Office of International Trade; and

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

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

13 (A) to the development and administration
14 of policies to prevent and counter evasion;

15 (B) to direct enforcement and compliance
16 assessment activities concerning evasion;

17 (C) to the development and conduct of
18 commercial risk assessment targeting with re-
19 spect to cargo destined for the United States in
20 accordance with subsection (c);

21 (D) to issuing Trade Alerts described in
22 subsection (d); and

23 (E) to the development of policies for the
24 application of single entry and continuous
25 bonds for entries of covered merchandise to suf-

1 ficiently protect the collection of antidumping
2 and countervailing duties commensurate with
3 the level of risk of noncollection.

4 (b) DUTIES OF DIRECTOR.—The duties of the Direc-
5 tor of the Trade Remedy Law Enforcement Division shall
6 include—

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

10 (2) facilitating, promoting, and coordinating co-
11 operation and the exchange of information between
12 U.S. Customs and Border Protection, U.S. Immigra-
13 tion and Customs Enforcement, and other relevant
14 agencies regarding evasion;

15 (3) notifying on a timely basis the admin-
16 istering authority (as defined in section 771(1) of
17 the Tariff Act of 1930 (19 U.S.C. 1677(1))) and the
18 Commission (as defined in section 771(2) of the
19 Tariff Act of 1930 (19 U.S.C. 1677(2))) of any
20 finding, determination, civil action, or criminal ac-
21 tion taken by U.S. Customs and Border Protection
22 or other Federal agency regarding evasion;

23 (4) serving as the primary liaison between U.S.
24 Customs and Border Protection and the public re-

1 garding United States Government activities con-
2 cerning evasion, including—

3 (A) receive and transmit to the appropriate
4 U.S. Customs and Border Protection office alle-
5 gations from parties of evasion;

6 (B) upon request by the party or parties
7 that submitted an allegation of evasion, provide
8 information to such party or parties on the sta-
9 tus of U.S. Customs and Border Protection’s
10 consideration of the allegation and decision to
11 pursue or not pursue any administrative inquir-
12 ies or other actions, such as changes in policies,
13 procedures, or resource allocation as a result of
14 the allegation;

15 (C) as needed, request from the party or
16 parties that submitted an allegation of evasion
17 any additional information that may be relevant
18 for U.S. Customs and Border Protection deter-
19 mining whether to initiate an administrative in-
20 quiry or take any other action regarding the al-
21 legation;

22 (D) notify on a timely basis the party or
23 parties that submitted such an allegation of the
24 results of any administrative, civil or criminal
25 actions taken by U.S. Customs and Border Pro-

1 tection or other Federal agency regarding eva-
2 sion as a direct or indirect result of the allega-
3 tion;

4 (E) upon request, provide technical assist-
5 ance and advice to eligible small businesses to
6 enable such businesses to prepare and submit
7 allegations of evasion, except that the Director
8 may deny assistance if the Director concludes
9 that the allegation, if submitted, would not lead
10 to the initiation of an administrative inquiry or
11 any other action to address the allegation;

12 (F) in cooperation with the public, the
13 Commercial Customs Operations Advisory Com-
14 mittee, the Trade Support Network, and any
15 other relevant parties and organizations, de-
16 velop guidelines on the types and nature of in-
17 formation that may be provided in allegations
18 of evasion; and

19 (G) regularly consult with the public, the
20 Commercial Customs Operations Advisory Com-
21 mittee, the Trade Support Network, and any
22 other relevant parties and organizations regard-
23 ing the development and implementation of reg-
24 ulations, interpretations, and policies related to
25 countering evasion.

1 (c) PREVENTING AND COUNTERING EVASION OF THE
2 TRADE REMEDY LAWS.—In carrying out its duties with
3 respect to preventing and countering evasion, the National
4 Targeting and Analysis Group dedicated to preventing and
5 countering evasion shall—

6 (1) establish targeted risk assessment meth-
7 odologies and standards—

8 (A) for evaluating the risk that cargo des-
9 tined for the United States may constitute
10 evading covered merchandise; and

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

13 (2) to the extent practicable and otherwise au-
14 thorized by law, use information available from the
15 Automated Commercial System, the Automated
16 Commercial Environment computer system, the
17 Automated Targeting System, the Automated Ex-
18 port System, the International Trade Data System,
19 and the TECS, and any similar and successor sys-
20 tems, to administer the methodologies and standards
21 established under paragraph (1).

22 (d) TRADE ALERTS.—Based upon the application of
23 the targeted risk assessment methodologies and standards
24 established under subsection (c), the Director of the Trade
25 Remedy Law Enforcement Division shall issue Trade

1 Alerts or other such means of notification to directors of
 2 United States ports of entry directing further inspection,
 3 physical examination, or testing of merchandise to ensure
 4 compliance with the trade remedy laws and to require ad-
 5 ditional bonds, cash deposits, or other security to ensure
 6 collection of any duties, taxes and fees owed.

7 **SEC. 412. COLLECTION OF INFORMATION ON EVASION OF**
 8 **TRADE REMEDY LAWS.**

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

13 (1) shall exercise all existing authorities to col-
 14 lect information needed to make the determination;
 15 and

16 (2) may collect such additional information as
 17 is necessary to make the determination through such
 18 methods as the Commissioner considers appropriate,
 19 including by issuing questionnaires with respect to
 20 the entry or entries at issue to—

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

23 (B) a person who is alleged to have en-
 24 tered the covered merchandise into the customs

1 territory of the United States through evasion;
2 or

3 (C) any other person who is determined to
4 have information relevant to the allegation of
5 entry of covered merchandise into the customs
6 territory of the United States through evasion.

7 (b) ADVERSE INFERENCE.—

8 (1) IN GENERAL.—If the Secretary finds that a
9 person who filed an allegation, a person alleged to
10 have entered covered merchandise into the customs
11 territory of the United States through evasion, or a
12 foreign producer or exporter of covered merchandise
13 that is alleged to have entered into the customs ter-
14 ritory of the United States through evasion, has
15 failed to cooperate by not acting to the best of the
16 person's ability to comply with a request for infor-
17 mation, the Secretary may, in making a determina-
18 tion whether an entry or entries of covered merchan-
19 dise may constitute merchandise that is entered into
20 the customs territory of the United States through
21 evasion, use an inference that is adverse to the inter-
22 ests of that person in selecting from among the facts
23 otherwise available to determine whether evasion has
24 occurred.

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

4 (A) the allegation of evasion of the trade
 5 remedy laws, if any, submitted to U.S. Customs
 6 and Border Protection;

7 (B) a determination by the Commissioner
 8 in another investigation, proceeding, or other
 9 action regarding evasion of the unfair trade
 10 laws; or

11 (C) any other available information.

12 **SEC. 413. ACCESS TO INFORMATION.**

13 (a) IN GENERAL.—Section 777(b)(1)(A)(ii) of the
 14 Trade Act of 1930 (19 U.S.C. 1677f(b)(1)(A)(ii)) is
 15 amended by inserting “negligence, gross negligence, or”
 16 after “regarding”.

17 (b) ADDITIONAL INFORMATION.—Notwithstanding
 18 any other provision of law, the Secretary is authorized to
 19 provide to the Secretary of Commerce or the United States
 20 International Trade Commission any information that is
 21 necessary to enable the Secretary of Commerce or the
 22 United States International Trade Commission to assist
 23 the Secretary to identify, through risk assessment tar-
 24 geting or otherwise, covered merchandise that is entered

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

3 **SEC. 414. COOPERATION WITH FOREIGN COUNTRIES ON**
4 **PREVENTING EVASION OF TRADE REMEDY**
5 **LAWS.**

6 (a) BILATERAL AGREEMENTS.—

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

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

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

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

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

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

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

1 (c) REPORT.—Not later than December 31 of each
2 year beginning after the date of the enactment of this Act,
3 the Secretary shall submit to the appropriate congres-
4 sional committees a report summarizing—

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

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

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

14 **SEC. 415. TRADE NEGOTIATING OBJECTIVES.**

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

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

3 **SEC. 421. PROCEDURES FOR INVESTIGATION OF EVASION**
4 **OF ANTIDUMPING AND COUNTERVAILING**
5 **DUTY ORDERS.**

6 (a) IN GENERAL.—Title VII of the Tariff Act of
7 1930 (19 U.S.C. 1671 et seq.) is amended by inserting
8 after section 781 the following:

9 **“SEC. 781A. PROCEDURES FOR PREVENTION OF EVASION**
10 **OF ANTIDUMPING AND COUNTERVAILING**
11 **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.

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

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

22 “(A) a countervailing duty order issued
23 under section 706; or

24 “(B) an antidumping duty order issued
25 under section 736.

1 “(4) EVASION.—

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

14 “(B) EXCEPTION FOR CLERICAL ERROR.—

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

20 “(I) a document or electronically
21 transmitted data or information, writ-
22 ten or oral statement, or act that is
23 false as a result of a clerical error; or

24 “(II) an omission that results
25 from a clerical error.

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

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

20 “(iv) RULE OF CONSTRUCTION.—A
21 determination by the Commissioner that a
22 person has entered covered merchandise
23 into the customs territory of the United
24 States by means of a clerical error referred
25 to in subclause (I) or (II) of clause (i)

1 rather than through evasion shall not be
2 construed to excuse that person from the
3 payment of any duties applicable to the
4 merchandise.

5 “(b) PREVENTION BY ADMINISTERING AUTHOR-
6 ITY.—

7 “(1) PROCEDURES FOR INITIATING INVESTIGA-
8 TIONS.—

9 “(A) INITIATION BY ADMINISTERING AU-
10 THORITY.—An investigation under this sub-
11 section shall be initiated with respect to mer-
12 chandise imported into the United States when-
13 ever the administering authority determines,
14 from information available to the administering
15 authority, that an investigation is warranted
16 with respect to whether the merchandise is cov-
17 ered merchandise.

18 “(B) INITIATION BY PETITION OR REFER-
19 RAL.—

20 “(i) IN GENERAL.—The administering
21 authority shall determine whether to ini-
22 tiate an investigation under this subpara-
23 graph not later than 30 days after the date
24 on which the administering authority re-

ceives a petition described in clause (ii) or
a referral described in clause (iii).

“(ii) PETITION DESCRIBED.—A petition described in this clause is a petition that—

“(I) is filed with the administering authority by an interested party specified in subparagraph (A), (C), (D), (E), (F), or (G) of section 771(9);

“(II) alleges that merchandise imported into the United States is covered merchandise; and

“(III) is accompanied by information reasonably available to the petitioner supporting those allegations.

“(iii) REFERRAL DESCRIBED.—A referral described in this clause is a referral made by the Commissioner pursuant to subsection (c)(1).

“(2) TIME LIMITS FOR DETERMINATIONS.—

“(A) PRELIMINARY DETERMINATION.—

“(i) IN GENERAL.—Not later than 90 days after the administering authority initiates an investigation under paragraph (1)

1 with respect to merchandise, the admin-
2 istering authority shall issue a preliminary
3 determination, based on information avail-
4 able to the administering authority at the
5 time of the determination, with respect to
6 whether there is a reasonable basis to be-
7 lieve or suspect that the merchandise is
8 covered merchandise.

9 “(ii) EXPEDITED PROCEDURES.—If
10 the administering authority determines
11 that expedited action is warranted with re-
12 spect to an investigation initiated under
13 paragraph (1), the administering authority
14 may publish the notice of initiation of the
15 investigation and the notice of the prelimi-
16 nary determination in the Federal Register
17 at the same time.

