

114TH CONGRESS
1ST SESSION

S. 998

To establish a process for the consideration of temporary duty suspensions and reductions, and for other purposes.

IN THE SENATE OF THE UNITED STATES

APRIL 16, 2015

Mr. PORTMAN (for himself, Mrs. McCASKILL, and Mr. TOOMEY) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To establish a process for the consideration of temporary duty suspensions and reductions, 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.**

4 This Act may be cited as the “American Manufac-
5 turing Competitiveness Act of 2015”.

6 **SEC. 2. SENSE OF CONGRESS ON THE NEED FOR A MIS-**
7 **CELLANEOUS TARIFF BILL.**

8 (a) FINDINGS.—Congress makes the following find-
9 ings:

1 (1) As of the date of the enactment of this Act,
2 the Harmonized Tariff Schedule of the United
3 States imposes duties on imported goods for which
4 there is no domestic availability or insufficient do-
5 mestic availability.

6 (2) The imposition of duties on such goods cre-
7 ates artificial distortions in the economy of the
8 United States that negatively affect United States
9 manufacturers and consumers.

10 (3) It is in the interests of the United States
11 to update the Harmonized Tariff Schedule every 3
12 years to eliminate such artificial distortions by sus-
13 pending or reducing duties on such goods.

14 (4) The manufacturing competitiveness of the
15 United States around the world will be enhanced if
16 Congress regularly and predictably updates the Har-
17 monized Tariff Schedule to suspend or reduce duties
18 on such goods.

19 (b) SENSE OF CONGRESS.—It is the sense of Con-
20 gress that, to remove the competitive disadvantage to
21 United States manufactures and consumers resulting from
22 an outdated Harmonized Tariff Schedule and to promote
23 the competitiveness of United States manufacturers, Con-
24 gress should consider a miscellaneous tariff bill not later
25 than 180 days after the United States International Trade

1 Commission and the Department of Commerce issue re-
2 ports on proposed duty suspensions and reductions under
3 this Act.

4 **SEC. 3. PROCESS FOR CONSIDERATION OF DUTY SUSPEN-**
5 **SIONS AND REDUCTIONS.**

6 (a) PURPOSE.—It is the purpose of this section to
7 establish a process by the appropriate congressional com-
8 mittees, in conjunction with the Commission pursuant to
9 its authorities under section 332 of the Tariff Act of 1930
10 (19 U.S.C. 1332), for the submission and consideration
11 of proposed duty suspensions and reductions.

12 (b) ESTABLISHMENT.—Not later than October 15,
13 2015, and October 15, 2018, the appropriate congres-
14 sional committees shall establish and, on the same day,
15 publish on their respective publicly available Internet
16 websites a process—

17 (1) to provide for the submission and consider-
18 ation of legislation containing proposed duty suspen-
19 sions and reductions in a manner that, to the max-
20 imum extent practicable, is consistent with the re-
21 quirements described in subsection (c); and

22 (2) to include in a miscellaneous tariff bill those
23 duty suspensions and reductions that meet the re-
24 quirements of this Act.

25 (c) REQUIREMENTS OF COMMISSION.—

1 (1) INITIATION.—Not later than October 15,
2 2015, and October 15, 2018, the Commission shall
3 publish in the Federal Register and on a publicly
4 available Internet website of the Commission a no-
5 tice requesting members of the public to submit to
6 the Commission during the 60-day period beginning
7 on the date of such publication—

8 (A) proposed duty suspensions and reduc-
9 tions; and

10 (B) Commission disclosure forms with re-
11 spect to such duty suspensions and reductions.

12 (2) REVIEW.—

13 (A) COMMISSION SUBMISSION TO CON-
14 GRESS.—As soon as practicable after the expi-
15 ration of the 60-day period specified in para-
16 graph (1), but not later than 15 days after the
17 expiration of such 60-day period, the Commis-
18 sion shall submit to the appropriate congres-
19 sional committees the proposed duty suspen-
20 sions and reductions submitted under para-
21 graph (1)(A) and the Commission disclosure
22 forms with respect to such duty suspensions
23 and reductions submitted under paragraph
24 (1)(B).

