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IN THE SENATE OF THE UNITED STATES

DECEMBER 12, 1973

Read twice and referred to the Committee on Finance

NOVEMBER 26, 1974

Reported by Mr. LONG, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

To promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate the economic growth of the United States, 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 That this Act, with the following table of contents, may be
4 cited as the "Trade Reform Act of ~~1973~~ 1974".

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1 SEC. 2. STATEMENT OF PURPOSES.

2 The purposes of this Act are, through trade agreements
3 affording mutual trade benefits—

4 (1) to stimulate the economic growth of the United

5 States and to maintain and enlarge foreign markets for

1 the product of United States agriculture, industry, min-
2 ing, and commerce; and

3 ~~(2)~~ to strengthen economic relations with foreign
4 countries through the development of fair and equitable
5 market opportunities and through open and nondiscrim-
6 inatory world trade.

7 *The purposes of this Act are—*

8 *(1) to authorize the President, for a period of five*
9 *years, to enter into trade agreements with foreign coun-*
10 *tries with the objectives of establishing fairness and equity*
11 *in international trading relations, including reform of*
12 *the rules governing international trade, the harmoniza-*
13 *tion, reduction, or elimination of tariff and nontariff*
14 *barriers to, and other distortions of, international trade,*
15 *to secure for the commerce of the United States on*
16 *the basis of reciprocity, equal competitive opportunities*
17 *in foreign markets, and to promote the economic growth*
18 *of, and full employment in, the United States;*

19 *(2) to authorize the President to proclaim, subject*
20 *to certain conditions and limitations, such modifications*
21 *or continuance of any existing duty, such continuance*
22 *of existing duty-free or excise treatment, or such addi-*
23 *tional duties as he determines is required or appropriate*
24 *to carry out trade agreements;*

1 (3) to authorize the President to negotiate trade
2 agreements with foreign countries providing for the
3 harmonization, reduction, or elimination of nontariff
4 barriers to and other distortions of international trade,
5 and to establish procedures for the consideration and
6 implementation of such agreements by the Congress;

7 (4) to require the President in the exercise of trade
8 agreement authority to assure reciprocal trade benefits,
9 and in particular, fair treatment and equitable market
10 access for exports of the United States, through the full
11 exercise of rights in such agreements, including the re-
12 form and revision of international trade rules;

13 (5) to require the President in the exercise of trade
14 agreement authority to strengthen international agree-
15 ments governing fair and equitable access to supplies of
16 food, raw materials, and manufactured and semimanu-
17 factured products;

18 (6) to require the reporting of the balance of trade
19 of the United States on a cost, insurance, and freight
20 basis;

21 (7) to provide additional authority to the President
22 temporarily to modify restrictions upon imports into the
23 United States in response to balance-of-payments dis-
24 equilibria;

25 (8) to provide for full participation by private

1 *advisory bodies representing the interests of major seg-*
2 *ments of our economy affected by international trade;*

3 (9) *to provide for close and continuing congres-*
4 *sional oversight of international trade negotiations and*
5 *the implementation and operation of international trade*
6 *agreements;*

7 (10) *to rename the United States Tariff Commission*
8 *as the United States International Trade Commission*
9 *and to strengthen the independence of the Commission;*

10 (11) *to assure greater access to and more effective*
11 *delivery of import relief to industries which may be seri-*
12 *ously injured or threatened with serious injury from*
13 *increased imports;*

14 (12) *to establish a program of adjustment assistance*
15 *for communities adversely affected by imports and to im-*
16 *prove existing adjustment assistance programs for work-*
17 *ers and firms;*

18 (13) *to improve the procedures for responding to*
19 *unfair trade practices in the United States and abroad;*

20 (14) *to authorize the President to extend nondis-*
21 *criminatory treatment, upon certain conditions, to*
22 *countries not presently enjoying such treatment and to*
23 *provide adequate safeguards against market disruption*
24 *by imports into the United States from Communist*
25 *countries; and*

1 (15) to authorize the President to extend preferen-
2 tial tariff treatment to the exports of less-developed coun-
3 tries to encourage diversification and development of ex-
4 ports from the developing world.