18 “(B) FINAL DETERMINATION BY THE AD-
19 MINISTERING AUTHORITY.—The administering
20 authority shall issue a final determination with
21 respect to whether merchandise is covered mer-
22 chandise not later than 300 days after the date
23 on which the administering authority initiates
24 an investigation under paragraph (1) with re-
25 spect to the merchandise.

1 “(3) ACCESS TO INFORMATION.—

2 “(A) ENTRY DOCUMENTS, RECORDS, AND
3 OTHER INFORMATION.—Upon receiving a re-
4 quest from the administering authority, and not
5 later than 10 days after receiving the admin-
6 istering authority’s request, the Commissioner
7 shall transmit to the administering authority
8 copies of the documentation and information re-
9 quired by section 484(a)(1) with respect to the
10 entry of the merchandise, as well as any other
11 documentation or information requested by the
12 administering authority.

13 “(B) ACCESS OF INTERESTED PARTIES.—
14 Not later than 10 business days after the date
15 on which the administering authority initiates
16 an investigation under paragraph (1) with re-
17 spect to merchandise, the administering author-
18 ity shall provide to the authorized representa-
19 tive of each interested party that filed a petition
20 under paragraph (1) or otherwise participates
21 in a proceeding, pursuant to a protective order,
22 the copies of the entry documentation and any
23 other information received by the administering
24 authority under subparagraph (A).

1 “(C) BUSINESS PROPRIETARY INFORMA-
2 TION FROM PRIOR SEGMENTS.—Where an au-
3 thorized representative to an interested party
4 participating in an investigation under para-
5 graph (1) has access to business proprietary in-
6 formation released pursuant to administrative
7 protective order in a proceeding under 19
8 U.S.C. 1671 et seq., 1673 et seq., or 1675 et
9 seq. that is relevant to the investigation con-
10 ducted under paragraph (1), that authorized
11 representative may submit such information to
12 the administering authority for its consideration
13 in the context of the investigation conducted
14 under paragraph (1).

15 “(4) AUTHORITY TO COLLECT AND VERIFY AD-
16 DITIONAL INFORMATION.—In making a determina-
17 tion under paragraph (2) with respect to covered
18 merchandise, the administering authority may collect
19 such additional information as is necessary to make
20 the determination through such methods as the ad-
21 ministering authority considers appropriate, includ-
22 ing by—

23 “(A) issuing a questionnaire with respect
24 to such covered merchandise to—

1 “(i) a person that filed an allegation
2 under paragraph (1)(B)(ii) that resulted in
3 the initiation of an investigation under
4 paragraph (1)(A) with respect to such cov-
5 ered merchandise;

6 “(ii) a person alleged to have entered
7 such covered merchandise into the customs
8 territory of the United States through eva-
9 sion;

10 “(iii) a person that is a foreign pro-
11 ducer or exporter of such covered merchan-
12 dise; or

13 “(iv) the government of a country
14 from which such covered merchandise was
15 exported; and

16 “(B) conducting verifications, including on-
17 site verifications, of any relevant information;
18 and

19 “(C) requesting—

20 “(i) that the Commissioner provide
21 any information and data available to U.S.
22 Customs and Border Protection, and

23 “(ii) that the Commissioner gather
24 additional necessary information from the

1 importer of covered merchandise and other
2 relevant parties.

3 “(5) ADVERSE INFERENCE.—If the admin-
4 istering authority finds that a person described in
5 clause (i), (ii), or (iii) of paragraph (4)(A) has failed
6 to cooperate by not acting to the best of the person’s
7 ability to comply with a request for information, the
8 administering authority may, in making a deter-
9 mination under paragraph (2), use an inference that
10 is adverse to the interests of that person in selecting
11 from among the facts otherwise available to make
12 the determination.

13 “(6) EFFECT OF AFFIRMATIVE PRELIMINARY
14 DETERMINATION.—If the administering authority
15 makes a preliminary determination under paragraph
16 (2)(A) that merchandise is covered merchandise, the
17 administering authority shall instruct U.S. Customs
18 and Border Protection—

19 “(A) to suspend liquidation of each entry
20 of the merchandise that—

21 “(i) enters on or after the date of the
22 preliminary determination; or

23 “(ii) enters before that date, if the liq-
24 uidation of the entry is not final on that
25 date; and

1 “(B) to require the posting of a cash de-
2 posit for each entry of the merchandise in an
3 amount determined pursuant to the order or
4 finding described in subsection (a)(2)(A)(i), or
5 administrative review conducted under section
6 751, that applies to the merchandise.

7 “(7) EFFECT OF AFFIRMATIVE FINAL DETER-
8 MINATION.—

9 “(A) IN GENERAL.—If the administering
10 authority makes a final determination under
11 paragraph (2)(B) that merchandise is covered
12 merchandise, the administering authority shall
13 instruct U.S. Customs and Border Protection—

14 “(i) to assess duties on the merchan-
15 dise in an amount determined pursuant to
16 the order or finding described in subsection
17 (a)(2)(A)(i), or administrative review con-
18 ducted under section 751, that applies to
19 the merchandise;

20 “(ii) notwithstanding section 501, to
21 reliquidate, in accordance with such order,
22 finding, or administrative review, each
23 entry of the merchandise that was liq-
24 uidated and is determined to include cov-
25 ered merchandise; and

1 “(iii) to review and reassess the
2 amount of bond or other security the im-
3 porter is required to post for such mer-
4 chandise entered on or after the date of
5 the final determination to ensure the pro-
6 tection of revenue and compliance with the
7 law.

8 “(B) ADDITIONAL AUTHORITY.—If the ad-
9 ministering authority makes a final determina-
10 tion under paragraph (2)(B) that merchandise
11 is covered merchandise, the administering au-
12 thority may instruct U.S. Customs and Border
13 Protection to require the importer of the mer-
14 chandise to post a cash deposit or bond on such
15 merchandise entered on or after the date of the
16 final determination in an amount the admin-
17 istering authority determines in the final deter-
18 mination to be owed with respect to the mer-
19 chandise.

20 “(8) EFFECT OF NEGATIVE FINAL DETERMINA-
21 TION.—If the administering authority makes a final
22 determination under paragraph (2)(B) that mer-
23 chandise is not covered merchandise, the admin-
24 istering authority shall terminate the suspension of
25 liquidation and refund any cash deposit imposed

1 pursuant to paragraph (6) with respect to the mer-
2 chandise.

3 “(9) NOTIFICATION.—Not later than 5 business
4 days after making a determination under paragraph
5 (2) with respect to covered merchandise, the admin-
6 istering authority may provide to importers, in such
7 manner as the administering authority determines
8 appropriate, information discovered in the investiga-
9 tion that the administering authority determines will
10 help educate importers with respect to importing
11 merchandise into the customs territory of the United
12 States in accordance with all applicable laws and
13 regulations.

14 “(10) SPECIAL RULE FOR CASES IN WHICH THE
15 PRODUCER OR EXPORTER IS UNKNOWN.—If the ad-
16 ministering authority is unable to determine the ac-
17 tual producer or exporter of the merchandise with
18 respect to which the administering authority initi-
19 ated an investigation under paragraph (1), the ad-
20 ministering authority shall, in requiring the posting
21 of a cash deposit under paragraph (6) or assessing
22 duties pursuant to paragraph (7)(A), impose the
23 cash deposit or duties (as the case may be) in the
24 highest amount applicable to any producer or ex-
25 porter of the merchandise pursuant to any order or

1 finding described in subsection (a)(2)(A)(i), or any
2 administrative review conducted under section 751.

3 “(11) PUBLICATION OF DETERMINATIONS.—

4 The administering authority shall publish each no-
5 tice of initiation of investigation made under para-
6 graph (1)(A), each preliminary determination made
7 under paragraph (2)(A) and each final determina-
8 tion made under paragraph (2)(B) in the Federal
9 Register.

10 “(12) REFERRALS TO OTHER AGENCIES.—

11 “(A) AFTER PRELIMINARY DETERMINA-
12 TION.—Notwithstanding section 777 and sub-
13 ject to subparagraph (C), when the admin-
14 istering authority makes an affirmative prelimi-
15 nary determination under paragraph (2)(A), the
16 administering authority shall—

17 “(i) transmit the administrative
18 record to the Commissioner for such addi-
19 tional action as the Commissioner deter-
20 mines appropriate, including proceedings
21 under section 592; and

22 “(ii) at the request of the head of an-
23 other agency, transmit the administrative
24 record to the head of that agency.

1 “(B) AFTER FINAL DETERMINATION.—
2 Notwithstanding section 777 and subject to
3 subparagraph (C), when the administering au-
4 thority makes an affirmative final determina-
5 tion under paragraph (2)(B), the administering
6 authority shall—

7 “(i) transmit the complete administra-
8 tive record to the Commissioner; and

9 “(ii) at the request of the head of an-
10 other agency, transmit the complete ad-
11 ministrative record to the head of that
12 agency.

13 “(c) PREVENTION BY U.S. CUSTOMS AND BORDER
14 PROTECTION.—

15 “(1) REFERRALS.—In the event the Commis-
16 sioner receives information that a person is entered
17 covered merchandise into the customs territory of
18 the United States through evasion, but is not able
19 to determine whether the merchandise is in fact cov-
20 ered merchandise, the Commissioner shall—

21 “(A) refer the matter to the administering
22 authority for additional proceedings under sub-
23 section (b); and

24 “(B) transmit to the administering author-
25 ity—

1 “(i) copies of the entry documents and
2 information required by section 484(a)(1)
3 relating to the merchandise; and

4 “(ii) any additional records or infor-
5 mation that the Commissioner considers
6 appropriate.

7 “(d) COOPERATION BETWEEN U.S. CUSTOMS AND
8 BORDER PROTECTION AND THE DEPARTMENT OF COM-
9 MERCE.—

10 “(1) NOTIFICATION OF INVESTIGATIONS.—
11 Upon receiving a petition and upon initiating an in-
12 vestigation under subsection (b), the administering
13 authority shall notify the Commissioner.

14 “(2) PROCEDURES FOR COOPERATION.—Not
15 later than 180 days after the date of the enactment
16 of this Act, the Commissioner and the administering
17 authority shall establish procedures to ensure max-
18 imum cooperation and communication between U.S.
19 Customs and Border Protection and the admin-
20 istering authority in order to quickly, efficiently, and
21 accurately investigate allegations of evasion of anti-
22 dumping and countervailing duty orders.

23 “(e) ANNUAL REPORT ON PREVENTING EVASION OF
24 ANTIDUMPING AND COUNTERVAILING DUTY ORDERS.—

1 “(1) IN GENERAL.—Not later than February
2 28 of each year beginning in 2016, the Under Sec-
3 retary for International Trade of the Department of
4 Commerce shall submit to the Committee on Fi-
5 nance and the Committee on Appropriations of the
6 Senate and the Committee on Ways and Means and
7 the Committee on Appropriations of the House of
8 Representatives a report on the efforts being taken
9 under subsection (b) to prevent evasion of anti-
10 dumping and countervailing duty orders.