(B) PUBLIC AVAILABILITY OF PROPOSED DUTY SUSPENSIONS AND REDUCTIONS.—Not later than 15 days after the expiration of the 60-day period specified in paragraph (1), the Commission shall publish on a publicly available Internet website of the Commission the proposed duty suspensions and reductions submitted under paragraph (1)(A) and the Commission disclosure forms with respect to such duty suspensions and reductions submitted under paragraph (1)(B).

(C) COMMISSION REPORTS TO CONGRESS.—Not later than the end of the 90-day period beginning on the date of publication of the proposed duty suspensions and reductions under subparagraph (B), the Commission shall submit to the appropriate congressional committees a report on each proposed duty suspension or reduction submitted pursuant to subsection (b)(1) or paragraph (1)(A) that contains the following information:

(i) A determination of whether or not domestic production of the article that is the subject of the proposed duty suspension or reduction exists and, if such pro-

duction exists, whether or not a domestic producer of the article objects to the proposed duty suspension or reduction.

(ii) Any technical changes to the article description that are necessary for purposes of administration when articles are presented for importation.

(iii) The amount of tariff revenue that would no longer be collected if the proposed duty suspension or reduction takes effect.

(iv) A determination of whether or not the proposed duty suspension or reduction is available to any person that imports the article that is the subject of the proposed duty suspension or reduction.

(3) PROCEDURES.—The Commission shall prescribe and publish on a publicly available Internet website of the Commission procedures for complying with the requirements of this subsection.

(4) AUTHORITIES DESCRIBED.—The Commission shall carry out this subsection pursuant to its authorities under section 332 of the Tariff Act of 1930 (19 U.S.C. 1332).

1 (d) DEPARTMENT OF COMMERCE REPORT.—Not
2 later than the end of the 90-day period beginning on the
3 date of publication of the proposed duty suspensions and
4 reductions under subsection (c)(2)(B), the Secretary of
5 Commerce, in consultation with U.S. Customs and Border
6 Protection and other relevant Federal agencies, shall sub-
7 mit to the appropriate congressional committees a report
8 on each proposed duty suspension and reduction sub-
9 mitted pursuant to subsection (b)(1) or (c)(1)(A) that in-
10 cludes the following information:

11 (1) A determination of whether or not domestic
12 production of the article that is the subject of the
13 proposed duty suspension or reduction exists and, if
14 such production exists, whether or not a domestic
15 producer of the article objects to the proposed duty
16 suspension or reduction.

17 (2) Any technical changes to the article descrip-
18 tion that are necessary for purposes of administra-
19 tion when articles are presented for importation.

20 (e) RULE OF CONSTRUCTION.—A proposed duty sus-
21 pension or reduction submitted under this section by a
22 Member of Congress shall receive treatment no more fa-
23 vorable than the treatment received by a proposed duty
24 suspension or reduction submitted under this section by
25 a member of the public.

1 **SEC. 4. REPORT ON EFFECTS OF DUTY SUSPENSIONS AND**
2 **REDUCTIONS ON UNITED STATES ECONOMY.**

3 (a) IN GENERAL.—Not later than May 1, 2018, and
4 May 1, 2020, the Commission shall submit to the appro-
5 priate congressional committees a report on the effects on
6 the United States economy of temporary duty suspensions
7 and reductions enacted pursuant to this Act, including a
8 broad assessment of the economic effects of such duty sus-
9 pensions and reductions on producers, purchasers, and
10 consumers in the United States, using case studies de-
11 scribing such effects on selected industries or by type of
12 article as available data permit.

13 (b) RECOMMENDATIONS.—The Commission shall also
14 solicit and append to the report required under subsection
15 (a) recommendations with respect to those domestic indus-
16 try sectors or specific domestic industries that might ben-
17 efit from permanent duty suspensions and reductions or
18 elimination of duties, either through a unilateral action of
19 the United States or through negotiations for reciprocal
20 tariff agreements, with a particular focus on inequities
21 created by tariff inversions.