5 **TITLE I—NEGOTIATING AND**
6 **OTHER AUTHORITY**

7 **CHAPTER 1—RATES OF DUTY AND OTHER**
8 **TRADE BARRIERS**

9 **SEC. 101. BASIC AUTHORITY FOR TRADE AGREEMENTS.**

10 (a) Whenever the President determines that any exist-
11 ing duties or other import restrictions of any foreign country
12 or the United States are unduly burdening and restricting
13 the foreign trade of the United States and that the purposes
14 stated ~~in section 2~~ of this Act will be promoted thereby, the
15 President—

16 (1) during the 5-year period beginning on the date
17 of the enactment of this Act, may enter into trade agree-
18 ments with foreign countries or instrumentalities thereof;
19 and

20 (2) may proclaim such modification or continuance
21 of any existing duty, such continuance of existing duty-
22 free or excise treatment, or such additional duties, as he
23 determines to be required or appropriate to carry out
24 any such trade agreement.

1 ~~(b)(1)~~ Except as provided in paragraph ~~(2)~~, no
2 proclamation pursuant to subsection ~~(a)(2)~~ shall be made—

3 ~~(A)~~ in the case of a rate of duty existing on July 1,
4 1973, which is 25 percent ad valorem or less, decreas-
5 ing such rate of duty to a rate below 40 percent of the
6 rate existing on July 1, 1973; or

7 ~~(B)~~ in the case of a rate of duty existing on July 1,
8 1973, which is more than 25 percent ad valorem, de-
9 creasing such rate of duty to a rate below the higher of
10 the following:

11 ~~(i)~~ 25 percent of the rate existing on July 1,
12 1973, or

13 ~~(ii)~~ 10 percent ad valorem.

14 ~~(2)~~ Paragraph ~~(1)~~ shall not apply in the case of any
15 article for which the rate of duty existing on July 1, 1973,
16 is not more than 5 percent ad valorem.

17 *(b)(1) Except as provided in paragraph (2), no proc-*
18 *lamation pursuant to subsection (a)(2) shall be made de-*
19 *creasing a rate of duty to a rate below 50 percent of the rate*
20 *existing on January 1, 1975.*

21 *(2) Paragraph (1) shall not apply in the case of any*
22 *article for which the rate of duty existing on January 1,*
23 *1975, is not more than 10 percent ad valorem.*

24 ~~(c)(1)~~ Except as otherwise provided in paragraph

1 ~~(2)~~, no proclamation shall be made pursuant to subsection
2 ~~(a)(2)~~ increasing any rate of duty to ~~(or imposing)~~ a rate
3 above the higher of the following: ~~(A)~~ the rate which is
4 50 percent above the rate existing on July 1, 1934, or ~~(B)~~
5 the rate which is 20 percent ad valorem above the rate
6 existing on July 1, 1973.

7 ~~(2)~~ The limitation set forth in paragraph ~~(1)~~ may be
8 exceeded with respect to the conversion by the United States
9 of a barrier to ~~(or other distortion of)~~ international trade
10 into a rate of duty which affords substantially equivalent
11 protection, to the extent that it is necessary to exceed such
12 limitation to effectuate such conversion.

13 *(c) No proclamation shall be made pursuant to sub-*
14 *section (a)(2) increasing any rate of duty to, or imposing a*
15 *rate above, the higher of the following:*

16 *(1) the rate which is 50 percent above the rate set*
17 *forth in rate column numbered 2 of the Tariff Schedules*
18 *of the United States as in effect on January 1, 1975, or*

19 *(2) the rate which is 20 percent ad valorem above*
20 *the rate existing on January 1, 1975.*

21 **SEC. 102. NONTARIFF BARRIERS TO AND OTHER DISTOR-**
22 **TIONS OF TRADE.**

23 (a) The Congress finds that barriers to (and other dis-
24 tortions of) international trade are reducing the growth of
25 foreign markets for the products of United States agriculture,