11 “(2) CONTENTS.—Each report required by
12 paragraph (1) shall include, for the year preceding
13 the submission of the report—

14 “(A)(i) the number of investigations initi-
15 ated pursuant to subsection (b); and

16 “(ii) a description of such investigations,
17 including—

18 “(I) the results of such investigations;
19 and

20 “(II) the amount of antidumping and
21 countervailing duties collected as a result
22 of such investigations; and

23 “(B) the number of referrals made by the
24 Commissioner pursuant to subsection (c).”.

1 (b) TECHNICAL AMENDMENT.—The table of contents
 2 for title VII of the Tariff Act of 1930 is amended by in-
 3 serting after the item relating to section 781 the following:

“Sec. 781A. Procedures for prevention of evasion of antidumping and counter-
 vailing duty orders.”.

4 (c) JUDICIAL REVIEW.—Section 516A(a)(2) of the
 5 Tariff Act of 1930 (19 U.S.C. 1516a(a)(2)) is amended—

6 (1) in subparagraph (A)(i)(I), by striking “or
 7 (viii)” and inserting “(viii), or (ix)”; and

8 (2) in subparagraph (B), by inserting at the
 9 end the following:

10 “(ix) A determination by the admin-
 11 istering authority under section 781A.”.

12 (d) REGULATIONS.—Not later than 180 days after
 13 the date of the enactment of this Act—

14 (1) the Secretary of Commerce shall prescribe
 15 such regulations as may be necessary to carry out
 16 subsection (b) of section 781A of the Tariff Act of
 17 1930 (as added by subsection (a) of this section);
 18 and

19 (2) the Commissioner responsible for U.S. Cus-
 20 toms and Border Protection shall prescribe such reg-
 21 ulations as may be necessary to carry out subsection
 22 (c) of such section 781A.

23 (e) EFFECTIVE DATE.—The amendments made by
 24 this section shall—

1 (1) take effect on the date that is 180 days
2 after the date of the enactment of this Act; and

3 (2) apply with respect to merchandise entered
4 on or after such date of enactment.

5 **SEC. 422. GOVERNMENT ACCOUNTABILITY OFFICE RE-**
6 **PORT.**

7 Not later than 2 years after the date of the enact-
8 ment of this Act, the Comptroller General of the United
9 States shall submit to the Committee on Finance and the
10 Committee on Appropriations of the Senate and the Com-
11 mittee on Ways and Means and the Committee on Appro-
12 priations of the House of Representatives a report assess-
13 ing the effectiveness of—

14 (1) the provisions of, and amendments made
15 by, this Act; and

16 (2) the actions taken and procedures developed
17 by the Secretary of Commerce and the Commis-
18 sioner pursuant to such provisions and amendments
19 to prevent evasion of antidumping and counter-
20 vailing duty orders under title VII of the Tariff Act
21 of 1930 (19 U.S.C. 1671 et seq.).

22 **Subtitle C—Other Matters**

23 **SEC. 431. ALLOCATION AND TRAINING OF PERSONNEL.**

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

1 (1) employs sufficient personnel who have ex-
2 pertise in, and responsibility for, preventing and in-
3 vestigating the entry of covered merchandise into the
4 customs territory of the United States through eva-
5 sion;

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

14 (3) provides adequate training to relevant per-
15 sonnel to increase expertise and effectiveness in the
16 prevention and identification of entries of covered
17 merchandise into the customs territory of the United
18 States through evasion.

19 **SEC. 432. ANNUAL REPORT ON PREVENTION OF EVASION**
20 **OF ANTIDUMPING AND COUNTERVAILING**
21 **DUTY ORDERS.**

22 (a) IN GENERAL.—Not later than February 28 of
23 each year, beginning in 2014, the Commissioner, in con-
24 sultation with the Secretary of Commerce and the Director
25 for U.S. Immigration and Customs Enforcement, shall

1 submit to the appropriate congressional committees a re-
2 port on the efforts being taken to prevent and investigate
3 evasion.

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

6 (1) for the calendar year preceding the submis-
7 sion of the report—

8 (A) a summary of the efforts of U.S. Cus-
9 toms and Border Protection to prevent and
10 identify evasion;

11 (B) the number of allegations of evasion
12 received and the number of allegations of eva-
13 sion resulting in any administrative, civil, or
14 criminal actions by U.S. Customs and Border
15 Protection or any other agency;

16 (C) a summary of the completed adminis-
17 trative inquiries of evasion, including the num-
18 ber and nature of the inquiries initiated, con-
19 ducted, or completed, as well as their resolu-
20 tion;

21 (D) with respect to inquiries that lead to
22 lead to issuance of a penalty notice, the penalty
23 amounts;

24 (E) the amounts of antidumping and coun-
25 tervailing duties collected as a result of any ac-

tions by U.S. Customs and Border Protection or any other agency;

(F) a description of the allocation of personnel and other resources of U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement to prevent, identify and investigate evasion, including any assessments conducted regarding the allocation of such personnel and resources; and

(G) a description of training conducted to increase expertise and effectiveness in the prevention, identification and investigation of evasion; and

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

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

(B) an evaluation of the efficacy of such existing guidelines, policies, and practices;

(C) identification of any changes since the last report that have materially improved or re-

duced the effectiveness of U.S. Customs and Border Protection to prevent and identify evasion;

(D) a description of the development and implementation of policies for the application of single entry and continuous bonds for entries of covered merchandise to sufficiently protect the collection of antidumping and countervailing duties commensurate with the level of risk on noncollection;

(E) the processes and procedures for increased cooperation and information sharing with the Department of Commerce, U.S. Immigration and Customs Enforcement, and any other relevant Federal agencies to prevent and identify evasion; and

(F) identification of any recommended policy changes of other Federal agencies or legislative changes to improve the effectiveness of U.S. Customs and Border Protection to prevent and identify evasion.

SEC. 433. ADDRESSING CIRCUMVENTION BY NEW SHIPPERS.

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

- 1 (1) by striking clause (iii);
- 2 (2) by redesignating clause (iv) as clause (iii);
- 3 and
- 4 (3) inserting after clause (iii), as redesignated
- 5 by paragraph (2) of this section, the following:

6 “(iv) Any weighted average dumping
7 margin or individual countervailing duty
8 rate determined for an exporter or pro-
9 ducer in a review conducted under clause
10 (i) shall be based solely on the bona fide
11 United States sales of an exporter or pro-
12 ducer, as the case may be, made during
13 the period covered by the review. In deter-
14 mining whether the United States sales of
15 an exporter or producer made during the
16 period covered by the review were bona
17 fide, the administering authority shall con-
18 sider, depending on the circumstances sur-
19 rounding such sales—

20 “(I) the prices of such sales;

21 “(II) whether such sales were
22 made in commercial quantities;

23 “(III) the timing of such sales;

24 “(IV) the expenses arising from
25 such sales;

1 “(V) whether the subject mer-
 2 chandise involved in such sales were
 3 resold in the United States at a prof-
 4 it;

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

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

13 **TITLE V—ADDITIONAL** 14 **ENFORCEMENT PROVISIONS**

15 **SEC. 501. TRADE ENFORCEMENT PRIORITIES.**

16 (a) IN GENERAL.—Section 310 of the Trade Act of
 17 1974 (19 U.S.C. 2420) is amended to read as follows:

18 **“SEC. 310. TRADE ENFORCEMENT PRIORITIES.**

19 “(a) TRADE ENFORCEMENT PRIORITIES, CONSULTA-
 20 TIONS, AND REPORT.—

21 “(1) TRADE ENFORCEMENT PRIORITIES CON-
 22 SULTATIONS.—Not later than May 31 of each cal-
 23 endar year that begins after the date of the enact-
 24 ment of the Trade Facilitation and Trade Enforce-
 25 ment Act of 2015, the United States Trade Rep-

1 representative (in this section referred to as the ‘Trade
2 Representative’) shall consult with the Committee on
3 Finance of the Senate and the Committee on Ways
4 and Means of the House of Representatives with re-
5 spect to the prioritization of acts, policies, or prac-
6 tices of foreign governments that raise concerns with
7 respect to obligations under the WTO Agreements or
8 any other trade agreement to which the United
9 States is a party, or otherwise create or maintain
10 barriers to United States goods, services, or invest-
11 ment.

12 “(2) IDENTIFICATION OF TRADE ENFORCE-
13 MENT PRIORITIES.—In identifying acts, policies, or
14 practices of foreign governments as trade enforce-
15 ment priorities under this subsection, the United
16 States Trade Representative shall focus on those
17 acts, policies, and practices the elimination of which
18 is likely to have the most significant potential to in-
19 crease United States economic growth, and take into
20 account all relevant factors, including—

21 “(A) the economic significance of any po-
22 tential inconsistency between an obligation as-
23 sumed by a foreign government pursuant to a
24 trade agreement to which both the foreign gov-
25 ernment and the United States are parties and

1 the acts, policies, or practices of that govern-
2 ment;

3 “(B) the impact of the acts, policies, or
4 practices of a foreign government on maintain-
5 ing and creating United States jobs and pro-
6 ductive capacity;

7 “(C) the major barriers and trade dis-
8 torting practices described in the most recent
9 National Trade Estimate required under section
10 181(b);

11 “(D) the major barriers and trade dis-
12 torting practices described in other relevant re-
13 ports addressing international trade and invest-
14 ment barriers prepared by a Federal agency or
15 congressional commission during the 12 months
16 preceding the date of the most recent report
17 under paragraph (3);

18 “(E) a foreign government’s compliance
19 with its obligations under any trade agreements
20 to which both the foreign government and the
21 United States are parties;

22 “(F) the implications of a foreign govern-
23 ment’s procurement plans and policies; and

1 “(G) the international competitive position
2 and export potential of United States products
3 and services.

4 “(3) REPORT ON TRADE ENFORCEMENT PRIOR-
5 ITIES AND ACTIONS TAKEN TO ADDRESS.—

6 “(A) IN GENERAL.—Not later than July
7 31 of each calendar year that begins after the
8 date of the enactment of the Trade Facilitation
9 and Trade Enforcement Act of 2015, the Trade
10 Representative shall report to the Committee on
11 Finance of the Senate and the Committee on
12 Ways and Means of the House of Representa-
13 tives on acts, policies, or practices of foreign
14 governments identified as trade enforcement
15 priorities based on the consultations under
16 paragraph (1) and the criteria set forth in
17 paragraph (2).

18 “(B) REPORT IN SUBSEQUENT YEARS.—
19 The Trade Representative shall include, when
20 reporting under subparagraph (A) in any cal-
21 endar year after the calendar year that begins
22 after the date of the enactment of the Trade
23 Facilitation and Trade Enforcement Act of
24 2015, a description of actions taken to address
25 any acts, policies, or practices of foreign gov-

1 ernments identified as trade enforcement prior-
2 ities under this subsection in the calendar year
3 preceding that report and, as relevant, any year
4 before that calendar year.

5 “(b) SEMI-ANNUAL ENFORCEMENT CONSULTA-
6 TIONS.—

7 “(1) IN GENERAL.—At the same time as the re-
8 porting under subsection (a)(3), and not later than
9 January 31 of each following year, the Trade Rep-
10 resentative shall consult with the Committee on Fi-
11 nance of the Senate and the Committee on Ways
12 and Means of the House of Representatives with re-
13 spect to the identification, prioritization, investiga-
14 tion, and resolution of acts, policies, or practices of
15 foreign governments of concern with respect to obli-
16 gations under the WTO Agreements or any other
17 trade agreement to which the United States is a
18 party, or that otherwise create or maintain trade
19 barriers.