22 (c) FORM OF REPORT.—Each report required by this
23 section shall be submitted in unclassified form, but may
24 include a classified annex.

1 **SEC. 5. JUDICIAL REVIEW PRECLUDED.**

2 The exercise of functions under this Act shall not be
3 subject to judicial review.

4 **SEC. 6. DEFINITIONS.**

5 In this Act:

6 (1) **APPROPRIATE CONGRESSIONAL COMMIT-**
7 **TEES.**—The term “appropriate congressional com-
8 mittees” means the Committee on Ways and Means
9 of the House of Representatives and the Committee
10 on Finance of the Senate.

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

14 (3) **COMMISSION DISCLOSURE FORM.**—The
15 term “Commission disclosure form” means, with re-
16 spect to a proposed duty suspension or reduction, a
17 document submitted by a member of the public to
18 the Commission that contains the following:

19 (A) The contact information for any known
20 importers of the article to which the proposed
21 duty suspension or reduction would apply.

22 (B) A certification by the member of the
23 public that the proposed duty suspension or re-
24 duction is available to any person importing the
25 article to which the proposed duty suspension
26 or reduction would apply.

1 (4) DOMESTIC PRODUCER.—The term “domes-
 2 tic producer” means a person that demonstrates
 3 production, or imminent production, in the United
 4 States of an article that is identical to, or like or di-
 5 rectly competitive with, an article to which a pro-
 6 posed duty suspension or reduction would apply.

7 (5) DUTY SUSPENSION OR REDUCTION.—

8 (A) IN GENERAL.—The term “duty sus-
 9 pension or reduction” means an amendment to
 10 subchapter II of chapter 99 of the Harmonized
 11 Tariff Schedule of the United States that—

12 (i)(I) extends an existing temporary
 13 duty suspension or reduction of duty on an
 14 article under that subchapter; or

15 (II) provides for a new temporary
 16 duty suspension or reduction of duty on an
 17 article under that subchapter; and

18 (ii) otherwise meets the requirements
 19 described in subparagraph (B).

20 (B) REQUIREMENTS.—A duty suspension
 21 or reduction meets the requirements described
 22 in this subparagraph if—

23 (i) the duty suspension or reduction
 24 can be administered by U.S. Customs and
 25 Border Protection;

1 (ii) the estimated loss in revenue to
2 the United States from the duty suspen-
3 sion or reduction does not exceed \$500,000
4 in a calendar year during which the duty
5 suspension or reduction would be in effect,
6 as determined by the Congressional Budg-
7 et Office; and

8 (iii) the duty suspension or reduction
9 is available to any person importing the ar-
10 ticle that is the subject of the duty suspen-
11 sion or reduction.

12 (6) MEMBER OF CONGRESS.—The term “Mem-
13 ber of Congress” means a Senator or a Representa-
14 tive in, or Delegate or Resident Commissioner to,
15 Congress.

16 (7) MISCELLANEOUS TARIFF BILL.—The term
17 “miscellaneous tariff bill” means a bill of either
18 House of Congress that contains only—

19 (A) duty suspensions and reductions
20 that—

21 (i) meet the applicable requirements
22 for—

23 (I) consideration of duty suspen-
24 sions and reductions described in sec-
25 tion 3; or

1 (II) any other process required
2 under the Rules of the House of Rep-
3 resentatives or the Senate; and

4 (ii) are not the subject of an objection
5 because such duty suspensions and reduc-
6 tions do not comply with the requirements
7 of this Act from—

8 (I) a Member of Congress; or

9 (II) a domestic producer, as con-
10 tained in comments submitted to the
11 appropriate congressional committees,
12 the Commission, or the Department of
13 Commerce under section 3; and

14 (B) provisions included in bills introduced
15 in the House of Representatives or the Senate
16 pursuant to a process described in subpara-
17 graph (A)(i)(II) that correct an error in the
18 text or administration of a provision of the
19 Harmonized Tariff Schedule of the United
20 States.

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