1 industry, mining, and commerce, diminishing the intended
2 mutual benefits of reciprocal trade concessions, *adversely*
3 *affecting the United States economy, preventing fair and*
4 *equitable access to supplies*, and preventing the development
5 of open and nondiscriminatory trade among nations. The
6 President is urged to take all appropriate and feasible steps
7 within his power (including the full exercise of the rights of
8 the United States under international agreements) to ~~reduce~~
9 ~~or eliminate~~ *harmonize, reduce, or eliminate such* barriers to
10 (and other distortions of) international trade. The President
11 is further urged to utilize the authority granted by subsection
12 (b) to negotiate trade agreements with other countries and
13 instrumentalities providing on a basis of mutuality for the
14 ~~reduction or harmonization, reduction, or~~ elimination of such
15 barriers to (and other distortions of) international trade.
16 Nothing in this subsection shall be construed as prior ap-
17 proval of any legislation which may be necessary to imple-
18 ment an agreement concerning barriers to (or other distor-
19 tions of) international trade.

20 ~~(b)(1)~~ Whenever the President determines that any
21 existing barriers to ~~(or other distortions of)~~ international
22 trade of any foreign country or the United States are un-
23 duly burdening and restricting the foreign trade of the
24 United States and that the purposes stated in section 2 will
25 be promoted thereby, the President, during the 5-year period

1 beginning on the date of the enactment of this Act, may
2 enter into trade agreements with foreign countries or instru-
3 mentalities providing for the reduction or elimination of
4 such barriers or other distortions.

5 ~~(2)~~ Except as provided in subsection ~~(g)~~(1), no trade
6 agreement entered into under this section may provide for
7 any modification in a rate of duty imposed by the United
8 States.

9 ~~(e)~~(1) A principal United States negotiating objec-
10 tive under this section shall be to obtain with respect to
11 each product sector of manufacturing, and with respect to
12 the agricultural sector, competitive opportunities for United
13 States exports to the developed countries of the world
14 equivalent to the competitive opportunities afforded in
15 United States markets to the importation of like or similar
16 products, taking into account all barriers (including tariffs)
17 to and other distortions of international trade affecting that
18 sector.

19 ~~(2)~~ To the maximum extent appropriate to the achieve-
20 ment of the negotiating objective set forth in paragraph (1),
21 trade agreements entered into under this section shall be
22 negotiated, to the extent feasible, on the basis of each product
23 sector of manufacturing and on the basis of the agricul-
24 tural sector.

25 ~~(3)~~ For purposes of this subsection and of section 135,

1 the Special Representative for Trade Negotiations together
2 with the Secretary of Commerce or Agriculture, as appro-
3 priate, shall, after consultation with the Advisory Committee
4 for Trade Negotiations established by section 135 and after
5 consultation with interested private organizations, define ap-
6 propriate product sectors of manufacturing.

7 ~~(4)~~ The President shall include in his statement on each
8 trade agreement submitted to each House of the Congress
9 pursuant to section 162(a), a sector-by-sector analysis of
10 the extent to which the objective set forth in paragraph ~~(1)~~
11 has been achieved.

12 ~~(d)~~ Before the President enters into any trade agree-
13 ment under this section providing for the reduction or
14 elimination of a barrier to ~~(or other distortion of)~~ inter-
15 national trade, he shall consult with the Committee on Ways
16 and Means of the House of Representatives and the Com-
17 mittee on Finance of the Senate.

18 ~~(e)(1)~~ Whenever—

19 ~~(A)~~ the President enters into a trade agreement
20 under this section providing for the reduction or elim-
21 ination of a barrier to ~~(or other distortion of)~~ interna-
22 tional trade, and

23 ~~(B)~~ the President submits such agreement ~~(and~~
24 the proclamations and orders proposed to be issued
25 for the purpose of implementing such agreement) to the

1 Congress for its approval in accordance with subsection

2 ~~(f)~~;

3 such agreement shall enter into force with respect to the

4 United States, and such proclamations and orders shall take

5 effect if ~~(and only if)~~ the provisions of subsection ~~(f)~~ are

6 complied with.

7 ~~(2)~~ The procedure set forth in subsection ~~(f)~~ may be

8 used with respect to a trade agreement whether or not the

9 implementation of such agreement requires further action by

10 the Congress.