20 “(2) ACTS, POLICIES, OR PRACTICES OF CON-
21 CERN.—The semi-annual enforcement consultations
22 required by paragraph (1) shall address acts, poli-
23 cies, or practices of foreign governments that raise
24 concerns with respect to obligations under the WTO
25 Agreements or any other trade agreement to which

1 the United States is a party, or otherwise create or
2 maintain trade barriers, including—

3 “(A) engagement with relevant trading
4 partners;

5 “(B) strategies for addressing such con-
6 cerns;

7 “(C) availability and deployment of re-
8 sources to be used in the investigation or reso-
9 lution of such concerns;

10 “(D) the merits of any potential dispute
11 resolution proceeding under the WTO Agree-
12 ments or any other trade agreement to which
13 the United States is a party relating to such
14 concerns; and

15 “(E) any other aspects of such concerns.

16 “(3) ACTIVE INVESTIGATIONS.—The semi-an-
17 nual enforcement consultations required by para-
18 graph (1) shall address acts, policies, or practices
19 that the Trade Representative is actively inves-
20 tigating with respect to obligations under the WTO
21 Agreements or any other trade agreement to which
22 the United States is a party, including—

23 “(A) strategies for addressing concerns
24 raised by such acts, policies, or practices;

1 “(B) any relevant timeline with respect to
2 investigation of such acts, policies, or practices;

3 “(C) the merits of any potential dispute
4 resolution proceeding under the WTO Agree-
5 ments or any other trade agreement to which
6 the United States is a party with respect to
7 such acts, policies, or practices;

8 “(D) barriers to the advancement of the
9 investigation of such acts, policies, or practices;
10 and

11 “(E) any other matters relating to the in-
12 vestigation of such acts, policies, or practices.

13 “(4) ONGOING ENFORCEMENT ACTIONS.—The
14 semi-annual enforcement consultations required by
15 paragraph (1) shall address all ongoing enforcement
16 actions taken by or against the United States with
17 respect to obligations under the WTO Agreements or
18 any other trade agreement to which the United
19 States is a party, including—

20 “(A) any relevant timeline with respect to
21 such actions;

22 “(B) the merits of such actions;

23 “(C) any prospective implementation ac-
24 tions;

1 “(D) potential implications for any law or
2 regulation of the United States;

3 “(E) potential implications for United
4 States stakeholders, domestic competitors, and
5 exporters; and

6 “(F) other issues relating to such actions.

7 “(5) ENFORCEMENT RESOURCES.—The semi-
8 annual enforcement consultations required by para-
9 graph (1) shall address the availability and deploy-
10 ment of enforcement resources, resource constraints
11 on monitoring and enforcement activities, and strat-
12 egies to address those constraints, including the use
13 of available resources of other Federal agencies to
14 enhance monitoring and enforcement capabilities.

15 “(c) INVESTIGATION AND RESOLUTION.—In the case
16 of any acts, policies, or practices of a foreign government
17 identified as a trade enforcement priority under subsection
18 (a), the Trade Representative shall, not later than the date
19 of the first semi-annual enforcement consultations held
20 under subsection (b) after the identification of the pri-
21 ority, take appropriate action to address that priority, in-
22 cluding—

23 “(1) engagement with the foreign government
24 to resolve concerns raised by such acts, policies, or
25 practices;

1 “(2) initiation of an investigation under section
2 302(b)(1) with respect to such acts, policies, or
3 practices;

4 “(3) initiation of negotiations for a bilateral
5 agreement that provides for resolution of concerns
6 raised by such acts, policies, or practices; or

7 “(4) initiation of dispute settlement proceedings
8 under the WTO Agreements or any other trade
9 agreement to which the United States is a party
10 with respect to such acts, policies, or practices.

11 “(d) ENFORCEMENT NOTIFICATIONS AND CON-
12 SULTATION.—

13 “(1) INITIATION OF ENFORCEMENT ACTION.—

14 The Trade Representative shall notify and consult
15 with the Committee on Finance of the Senate and
16 the Committee on Ways and Means of the House of
17 Representatives in advance of initiation of any for-
18 mal trade dispute by or against the United States
19 taken in regard to an obligation under the WTO
20 Agreements or any other trade agreement to which
21 the United States is a party. With respect to a for-
22 mal trade dispute against the United States, if ad-
23 vance notification and consultation are not possible,
24 the Trade Representative shall notify and consult at

1 the earliest practicable opportunity after initiation of
2 the dispute.

3 “(2) CIRCULATION OF REPORTS.—The Trade
4 Representative shall notify and consult with the
5 Committee on Finance of the Senate and the Com-
6 mittee on Ways and Means of the House of Rep-
7 resentatives in advance of the announced or antici-
8 pated circulation of any report of a dispute settle-
9 ment panel or the Appellate Body of the World
10 Trade Organization or of a dispute settlement panel
11 under any other trade agreement to which the
12 United States is a party with respect to a formal
13 trade dispute by or against the United States.

14 “(e) DEFINITIONS.—In this section:

15 “(1) WTO.—The term ‘WTO’ means the World
16 Trade Organization.

17 “(2) WTO AGREEMENT.—The term ‘WTO
18 Agreement’ has the meaning given that term in sec-
19 tion 2(9) of the Uruguay Round Agreements Act (19
20 U.S.C. 3501(9)).

21 “(3) WTO AGREEMENTS.—The term ‘WTO
22 Agreements’ means the WTO Agreement and agree-
23 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. 502. 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 Moni-
 18 toring”;

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 306(c)(2) to reinstate
 25 action,” after “under section 301,”.

1 **SEC. 503. 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 this section, the
9 United States International Trade Commission shall
10 make available on a website of the Commission an
11 import monitoring tool to allow the public access to
12 data on the volume and value of goods imported to
13 the United States for the purpose of assessing
14 whether such data has changed with respect to such
15 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 this section, and
4 not less frequently than quarterly thereafter, the
5 Secretary of Commerce shall publish on a website of
6 the Department of Commerce, and notify the Com-
7 mittee on Finance of the Senate and the Committee
8 on Ways and Means of the House of Representatives
9 of the availability of, a monitoring report on changes
10 in the volume and value of trade with respect to im-
11 ports and exports of goods categorized based on the
12 6-digit subheading number of the goods under the
13 Harmonized Tariff Schedule of the United States
14 during the most recent quarter for which such data
15 are available and previous quarters as the Secretary
16 considers practicable.

17 “(2) Requests for Comment. Not later than one
18 year after the date of the enactment of this section,
19 the Secretary of Commerce shall solicit through the
20 Federal Register public comment on the monitoring
21 reports described in paragraph (1).

22 “(c) SUNSET.—The requirements under this section
23 terminate on the date that is seven years after the date
24 of the enactment of this section.”.

(b) CLERICAL AMENDMENT.—The table of contents for the Trade Act of 1974 (19 U.S.C. 2101 et seq.) is amended by inserting after the item relating to section 204 the following:

“Sec. 205. Trade monitoring.”.

TITLE VI—MISCELLANEOUS PROVISIONS

SEC. 601. DE MINIMIS VALUE.

(a) DE MINIMIS VALUE.—Section 321(a)(2)(C) of the Tariff Act of 1930 (19 U.S.C. 1321(a)(2)(C)) is amended by striking “\$200” and inserting “\$800”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

SEC. 602. CONSULTATION ON TRADE AND CUSTOMS REVENUE FUNCTIONS.

Section 401(c) of the Safety and Accountability for Every Port Act (6 U.S.C. 115(c)) is amended—

(1) in paragraph (1), by striking “on Department policies and actions that have” and inserting “not later than 30 days after proposing, and not later than 30 days before finalizing, any Department policies, initiatives, or actions that will have”; and

(2) in paragraph (2)(A), by striking “not later than 30 days prior to the finalization of” and insert-

1 ing “not later than 60 days before proposing, and
2 not later than 60 days before finalizing,”.

3 **SEC. 603. PENALTIES FOR CUSTOMS BROKERS.**

4 (a) IN GENERAL.—Section 641(d)(1) of the Tariff
5 Act of 1930 (19 U.S.C. 1641(d)(1)) is amended—

6 (1) in subparagraph (E), by striking “; or” and
7 inserting a semicolon;

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

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

11 “(G) has been convicted of committing or
12 conspiring to commit an act of terrorism de-
13 scribed in section 2332b of title 18, United
14 States Code.”.

15 (b) TECHNICAL AMENDMENTS.—Section 641 of the
16 Tariff Act of 1930 (19 U.S.C. 1641) is amended—

17 (1) by striking “the Customs Service” each
18 place it appears and inserting “U.S. Customs and
19 Border Protection”;

20 (2) in subsection (d)(2)(B), by striking “The
21 Customs Service” and inserting “U.S. Customs and
22 Border Protection”; and

23 (3) in subsection (g)(2)(B), by striking “Sec-
24 retary’s notice” and inserting “notice under sub-
25 paragraph (A)”.

1 **SEC. 604. AMENDMENTS TO CHAPTER 98 OF THE HAR-**
2 **MONIZED TARIFF SCHEDULE OF THE UNITED**
3 **STATES.**

4 (a) ARTICLES EXPORTED AND RETURNED, AD-
5 VANCED OR IMPROVED ABROAD.—

6 (1) IN GENERAL.—U.S. Note 3 to subchapter
7 II of chapter 98 of the Harmonized Tariff Schedule
8 of the United States is amended by adding at the
9 end the following:

10 “(f)(1) For purposes of subheadings 9802.00.40 and
11 9802.00.50, fungible articles exported from the United
12 States for the purposes described in such subheadings—

13 “(A) may be commingled; and

14 “(B) the origin, value, and classification of such
15 articles may be accounted for using an inventory
16 management method.

17 “(2) If a person chooses to use an inventory manage-
18 ment method under this paragraph with respect to fun-
19 gible articles, the person shall use the same inventory
20 management method for any other articles with respect
21 to which the person claims fungibility under this para-
22 graph.

23 “(3) For the purposes of this paragraph—

24 “(A) the term ‘fungible articles’ means mer-
25 chandise or articles that, for commercial purposes,
26 are identical or interchangeable in all situations; and

1 “(B) the term ‘inventory management method’
2 means any method for managing inventory that is
3 based on generally accepted accounting principles.”.

4 (2) EFFECTIVE DATE.—The amendment made
5 by this subsection applies to articles classifiable
6 under subheading 9802.00.40 or 9802.00.50 of the
7 Harmonized Tariff Schedule of the United States
8 that are entered, or withdrawn from warehouse for
9 consumption, on or after the date that is 60 days
10 after the date of the enactment of this Act.

11 (b) MODIFICATION OF PROVISIONS RELATING TO
12 RETURNED PROPERTY.—

13 (1) IN GENERAL.—The article description for
14 heading 9801.00.10 of the Harmonized Tariff
15 Schedule of the United States is amended by insert-
16 ing after “exported” the following: “, or any other
17 products when returned within 3 years after having
18 been exported”.

19 (2) EFFECTIVE DATE.—The amendment made
20 by paragraph (1) applies to articles entered, or with-
21 drawn from warehouse for consumption, on or after
22 the date that is 60 days after the date of the enact-
23 ment of this Act.

(c) DUTY-FREE TREATMENT FOR CERTAIN UNITED STATES GOVERNMENT PROPERTY RETURNED TO THE UNITED STATES.—

(1) IN GENERAL.—Subchapter I of chapter 98 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence 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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(2) EFFECTIVE DATE.—The amendment made by paragraph (1) applies to goods entered, or withdrawn from warehouse for consumption, on or after the date that is 60 days after the date of the enactment of this Act.