11 ~~(f)~~ Any trade agreement submitted to the Congress

12 under this subsection shall enter into force with respect to

13 the United States, and the proclamations and orders required

14 or appropriate to carry out such agreement which are sub-

15 mitted with such agreement shall take effect, if ~~(and only~~

16 ~~if)~~—

17 ~~(1)~~ the President, not less than 90 days before

18 the day on which he enters into such trade agreement,

19 notifies the House of Representatives and the Senate of

20 his intention to enter into such an agreement, and

21 promptly thereafter publishes notice of such intention in

22 the Federal Register;

23 ~~(2)~~ after entering into the agreement, the Presi-

24 dent delivers a copy of such agreement to the House

25 of Representatives and to the Senate together with—

1 (A) a copy of the proclamations and orders, if
2 any, proposed to be issued for the purpose of imple-
3 menting such agreement and an explanation as to
4 how the proclamations and orders affect existing
5 law; and

6 (B) a statement of his reasons as to how the
7 agreement serves the interests of United States com-
8 merce and as to why each such proclamation and
9 order is required or appropriate to carry out the
10 agreement; and

11 (3) before the close of the 90-day period after the
12 day on which the copy of such agreement is delivered
13 to the House of Representatives and to the Senate pur-
14 suant to paragraph (2), neither the House of Rep-
15 resentatives nor the Senate adopts, by an affirmative
16 vote of a majority of those present and voting in that
17 House, a resolution of disapproval under the procedures
18 set forth in section 151.

19 (g) If, in any trade agreement entered into under this
20 section, it is provided that any trade barrier (or other dis-
21 tortion) of the United States with respect to an article is
22 to be converted into a rate of duty affording substantially
23 equivalent tariff protection, then—

24 (1) such agreement may also provide for the re-
25 duction of part or all of that portion of the rate of duty

1 resulting from the conversion of the trade barrier (or
2 other distortion) of the United States which is attributa-
3 ble to such conversion, and

4 ~~(2)~~ no agreement may be entered into under sec-
5 tion 101 reducing to any extent the rate of duty with
6 respect to such article unless the agreement entered
7 into under this section is submitted to the Congress, and
8 on or before the time of such submission there is also
9 submitted to the Congress—

10 ~~(A)~~ a clear statement of the reductions (if any)
11 proposed to be taken under section 101 with respect
12 to the column 1 rates of duty for such article, and

13 ~~(B)~~ the determination by the Tariff Commission
14 of the rates of duty which afford substantially equiva-
15 lent protection to the barrier (or other distortion)
16 of the United States which is being converted.

17 ~~(h)~~ For purposes of this section the term "barrier"
18 includes the American selling price basis of customs valuation
19 ~~(19)~~ U.S.C. sec. 1401a(e) and 1402(g).

20 *(b) Whenever the President determines that any barriers*
21 *to (or other distortions of) international trade of any foreign*
22 *country or the United States unduly burden and restrict the*
23 *foreign trade of the United States or adversely affect the*
24 *United States economy, or that the imposition of such barriers*
25 *is likely to result in such a burden, restriction, or effect, and*

1 *that the purposes of this Act will be promoted thereby, the*
2 *President, during the 5-year period beginning on the date of*
3 *the enactment of this Act, may enter into trade agreements*
4 *with foreign countries or instrumentalities providing for the*
5 *harmonization, reduction, or elimination of such barriers (or*
6 *other distortions) or providing for the prohibition of or limi-*
7 *tations on the imposition of such barriers (or other*
8 *distortions).*

9 *(c) Before the President enters into any trade agree-*
10 *ment under this section providing for the harmonization, re-*
11 *duction, or elimination of a barrier to (or other distortion of)*
12 *international trade, he shall consult with the Committee on*
13 *Ways and Means of the House of Representatives, the Com-*
14 *mittee on Finance of the Senate, and with each committee of*
15 *the House and the Senate and each joint committee of the*
16 *Congress which has jurisdiction over legislation involving*
17 *subject matters which would be affected by such trade agree-*
18 *ment. Such consultation shall include all matters relating*
19 *to the implementation of such trade agreement as provided*
20 *in subsections (d) and (e). If it is proposed to implement*
21 *such trade agreement, together with one or more other trade*
22 *agreements entered into under this section, in a single imple-*
23 *menting bill, such consultation shall include the desirability*
24 *and feasibility of such proposed implementation.*

25 *(d) Whenever the President enters into a trade agree-*

1 ment under this section providing for the harmonization, re-
2 duction, or elimination of a barrier to (or other distortion of)
3 international trade, he shall submit such agreement, together
4 with a draft of an implementing bill (described in section
5 151(b)) and a statement of any administrative action pro-
6 posed to implement such agreement, to the Congress as pro-
7 vided in subsection (e), and such agreement shall enter into
8 force with respect to the United States only if the provisions
9 of subsection (e) are complied with and the implementing
10 bill submitted by the President is enacted into law.

11 (e) Each trade agreement submitted to the Congress
12 under this subsection shall enter into force with respect to the
13 United States if (and only if)—

14 (1) the President, not less than 90 days before
15 the day on which he enters into such trade agreement,
16 notifies the House of Representatives and the Senate
17 of his intention to enter into such an agreement, and
18 promptly thereafter publishes notice of such intention
19 in the Federal Register;

20 (2) after entering into the agreement, the President
21 transmits a document to the House of Representatives and
22 to the Senate containing a copy of such agreement to-
23 gether with—

24 (A) a draft of an implementing bill and a
25 statement of any administrative action proposed to

1 *implement such agreement, and an explanation as to*
2 *how the implementing bill and proposed adminis-*
3 *trative action change or affect existing law, and*

4 *(B) a statement of his reasons as to how the*
5 *agreement serves the interests of United States com-*
6 *merce and as to why the implementing bill and pro-*
7 *posed administrative action is required or appropri-*
8 *ate to carry out the agreement; and*

9 *(3) the implementing bill is enacted into law.*

10 *(f) To insure that a foreign country or instrumentality*
11 *which receives benefits under a trade agreement entered into*
12 *under this section is subject to the obligations imposed by such*
13 *agreement, the President may recommend to Congress in the*
14 *implementing bill and statement of administrative action sub-*
15 *mitted with respect to such agreement that the benefits and*
16 *obligations of such agreement apply solely to the parties to*
17 *such agreement, if such application is consistent with the*
18 *terms of such agreement. The President may also recommend*
19 *with respect to any such agreement that the benefits and obli-*
20 *gations of such agreement not apply uniformly to all parties*
21 *to such agreement, if such application is consistent with the*
22 *terms of such agreement.*

23 *(g) For purposes of this section—*

24 *(1) the term “barrier” includes the American selling*

1 price basis of customs evaluation as defined in section
2 402 or 402a of the Tariff Act of 1930, as appropriate;

3 (2) the term "distortion" includes a subsidy; and

4 (3) the term "international trade" includes trade in
5 both goods and services.

6 **SEC. 103. OVERALL NEGOTIATING OBJECTIVE.**

7 The overall United States negotiating objective under
8 sections 101 and 102 shall be to obtain more open and equi-
9 table market access and the harmonization, reduction, or
10 elimination of devices which distort trade or commerce. To
11 the maximum extent feasible, the harmonization, reduction, or
12 elimination of agricultural trade barriers and distortions
13 shall be undertaken in conjunction with the harmonization,
14 reduction, or elimination of industrial trade barriers and
15 distortions.

16 **SEC. 104. SECTOR NEGOTIATING OBJECTIVE.**

17 (a) A principal United States negotiating objective
18 under sections 101 and 102 shall be to obtain, to the maxi-
19 mum extent feasible, with respect to appropriate product sec-
20 tors of manufacturing, and with respect to the agricultural
21 sector, competitive opportunities for United States exports to
22 the developed countries of the world equivalent to the com-
23 petitive opportunities afforded in United States markets to the
24 importation of like or similar products, taking into account

1 all barriers (including tariffs) to and other distortions of
2 international trade affecting that sector.