SEC. 605. EXEMPTION FROM DUTY OF RESIDUE OF BULK CARGO CONTAINED IN INSTRUMENTS OF INTERNATIONAL TRAFFIC PREVIOUSLY EXPORTED FROM THE UNITED STATES.

(a) IN GENERAL.—General Note 3(e) of the Harmonized Tariff Schedule of the United States is amended—

1 (1) in subparagraph (v), by striking “and” at
2 the end;

3 (2) in subparagraph (vi), by adding “and” at
4 the end;

5 (3) by inserting after subparagraph (vi) (as so
6 amended) the following new subparagraph:

7 “(vii) residue of bulk cargo contained in
8 instruments of international traffic previously
9 exported from the United States,”; and

10 (4) by adding at the end of the flush text fol-
11 lowing subparagraph (vii) (as so added) the fol-
12 lowing: “For purposes of subparagraph (vii) of this
13 paragraph: The term ‘residue’ means material of
14 bulk cargo that remains in an instrument of inter-
15 national traffic after the bulk cargo is removed, with
16 a quantity, by weight or volume, not exceeding 7
17 percent of the bulk cargo, and with no or de minimis
18 value. The term ‘bulk cargo’ means cargo that is
19 unpackaged and is in either solid, liquid, or gaseous
20 form. The term ‘instruments of international traffic’
21 means containers or holders, capable of and suitable
22 for repeated use, such as lift vans, cargo vans, ship-
23 ping tanks, skids, pallets, caul boards, and cores for
24 textile fabrics, arriving (whether loaded or empty) in
25 use or to be used in the shipment of merchandise in

1 international traffic, and any additional articles or
2 classes of articles that the Commissioner responsible
3 for U.S. Customs and Border Protection designates
4 as instruments of international traffic.”.

5 (b) EFFECTIVE DATE.—The amendments made by
6 subsection (a) take effect on the date of the enactment
7 of this Act and apply with respect to residue of bulk cargo
8 contained in instruments of international traffic that are
9 imported into the customs territory of the United States
10 on or after such date of enactment and that previously
11 have been exported from the United States.

12 **SEC. 606. DRAWBACK AND REFUNDS.**

13 (a) ARTICLES MADE FROM IMPORTED MERCHAN-
14 DISE.—Section 313(a) of the Tariff Act of 1930 (19
15 U.S.C. 1313(a)) is amended by striking “the full amount
16 of the duties paid upon the merchandise so used shall be
17 refunded as drawback, less 1 per centum of such duties,
18 except that such” and inserting “an amount calculated
19 pursuant to regulations prescribed by the Secretary of the
20 Treasury under subsection (l) shall be refunded as draw-
21 back, except that”.

22 (b) SUBSTITUTION FOR DRAWBACK PURPOSES.—
23 Section 313(b) of the Tariff Act of 1930 (19 U.S.C.
24 1313(b)) is amended—

1 (1) by striking “If imported” and inserting the
2 following:

3 “(1) IN GENERAL.—If imported”;

4 (2) by striking “and any other merchandise
5 (whether imported or domestic) of the same kind
6 and quality are” and inserting “or merchandise clas-
7 sifiable under the same 8-digit HTS subheading
8 number as such imported merchandise is”;

9 (3) by striking “three years” and inserting “5
10 years”;

11 (4) by striking “the receipt of such imported
12 merchandise by the manufacturer or producer of
13 such articles” and inserting “the date of importation
14 of such imported merchandise”;

15 (5) by inserting “or articles classifiable under
16 the same 8-digit HTS subheading number as such
17 articles,” after “any such articles,”;

18 (6) by striking “an amount of drawback equal
19 to” and all that follows through the end period and
20 inserting “an amount calculated pursuant to regula-
21 tions prescribed by the Secretary of the Treasury
22 under subsection (l), but only if those articles have
23 not been used prior to such exportation or destruc-
24 tion.”; and

25 (7) by adding at the end the following:

1 “(2) REQUIREMENTS RELATING TO TRANSFER
2 OF MERCHANDISE.—

3 “(A) MANUFACTURERS AND PRO-
4 DUCERS.—Drawback shall be allowed under
5 paragraph (1) with respect to an article manu-
6 factured or produced using imported merchan-
7 dise or other merchandise classifiable under the
8 same 8-digit HTS subheading number as such
9 imported merchandise only if the manufacturer
10 or producer of the article received such im-
11 ported merchandise or such other merchandise,
12 directly or indirectly, from the importer.

13 “(B) EXPORTERS AND DESTROYERS.—
14 Drawback shall be allowed under paragraph (1)
15 with respect to a manufactured or produced ar-
16 ticle that is exported or destroyed only if the
17 exporter or destroyer received that article or an
18 article classifiable under the same 8-digit HTS
19 subheading number as that article, directly or
20 indirectly, from the manufacturer or producer.

21 “(C) EVIDENCE OF TRANSFER.—Transfers
22 of merchandise under subparagraph (A) and
23 transfers of articles under subparagraph (B)
24 may be evidenced by business records kept in
25 the normal course of business and no additional

1 certificates of transfer or manufacture shall be
2 required.

3 “(3) SUBMISSION OF BILL OF MATERIALS OR
4 FORMULA.—

5 “(A) IN GENERAL.—Drawback shall be al-
6 lowed under paragraph (1) with respect to an
7 article manufactured or produced using im-
8 ported merchandise or other merchandise classi-
9 fiable under the same 8-digit HTS subheading
10 number as such imported merchandise only if
11 the person making the drawback claim submits
12 with the claim a bill of materials or formula
13 identifying the merchandise and article by the
14 8-digit HTS subheading number and the quan-
15 tity of the merchandise.

16 “(B) BILL OF MATERIALS AND FORMULA
17 DEFINED.—In this paragraph, the terms ‘bill of
18 materials’ and ‘formula’ mean records kept in
19 the normal course of business that identify each
20 component incorporated into a manufactured or
21 produced article or that identify the quantity of
22 each element, material, chemical, mixture, or
23 other substance incorporated into a manufac-
24 tured article.

1 “(4) SPECIAL RULE FOR SOUGHT CHEMICAL
2 ELEMENTS.—

3 “(A) IN GENERAL.—For purposes of para-
4 graph (1), a sought chemical element may be—

5 “(i) considered imported merchandise,
6 or merchandise classifiable under the same
7 8-digit HTS subheading number as such
8 imported merchandise, used in the manu-
9 facture or production of an article as de-
10 scribed in paragraph (1); and

11 “(ii) substituted for source material
12 containing that sought chemical element,
13 without regard to whether the sought
14 chemical element and the source material
15 are classifiable under the same 8-digit
16 HTS subheading number, and apportioned
17 quantitatively, as appropriate.

18 “(B) SOUGHT CHEMICAL ELEMENT DE-
19 FINED.—In this paragraph, the term ‘sought
20 chemical element’ means an element listed in
21 the Periodic Table of Elements that is imported
22 into the United States or a chemical compound
23 consisting of those elements, either separately
24 in elemental form or contained in source mate-
25 rial.”.

1 (c) MERCHANDISE NOT CONFORMING TO SAMPLE OR
2 SPECIFICATIONS.—Section 313(c) of the Tariff Act of
3 1930 (19 U.S.C. 1313(c)) is amended—

4 (1) in paragraph (1)—

5 (A) in subparagraph (C)(ii), by striking
6 “under a certificate of delivery” each place it
7 appears;

8 (B) in subparagraph (D)—

9 (i) by striking “3” and inserting “5”;

10 and

11 (ii) by striking “the Customs Service”
12 and inserting “U.S. Customs and Border
13 Protection”; and

14 (C) in the flush text at the end, by striking
15 “the full amount of the duties paid upon such
16 merchandise, less 1 percent,” and inserting “an
17 amount calculated pursuant to regulations pre-
18 scribed by the Secretary of the Treasury under
19 subsection (l)”;

20 (2) in paragraph (2), by striking “the Customs
21 Service” and inserting “U.S. Customs and Border
22 Protection”; and

23 (3) by amending paragraph (3) to read as fol-
24 lows:

1 “(3) EVIDENCE OF TRANSFERS.—Transfers of
2 merchandise under paragraph (1) may be evidenced
3 by business records kept in the normal course of
4 business and no additional certificates of transfer
5 shall be required.”.

6 (d) PROOF OF EXPORTATION.—Section 313(i) of the
7 Tariff Act of 1930 (19 U.S.C. 1313(i)) is amended to read
8 as follows:

9 “(i) PROOF OF EXPORTATION.—A person claiming
10 drawback under this section based on the exportation of
11 an article shall provide proof of the exportation of the arti-
12 cle. Such proof of exportation—

13 “(1) shall establish fully the date and fact of
14 exportation and the identity of the exporter; and

15 “(2) may be established through the use of
16 records kept in the normal course of business or
17 through an electronic export system of the United
18 States Government, as determined by the Commis-
19 sioner responsible for U.S. Customs and Border
20 Protection.”.

21 (e) UNUSED MERCHANDISE DRAWBACK.—Section
22 313(j) of the Tariff Act of 1930 (19 U.S.C. 1313(j)) is
23 amended—

24 (1) in paragraph (1)—

1 (A) in subparagraph (A), in the matter
2 preceding clause (i)—

3 (i) by striking “3-year” and inserting
4 “5-year”; and

5 (ii) by inserting “and before the draw-
6 back claim is filed” after “the date of im-
7 portation”; and

8 (B) in the flush text at the end, by striking
9 “99 percent of the amount of each duty, tax, or
10 fee so paid” and inserting “an amount cal-
11 culated pursuant to regulations prescribed by
12 the Secretary of the Treasury under subsection
13 (1)”;
14 (2) in paragraph (2)—

15 (A) in the matter preceding subparagraph
16 (A), by striking “paragraph (4)” and inserting
17 “paragraphs (4), (5), and (6)”;

18 (B) in subparagraph (A), by striking
19 “commercially interchangeable with” and in-
20 serting “classifiable under the same 8-digit
21 HTS subheading number as”;

22 (C) in subparagraph (B)—

23 (i) by striking “3-year” and inserting
24 “5-year”; and

(ii) by inserting “and before the drawback claim is filed” after “the imported merchandise”; and

(D) in subparagraph (C)(ii), by striking subclause (II) and inserting the following:

“(II) received the imported merchandise, other merchandise classifiable under the same 8-digit HTS subheading number as such imported merchandise, or any combination of such imported merchandise and such other merchandise, directly or indirectly from the person who imported and paid any duties, taxes, and fees imposed under Federal law upon importation or entry and due on the imported merchandise (and any such transferred merchandise, regardless of its origin, will be treated as the imported merchandise and any retained merchandise will be treated as domestic merchandise);”;

(E) in the flush text at the end—

(i) by striking “the amount of each such duty, tax, and fee” and all that fol-

1 lows through “99 percent of that duty, tax,
2 or fee” and inserting “an amount cal-
3 culated pursuant to regulations prescribed
4 by the Secretary of the Treasury under
5 subsection (l) shall be refunded as draw-
6 back”; and

7 (ii) by striking the last sentence and
8 inserting the following: “Notwithstanding
9 subparagraph (A), drawback shall be al-
10 lowed under this paragraph with respect to
11 wine if the imported wine and the exported
12 wine are of the same color and the price
13 variation between the imported wine and
14 the exported wine does not exceed 50 per-
15 cent. Transfers of merchandise may be evi-
16 denced by business records kept in the nor-
17 mal course of business and no additional
18 certificates of transfer shall be required.”;
19 and

20 (3) in paragraph (3)(B), by striking “the com-
21 mercially interchangeable merchandise” and insert-
22 ing “merchandise classifiable under the same 8-digit
23 HTS subheading number as such imported merchan-
24 dise”; and

25 (4) by adding at the end the following:

1 “(5)(A) For purposes of paragraph (2) and ex-
2 cept as provided in subparagraph (B), merchandise
3 may not be substituted for imported merchandise for
4 drawback purposes based on the 8-digit HTS sub-
5 heading number if the article description for the 8-
6 digit HTS subheading number under which the im-
7 ported merchandise is classified begins with the term
8 ‘other’.

9 “(B) In cases described in subparagraph (A),
10 merchandise may be substituted for imported mer-
11 chandise for drawback purposes if—

12 “(i) the other merchandise and such im-
13 ported merchandise are classifiable under the
14 same 10-digit HTS statistical reporting num-
15 ber; and

16 “(ii) the article description for that 10-
17 digit HTS statistical reporting number does not
18 begin with the term ‘other’.

19 “(6)(A) For purposes of paragraph (2), a draw-
20 back claimant may use the first 8 digits of the 10-
21 digit Schedule B number for merchandise or an arti-
22 cle to determine if the merchandise or article is clas-
23 sifiable under the same 8-digit HTS subheading
24 number as the imported merchandise, without re-

1 gard to whether the Schedule B number corresponds
2 to more than one 8-digit HTS subheading number.

3 “(B) In this paragraph, the term ‘Schedule B’
4 means the Department of Commerce Schedule B,
5 Statistical Classification of Domestic and Foreign
6 Commodities Exported from the United States.”.

7 (f) LIABILITY FOR DRAWBACK CLAIMS.—Section
8 313(k) of the Tariff Act of 1930 (19 U.S.C. 1313(k)) is
9 amended to read as follows:

10 “(k) LIABILITY FOR DRAWBACK CLAIMS.—

11 “(1) IN GENERAL.—Any person making a claim
12 for drawback under this section shall be liable for
13 the full amount of the drawback claimed.

14 “(2) LIABILITY OF IMPORTERS.—An importer
15 shall be liable for any drawback claim made by an-
16 other person with respect to merchandise imported
17 by the importer in an amount equal to the lesser
18 of—

19 “(A) the amount of duties, taxes, and fees
20 that the person claimed with respect to the im-
21 ported merchandise; or

22 “(B) the amount of duties, taxes, and fees
23 that the importer authorized the other person
24 to claim with respect to the imported merchan-
25 dise.

1 “(3) JOINT AND SEVERAL LIABILITY.—Persons
2 described in paragraphs (1) and (2) shall be jointly
3 and severally liable for the amount described in
4 paragraph (2).”.

5 (g) REGULATIONS.—Section 313(l) of the Tariff Act
6 of 1930 (19 U.S.C. 1313(l)) is amended to read as follows:

7 “(l) REGULATIONS.—

8 “(1) IN GENERAL.—Allowance of the privileges
9 provided for in this section shall be subject to com-
10 pliance with such rules and regulations as the Sec-
11 retary of the Treasury shall prescribe.

12 “(2) CALCULATION OF DRAWBACK.—

13 “(A) IN GENERAL.—Not later than the
14 date that is 2 years after the date of the enact-
15 ment of the Trade Facilitation and Trade En-
16 forcement Act of 2015 (or, if later, the effective
17 date provided for in section 406(q)(2)(B) of
18 that Act), the Secretary shall prescribe regula-
19 tions for determining the calculation of
20 amounts refunded as drawback under this sec-
21 tion.

22 “(B) REQUIREMENTS.—The regulations
23 required by subparagraph (A) for determining
24 the calculation of amounts refunded as draw-
25 back under this section shall provide for a re-

1 fund of up to 99 percent of the duties, taxes,
2 and fees paid with respect to the imported mer-
3 chandise, except that where there is substi-
4 tution of the merchandise or article, then—

5 “(i) in the case of an article that is
6 exported, the amount of the refund shall
7 be equal to 99 percent of the lesser of—

8 “(I) the amount of duties, taxes,
9 and fees paid with respect to the im-
10 ported merchandise; or

11 “(II) the amount of duties, taxes,
12 and fees that would apply to the ex-
13 ported article if the exported article
14 were imported; and

15 “(ii) in the case of an article that is
16 destroyed, the amount of the refund shall
17 be an amount that is—

18 “(I) equal to 99 percent of the
19 lesser of—

20 “(aa) the amount of duties,
21 taxes, and fees paid with respect
22 to the imported merchandise; and

23 “(bb) the amount of duties,
24 taxes, and fees that would apply
25 to the destroyed article if the de-

1 stroyed article were imported;
2 and

3 “(II) reduced by the value of ma-
4 terials recovered during destruction as
5 provided in subsection (x).

6 “(3) STATUS REPORTS ON REGULATIONS.—Not
7 later than the date that is one year after the date
8 of the enactment of the Trade Facilitation and
9 Trade Enforcement Act of 2015, and annually there-
10 after until the regulations required by paragraph (2)
11 are final, the Secretary shall submit to Congress a
12 report on the status of those regulations.”.

13 (h) SUBSTITUTION OF FINISHED PETROLEUM DE-
14 RIVATIVES.—Section 313(p) of the Tariff Act of 1930 (19
15 U.S.C. 1313(p)) is amended—

16 (1) by striking “Harmonized Tariff Schedule of
17 the United States” each place it appears and insert-
18 ing “HTS”; and

19 (2) in paragraph (3)(A)—

20 (A) in clause (ii)(III), by striking “, as so
21 certified in a certificate of delivery or certificate
22 of manufacture and delivery”; and

23 (B) in the flush text at the end—

1 (i) by striking “, as so designated on
2 the certificate of delivery or certificate of
3 manufacture and delivery”; and

4 (ii) by striking the last sentence and
5 inserting the following: “The party trans-
6 ferring the merchandise shall maintain
7 records kept in the normal course of busi-
8 ness to demonstrate the transfer.”.

9 (i) PACKAGING MATERIAL.—Section 313(q) of the
10 Tariff Act of 1930 (19 U.S.C. 1313(q)) is amended—

11 (1) in paragraph (1), by striking “of 99 percent
12 of any duty, tax, or fee imposed under Federal law
13 on such imported material” and inserting “in an
14 amount calculated pursuant to regulations pre-
15 scribed by the Secretary of the Treasury under sub-
16 section (l)”;

17 (2) in paragraph (2), by striking “of 99 percent
18 of any duty, tax, or fee imposed under Federal law
19 on the imported or substituted merchandise used to
20 manufacture or produce such material” and insert-
21 ing “in an amount calculated pursuant to regula-
22 tions prescribed by the Secretary of the Treasury
23 under subsection (l)”;

24 (3) in paragraph (3), by striking “they contain”
25 and inserting “it contains”.

1 (j) FILING OF DRAWBACK CLAIMS.—Section 313(r)
2 of the Tariff Act of 1930 (19 U.S.C. 1313(r)) is amend-
3 ed—

4 (1) in paragraph (1)—

5 (A) by striking the first sentence and in-
6 serting the following: “A drawback entry shall
7 be filed or applied for, as applicable, not later
8 than 5 years after the date on which merchan-
9 dise on which drawback is claimed was im-
10 ported.”;

11 (B) in the second sentence, by striking “3-
12 year” and inserting “5-year”; and

13 (C) in the third sentence, by striking “the
14 Customs Service” and inserting “U.S. Customs
15 and Border Protection”;

16 (2) in paragraph (3)—

17 (A) in subparagraph (A)—

18 (i) in the matter preceding clause (i),
19 by striking “The Customs Service” and in-
20 serting “U.S. Customs and Border Protec-
21 tion”;

22 (ii) in clauses (i) and (ii), by striking
23 “the Customs Service” each place it ap-
24 pears and inserting “U.S. Customs and
25 Border Protection”; and

1 (iii) in clause (ii)(I), by striking “3-
2 year” and inserting “5-year”; and

3 (B) in subparagraph (B), by striking “the
4 periods of time for retaining records set forth
5 in subsection (t) of this section and” and in-
6 serting “the period of time for retaining records
7 set forth in”; and

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

9 “(4) All drawback claims filed on and after the
10 date that is 2 years after the date of the enactment
11 of the Trade Facilitation and Trade Enforcement
12 Act of 2015 (or, if later, the effective date provided
13 for in section 406(q)(2)(B) of that Act) shall be filed
14 electronically.”.

15 (k) DESIGNATION OF MERCHANDISE BY SUC-
16 CESSOR.—Section 313(s) of the Tariff Act of 1930 (19
17 U.S.C. 1313(s)) is amended—

18 (1) in paragraph (2), by striking subparagraph
19 (B) and inserting the following:

20 “(B) subject to paragraphs (5) and (6) of
21 subsection (j), imported merchandise, other
22 merchandise classifiable under the same 8-digit
23 HTS subheading number as such imported
24 merchandise, or any combination of such im-
25 ported merchandise and such other merchan-

1 dise, that the predecessor received, before the
 2 date of succession, from the person who im-
 3 ported and paid any duties, taxes, and fees due
 4 on the imported merchandise;” and

5 (2) in paragraph (4), by striking “certifies
 6 that” and all that follows and inserting “certifies
 7 that the transferred merchandise was not and will
 8 not be claimed by the predecessor.”.

9 (l) DRAWBACK CERTIFICATES.—Section 313 of the
 10 Tariff Act of 1930 (19 U.S.C. 1313) is amended by strik-
 11 ing subsection (t).

12 (m) DRAWBACK FOR RECOVERED MATERIALS.—Sec-
 13 tion 313(x) of the Tariff Act of 1930 (19 U.S.C. 1313(x))
 14 is amended by striking “and (c)” and inserting “(c), and
 15 (j)”.

16 (n) DEFINITIONS.—Section 313 of the Tariff Act of
 17 1930 (19 U.S.C. 1313) is amended by adding at the end
 18 the following:

19 “(z) DEFINITIONS.—In this section:

20 “(1) DIRECTLY.—The term ‘directly’ means a
 21 transfer of merchandise or an article from one per-
 22 son to another person without any intermediate
 23 transfer.

24 “(2) HTS.—The term ‘HTS’ means the Har-
 25 monized Tariff Schedule of the United States.

1 “(3) INDIRECTLY.—The term ‘indirectly’ means
2 a transfer of merchandise or an article from one per-
3 son to another person with one or more intermediate
4 transfers.”.

5 (o) RECORDKEEPING.—Section 508(c)(3) of the Tar-
6 iff Act of 1930 (19 U.S.C. 1508(c)(3)) is amended—

7 (1) by striking “3rd” and inserting “5th”; and
8 (2) by striking “payment” and inserting “liq-
9 uidation”.

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), the Comptroller
16 General of the United States shall submit to the
17 Committee on Finance of the Senate and the Com-
18 mittee on Ways and Means of the House of Rep-
19 resentatives a report on the modernization of draw-
20 back and refunds under section 313 of the Tariff
21 Act of 1930, as amended by this section.

22 (2) CONTENTS.—The report required by para-
23 graph (1) 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) apply to drawback claims filed on or
 20 after the date that is 2 years after such date
 21 of enactment.

22 (2) REPORTING OF OPERABILITY OF AUTO-
 23 MATED COMMERCIAL ENVIRONMENT COMPUTER SYS-
 24 TEM.—Not later than one year after the date of the
 25 enactment of this Act, and not later than 2 years

1 after such date of enactment, the Secretary of the
 2 Treasury shall submit to Congress a report on—

3 (A) the date on which the Automated Com-
 4 mercial Environment will be ready to process
 5 drawback claims; and

6 (B) the date on which the Automated Ex-
 7 port System will be ready to accept proof of ex-
 8 portation under subsection (i) of section 313 of
 9 the Tariff Act of 1930, as amended by sub-
 10 section (d).

11 (3) TRANSITION RULE.—During the one-year
 12 period beginning on the date that is 2 years after
 13 the date of the enactment of this Act (or, if later,
 14 the effective date provided for in paragraph (2)(B)),
 15 a person may elect to file a claim for drawback
 16 under—

17 (A) section 313 of the Tariff Act of 1930,
 18 as amended by this section; or

19 (B) section 313 of the Tariff Act of 1930,
 20 as in effect on the day before the date of the
 21 enactment of this Act.

22 **SEC. 607. OFFICE OF THE UNITED STATES TRADE REP-**
 23 **RESENTATIVE.**

24 (a) ANNUAL REPORT ON TRADE AGREEMENTS PRO-
 25 GRAM AND NATIONAL TRADE POLICY AGENDA.—Section

1 163(a) of the Trade Act of 1974 (19 U.S.C. 2213(a)) is
2 amended—

3 (1) in paragraph (1)—

4 (A) in subparagraph (A), by striking
5 “and” at the end;

6 (B) in subparagraph (B), by striking the
7 period at the end and inserting a semicolon;
8 and

9 (C) by adding at the end the following:

10 “(C) the operation of all United States
11 Trade Representative-led interagency programs
12 during the preceding year and for the year in
13 which the report is submitted.”; and

14 (2) by adding at the end the following:

15 “(4) The report shall include, with respect to
16 the matters referred to in paragraph (1)(C), infor-
17 mation regarding—

18 “(A) the objectives and priorities of all
19 United States Trade Representative-led inter-
20 agency programs for the year, and the reasons
21 therefor;

22 “(B) the actions proposed, or anticipated,
23 to be undertaken during the year to achieve
24 such objectives and priorities, including actions

1 authorized under the trade laws and negotia-
 2 tions with foreign countries;

3 “(C) the role of each Federal agency par-
 4 ticipating in the interagency program in achiev-
 5 ing such objectives and priorities and activities
 6 of each agency with respect to their participa-
 7 tion in the program;

8 “(D) the United States Trade Representa-
 9 tive’s coordination of each participating Federal
 10 agency to more effectively achieve such objec-
 11 tives and priorities;

12 “(E) any proposed legislation necessary or
 13 appropriate to achieve any of such objectives or
 14 priorities; and

15 “(F) the progress that was made during
 16 the preceding year in achieving such objectives
 17 and priorities and coordination activities in-
 18 cluded in the statement provided for such year
 19 under this paragraph.”.

20 (b) RESOURCE MANAGEMENT AND STAFFING

21 PLANS.—

22 (1) ANNUAL PLAN.—

23 (A) IN GENERAL.—The United States
 24 Trade Representative shall on an annual basis
 25 develop a plan—

1 (i) to match available resources of the
2 Office of the United States Trade Rep-
3 resentative to projected workload and pro-
4 vide a detailed analysis of how the funds
5 allocated from the prior fiscal year to date
6 have been spent;

7 (ii) to identify existing staff of the Of-
8 fice and new staff that will be necessary to
9 support the trade negotiation and enforce-
10 ment functions and powers of the Office
11 (including those of the Trade Policy Staff
12 Committee) as described in section 141 of
13 the Trade Act of 1974 (19 U.S.C. 2171)
14 and section 301 of the Trade Act of 1974
15 (19 U.S.C. 2411);

16 (iii) to identify existing staff of the
17 Office and staff of other Federal agencies
18 who will be required to be detailed to sup-
19 port United States Trade Representative-
20 led interagency programs, including any
21 associated expenses; and

22 (iv) to provide a detailed analysis of
23 the budgetary requirements of United
24 States Trade Representative-led inter-
25 agency programs for the next fiscal year

1 and provide a detailed analysis of how the
2 funds allocated from the prior fiscal year
3 to date have been spent.

4 (B) REPORT.—The United States Trade
5 Representative shall submit to the Committee
6 on Ways and Means and the Committee on Ap-
7 propriations of the House of Representatives
8 and the Committee on Finance and the Com-
9 mittee on Appropriations of the Senate a report
10 that contains the plan required under subpara-
11 graph (A). The report required under this sub-
12 paragraph shall be submitted in conjunction
13 with the annual budget of the United States
14 Government required to be submitted to Con-
15 gress under section 1105 of title 31, United
16 States Code.

17 (2) QUADRENNIAL PLAN.—

18 (A) IN GENERAL.—Pursuant to the goals
19 and objectives of the strategic plan of the Office
20 of the United States Trade Representative as
21 required under section 306 of title 5, United
22 States Code, the United States Trade Rep-
23 resentative shall every 4 years develop a plan—

24 (i) to analyze internal quality controls
25 and record management of the Office;

1 (ii) to identify existing staff of the Of-
2 fice and new staff that will be necessary to
3 support the trade negotiation and enforce-
4 ment functions and powers of the Office
5 (including those of the Trade Policy Staff
6 Committee) as described in section 141 of
7 the Trade Act of 1974 (19 U.S.C. 2171)
8 and section 301 of the Trade Act of 1974
9 (19 U.S.C. 2411);

10 (iii) to identify existing staff of the
11 Office and staff in other Federal agencies
12 who will be required to be detailed to sup-
13 port United States Trade Representative-
14 led interagency programs, including any
15 associated expenses;

16 (iv) to provide an outline of budget
17 justifications, including salaries and ex-
18 penses as well as non-personnel adminis-
19 trative expenses, for the fiscal years re-
20 quired under the strategic plan; and

21 (v) to provide an outline of budget
22 justifications, including salaries and ex-
23 penses as well as non-personnel adminis-
24 trative expenses, for United States Trade
25 Representative-led interagency programs

1 for the fiscal years required under the
2 strategic plan.

3 (B) REPORT.—

4 (i) IN GENERAL.—The United States
5 Trade Representative shall submit to the
6 Committee on Ways and Means and the
7 Committee on Appropriations of the House
8 of Representatives and the Committee on
9 Finance and the Committee on Appropria-
10 tions of the Senate a report that contains
11 the plan required under subparagraph (A).
12 Except as provided in clause (ii), the re-
13 port required under this clause shall be
14 submitted in conjunction with the strategic
15 plan of the Office as required under sec-
16 tion 306 of title 5, United States Code.

17 (ii) EXCEPTION.—The United States
18 Trade Representative shall submit to the
19 congressional committees specified in
20 clause (i) an initial report that contains
21 the plan required under subparagraph (A)
22 not later than February 1, 2016.

23 **SEC. 608. UNITED STATES-ISRAEL TRADE AND COMMER-**
24 **CIAL ENHANCEMENT.**

25 (a) FINDINGS.—Congress finds the following:

1 (1) Israel is America’s dependable, democratic
2 ally in the Middle East—an area of paramount stra-
3 tegic importance to the United States.

4 (2) The United States-Israel Free Trade Agree-
5 ment formed the modern foundation of the bilateral
6 commercial relationship between the two countries
7 and was the first such agreement signed by the
8 United States with a foreign country.

9 (3) The United States-Israel Free Trade Agree-
10 ment has been instrumental in expanding commerce
11 and the strategic relationship between the United
12 States and Israel.

13 (4) More than \$45 billion in goods and services
14 is traded annually between the two countries in ad-
15 dition to roughly \$10 billion in United States foreign
16 direct investment in Israel.

17 (5) The United States continues to look for and
18 find new opportunities to enhance cooperation with
19 Israel, including through the enactment of the
20 United States-Israel Enhanced Security Cooperation
21 Act of 2012 (Public Law 112–150) and the United
22 States-Israel Strategic Partnership Act of 2014
23 (Public Law 113–296).

1 (6) It has been the policy of the United States
2 Government to combat all elements of the Arab
3 League Boycott of Israel by—

4 (A) public statements of Administration of-
5 ficials;

6 (B) enactment of relevant sections of the
7 Export Administration Act of 1979 (as contin-
8 ued in effect pursuant to the International
9 Emergency Economic Powers Act), including
10 sections to ensure foreign persons comply with
11 applicable reporting requirements relating to
12 the boycott;

13 (C) enactment of the 1976 Tax Reform
14 Act (Public Law 94–455) that denies certain
15 tax benefits to entities abiding by the boycott;

16 (D) ensuring through free trade agree-
17 ments with Bahrain and Oman that such coun-
18 tries no longer participate in the boycott; and

19 (E) ensuring as a condition of membership
20 in the World Trade Organization that Saudi
21 Arabia no longer enforces the secondary or ter-
22 tiary elements of the boycott.

23 (b) STATEMENTS OF POLICY.—Congress—

24 (1) supports the strengthening of United
25 States-Israel economic cooperation and recognizes

1 the tremendous strategic, economic, and techno-
2 logical 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, divestment or
14 sanctions;

15 (5) notes that the boycott, divestment, and
16 sanctioning of Israel by governments, governmental
17 bodies, quasi-governmental bodies, international or-
18 ganizations, and other such entities is contrary to
19 the General Agreement on Tariffs and Trade
20 (GATT) principle of non-discrimination;

21 (6) encourages the inclusion of politically moti-
22 vated actions that penalize or otherwise limit com-
23 mercial relations specifically with Israel such as boy-
24 cotts, divestment from, or sanctions against Israel as
25 a topic of discussion at the U.S.-Israel Joint Eco-

1 nomic Development Group (JEDG) and other areas
2 to support the strengthening of the United States-
3 Israel commercial relationship and combat any com-
4 mercial discrimination against Israel;

5 (7) supports efforts to prevent investigations or
6 prosecutions by governments or international organi-
7 zations of United States persons on the sole basis of
8 such persons doing business with Israel, with Israeli
9 entities, or in Israeli-controlled territories; and

10 (8) supports American States examining a com-
11 pany's promotion or compliance with unsanctioned
12 boycotts, divestment from, or sanctions against
13 Israel as part of its consideration in awarding grants
14 and contracts and supports the divestment of State
15 assets from companies that support or promote ac-
16 tions to boycott, divest from, or sanction Israel.

17 (c) PRINCIPAL TRADE NEGOTIATING OBJECTIVES OF
18 THE UNITED STATES.—

19 (1) COMMERCIAL PARTNERSHIPS.—Among the
20 principal trade negotiating objectives of the United
21 States for proposed trade agreements with foreign
22 countries regarding commercial partnerships are the
23 following:

24 (A) To discourage actions by potential
25 trading partners that directly or indirectly prej-

1 udice or otherwise discourage commercial activ-
2 ity solely between the United States and Israel.

3 (B) To discourage politically motivated ac-
4 tions to boycott, divest from, or sanction Israel
5 and to seek the elimination of politically moti-
6 vated non-tariff barriers on Israeli goods, serv-
7 ices, or other commerce imposed on the State of
8 Israel.

9 (C) To seek the elimination of state-spon-
10 sored unsanctioned foreign boycotts against
11 Israel or compliance with the Arab League Boy-
12 cott of Israel by prospective trading partners.

13 (2) EFFECTIVE DATE.—This subsection takes
14 effect on the date of the enactment of this Act and
15 applies with respect to negotiations commenced be-
16 fore, on, or after the date of the enactment of this
17 Act.

18 (d) REPORT ON POLITICALLY MOTIVATED ACTS OF
19 BOYCOTT, DIVESTMENT FROM, AND SANCTIONS AGAINST
20 ISRAEL.—

21 (1) IN GENERAL.—Not later than 180 days
22 after the date of the enactment of this Act, and an-
23 nually thereafter, the President shall submit to Con-
24 gress a report on politically motivated acts of boy-
25 cott, divestment from, and sanctions against Israel.

1 (2) MATTERS TO BE INCLUDED.—The report
2 required by paragraph (1) shall include the fol-
3 lowing:

4 (A) A description of the establishment of
5 barriers to trade, including non-tariff barriers,
6 investment, or commerce by foreign countries or
7 international organizations against United
8 States persons operating or doing business in
9 Israel, with Israeli entities, or in Israeli-con-
10 trolled territories.

11 (B) A description of specific steps being
12 taken by the United States to encourage foreign
13 countries and international organizations to
14 cease creating such barriers and to dismantle
15 measures already in place and an assessment of
16 the effectiveness of such steps.

17 (C) A description of specific steps being
18 taken by the United States to prevent investiga-
19 tions or prosecutions by governments or inter-
20 national organizations of United States persons
21 on the sole basis of such persons doing business
22 with Israel, with Israeli entities, or in Israeli-
23 controlled territories.

24 (D) Decisions by foreign persons, including
25 corporate entities and state-affiliated financial

1 institutions, that limit or prohibit economic re-
 2 lations with Israel or persons doing business in
 3 Israel or in Israeli controlled territories.

4 (e) ISRAEL TRADE AND COMMERCE BOYCOTT RE-
 5 PORTING.—Section 13 of the Securities Exchange Act of
 6 1934 (15 U.S.C. 78m) is amended by adding at the end
 7 the following:

8 “(s) ISRAEL TRADE AND COMMERCE BOYCOTT RE-
 9 PORTING.—

10 “(1) IN GENERAL.—Each foreign issuer re-
 11 quired to file an annual or quarterly report under
 12 subsection (a) shall disclose in that report—

13 “(A) whether the issuer has discriminated
 14 against doing business with Israel in the last
 15 calendar year and in such cases an issuer shall
 16 provide a description of the discrimination.

17 “(B) whether the issuer has been advised
 18 by a foreign government or a non-member state
 19 of the United Nations to discriminate against
 20 doing business with Israel, entities owned or
 21 controlled by the government of Israel, or enti-
 22 ties operating in Israel or Israeli-controlled ter-
 23 ritory; and

24 “(C) any instances where the issuer has
 25 learned that a person, foreign government, or a

1 non-member state of the United Nations is boy-
2 coting the issuer, divesting themselves of an
3 ownership interest in the issuer, or placing
4 sanctions on the issuer because of the issuer's
5 relationship with Israel, entities owned or con-
6 trolled by the government of Israel, or entities
7 operating in Israel or Israeli-controlled terri-
8 tory.

9 “(2) DEFINITIONS.—For purposes of this sub-
10 section:

11 “(A) FOREIGN ISSUER.—The term ‘foreign
12 issuer’ means an issuer that is not incorporated
13 in the United States.

14 “(B) NON-MEMBER STATES OF THE
15 UNITED NATIONS.—The term ‘non-member
16 states of the United Nations’ has the meaning
17 given such term by the United Nations.”.

18 (f) FOREIGN JUDGMENTS AGAINST UNITED STATES
19 PERSONS.—No court in the United States may recognize
20 or enforce any judgment which is entered by a foreign
21 court against a United States person carrying out business
22 operations in Israel or in any territory controlled by Israel
23 and on which is based a determination by the foreign court
24 that the location in Israel, or in any territory controlled

1 by Israel, of the facilities at which the business operations
2 are carried out is sufficient to constitute a violation of law.

3 (g) DEFINITIONS.—In this section:

4 (1) BOYCOTT, DIVESTMENT FROM, AND SANC-
5 TIONS AGAINST ISRAEL.—The term “boycott, divest-
6 ment from, and sanctions against Israel” means ac-
7 tions by states, non-member states of the United
8 Nations, international organizations, or affiliated
9 agencies of international organizations that are po-
10 litically motivated and are intended to penalize or
11 otherwise limit commercial relations specifically with
12 Israel or persons doing business in Israel or in
13 Israeli-controlled territories.

14 (2) FOREIGN PERSON.—The term “foreign per-
15 son” means—

16 (A) any natural person who is not lawfully
17 admitted for permanent residence (as defined in
18 section 101(a)(20) of the Immigration and Na-
19 tionality Act (8 U.S.C. 1101(a)(20)) or who is
20 not a protected individual (as defined in section
21 274B(a)(3) of such Act (8 U.S.C. 1324b(a)(3));
22 and

23 (B) any foreign corporation, business asso-
24 ciation, partnership, trust, society or any other
25 entity or group that is not incorporated or orga-

1 nized to do business in the United States, as
2 well as any international organization, foreign
3 government and any agency or subdivision of
4 foreign government, including a diplomatic mis-
5 sion.

6 (3) PERSON.—

7 (A) IN GENERAL.—The term “person”
8 means—

9 (i) a natural person;

10 (ii) a corporation, business associa-
11 tion, partnership, society, trust, financial
12 institution, insurer, underwriter, guar-
13 antor, and any other business organization,
14 any other nongovernmental entity, organi-
15 zation, or group, and any governmental en-
16 tity operating as a business enterprise; and

17 (iii) any successor to any entity de-
18 scribed in clause (ii).

19 (B) APPLICATION TO GOVERNMENTAL EN-
20 TITIES.—The term “person” does not include a
21 government or governmental entity that is not
22 operating as a business enterprise.

23 (4) UNITED STATES PERSON.—The term
24 “United States person” means—

(A) a natural person who is a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22)); and

(B) a corporation or other legal entity which is organized under the laws of the United States, any State or territory thereof, or the District of Columbia, if natural persons described in subparagraph (A) own, directly or indirectly, more than 50 percent of the outstanding capital stock or other beneficial interest in such legal entity.

SEC. 609. ELIMINATION OF CONSUMPTIVE DEMAND EXCEPTION TO PROHIBITION ON IMPORTATION OF GOODS MADE WITH CONVICT LABOR, FORCED LABOR, OR INDENTURED LABOR; REPORT.

(a) ELIMINATION OF CONSUMPTIVE DEMAND EXCEPTION.—

(1) IN GENERAL.—Section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) is amended by striking “The provisions of this section” and all that follows through “of the United States.”.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the date that

1 is 15 days after the date of the enactment of this
2 Act.

3 (b) REPORT REQUIRED.—Not later than 180 days
4 after the date of the enactment of this Act, and annually
5 thereafter, the Commissioner shall submit to the Com-
6 mittee on Finance of the Senate and the Committee on
7 Ways and Means of the House of Representatives a report
8 on compliance with section 307 of the Tariff Act of 1930
9 (19 U.S.C. 1307) that includes the following:

10 (1) The number of instances in which merchan-
11 dise was denied entry pursuant to that section dur-
12 ing the 1-year period preceding the submission of
13 the report.

14 (2) A description of the merchandise denied
15 entry pursuant to that section.

16 (3) Such other information as the Commis-
17 sioner considers appropriate with respect to moni-
18 toring and enforcing compliance with that section.

19 **SEC. 610. CUSTOMS USER FEES.**

20 (a) IN GENERAL.—Section 13031(j)(3) of the Con-
21 solidated Omnibus Budget Reconciliation Act of 1985 (19
22 U.S.C. 58c(j)(3)) is amended by adding at the end the
23 following:

1 “(C) Fees may be charged under paragraphs (9) and
 2 (10) of subsection (a) during the period beginning on July
 3 8, 2025, and ending on July 28, 2025.”.

4 (b) RATE FOR MERCHANDISE PROCESSING FEES.—
 5 Section 503 of the United States–Korea Free Trade
 6 Agreement Implementation Act (Public Law 112–41; 125
 7 Stat. 460) is amended—

8 (1) by striking “For the period” and inserting
 9 “(a) IN GENERAL.—For the period”; and

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

11 “(b) ADDITIONAL PERIOD.—For the period begin-
 12 ning on July 1, 2025, and ending on July 14, 2025, sec-
 13 tion 13031(a)(9) of the Consolidated Omnibus Budget
 14 Reconciliation Act of 1985 (19 U.S.C. 58c(a)(9)) shall be
 15 applied and administered—

16 “(1) in subparagraph (A), by substituting
 17 ‘0.3464’ for ‘0.21’; and

18 “(2) in subparagraph (B)(i), by substituting
 19 ‘0.3464’ for ‘0.21’.”.

20 **SEC. 611. REPORT ON CERTAIN U.S. CUSTOMS AND BORDER**
 21 **PROTECTION AGREEMENTS.**

22 (a) IN GENERAL.—Not later than one year after en-
 23 tering into an agreement under a program specified in
 24 subsection (b), and annually thereafter until the termi-
 25 nation of the program, the Commissioner shall submit to

1 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 that includes the following:

4 (1) A description of the development of the pro-
5 gram.

6 (2) A description of the type of entity with
7 which U.S. Customs and Border Protection entered
8 into the agreement and the amount that entity reim-
9 bursed U.S. Customs and Border Protection under
10 the agreement.

11 (3) An identification of the type of port of entry
12 to which the agreement relates and an assessment of
13 how the agreement provides economic benefits at the
14 port of entry.

15 (4) A description of the services provided by
16 U.S. Customs and Border Protection under the
17 agreement during the year preceding the submission
18 of the report.

19 (5) The amount of fees collected under the
20 agreement during that year.

21 (6) A detailed accounting of how the fees col-
22 lected under the agreement have been spent during
23 that year.

1 (7) A summary of any complaints or criticism
2 received by U.S. Customs and Border Protection
3 during that year regarding the agreement.

4 (8) An assessment of the compliance of the en-
5 tity described in paragraph (2) with the terms of the
6 agreement.

7 (9) Recommendations with respect to how ac-
8 tivities conducted pursuant to the agreement could
9 function more effectively or better produce economic
10 benefits.

11 (10) A summary of the benefits to and chal-
12 lenges faced by U.S. Customs and Border Protection
13 and the entity described in paragraph (2) under the
14 agreement.

15 (b) PROGRAM SPECIFIED.—A program specified in
16 this subsection is—

17 (1) the program for entering into reimbursable
18 fee agreements for the provision of U.S. Customs
19 and Border Protection services established by section
20 560 of the Department of Homeland Security Ap-
21 propriations Act, 2013 (division D of Public Law
22 113–6; 127 Stat. 378); or

23 (2) the pilot program authorizing U.S. Customs
24 and Border Protection to enter into partnerships
25 with private sector and government entities at ports

1 of entry established by section 559 of the Depart-
2 ment of Homeland Security Appropriations Act,
3 2014 (division F of Public Law 113–76; 6 U.S.C.
4 211 note).

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