3 (b) As a means of achieving the negotiating objective set
4 forth in subsection (a), to the extent consistent with the objec-
5 tive of maximizing overall economic benefit to the United
6 States (through maintaining and enlarging foreign markets
7 for products of United States agriculture, industry, mining,
8 and commerce, through the development of fair and equitable
9 market opportunities, and through open and nondiscrimina-
10 tory world trade), negotiations shall, to the extent feasible, be
11 conducted on the basis of appropriate product sectors of
12 manufacturing.

13 (c) For the purposes of this section and section 135, the
14 Special Representative for Trade Negotiations together with
15 the Secretary of Commerce, Agriculture, or Labor, as appro-
16 priate, shall, after consultation with the Advisory Committee
17 for Trade Negotiations established under section 135 and
18 after consultation with interested private organizations,
19 identify appropriate product sectors of manufacturing.

20 (d) If the President determines that competitive oppor-
21 tunities in one or more product sectors will be significantly
22 affected by a trade agreement concluded under section 101
23 or 102, he shall submit to the Congress with each such
24 agreement an analysis of the extent to which the negotiating

1 *objective set forth in subsection (a) is achieved by such agree-*
2 *ment in each product sector or product sectors.*

3 **SEC. 105. BILATERAL TRADE AGREEMENTS.**

4 *If the President determines that bilateral trade agree-*
5 *ments will more effectively promote the economic growth of,*
6 *and full employment in, the United States, then, in such*
7 *cases, a principal negotiating objective under sections 101*
8 *and 102 shall be to enter into bilateral trade agreements.*
9 *Each such trade agreement shall provide for mutually ad-*
10 *vantageous economic benefits.*

11 **SEC. 106. AGREEMENTS WITH DEVELOPING COUNTRIES.**

12 *A principal United States negotiating objective under*
13 *sections 101 and 102 shall be to enter into trade agreements*
14 *which promote the economic growth of both developing*
15 *countries and the United States and the mutual expansion*
16 *of market opportunities.*

17 **SEC. 107. INTERNATIONAL SAFEGUARD PROCEDURES.**

18 *(a) A principal United States negotiating objective under*
19 *section 102 shall be to obtain internationally agreed upon*
20 *rules and procedures, in the context of the harmonization, re-*
21 *duction, or elimination of barriers to, and other distortions*
22 *of, international trade, which permit the use of temporary*
23 *measures to ease adjustment to changes occurring in competi-*
24 *tive conditions in the domestic markets of the parties to an*

1 agreement resulting from such negotiations due to the expan-
2 sion of international trade.

3 (b) Any agreement entered into under section 102 may
4 include provisions establishing procedures for—

5 (1) notification of affected exporting countries,

6 (2) international consultations,

7 (3) international review of changes in trade flows,

8 (4) making adjustments in trade flows as the result
9 of such changes, and

10 (5) international mediation.

11 Such agreements may also include provisions which—

12 (A) exclude, under specified conditions, the
13 parties thereto from compensation obligations and
14 retaliation, and

15 (B) permit domestic public procedures through
16 which interested parties have the right to participate.

17 **SEC. 108. ACCESS TO SUPPLIES.**

18 (a) A principal United States negotiating objective
19 under section 102 shall be to enter into trade agreements with
20 foreign countries and instrumentalities to assure the United
21 States of fair and equitable access at reasonable prices to
22 supplies of articles of commerce which are important to the
23 economic requirements of the United States and for which
24 the United States does not have, or cannot easily develop,

1 *the necessary domestic productive capacity to supply its own*
2 *requirements.*

3 (b) *Any agreement entered into under section 102 may*
4 *include provisions which—*

5 (1) *assure to the United States the continued avail-*
6 *ability of important articles at reasonable prices, and*

7 (2) *provide reciprocal concessions or comparable*
8 *trade obligations, or both, by the United States.*

9 **SEC. 103. 109. STAGING REQUIREMENTS AND ROUNDING**
10 **AUTHORITY.**

11 (a) *Except as otherwise provided in this section, the*
12 *aggregate reduction in the rate of duty on any article which*
13 *is in effect on any day pursuant to a trade agreement under*
14 *section 101 shall not exceed the aggregate reduction which*
15 *would have been in effect on such day if—*

16 ~~(1) a reduction of 3 percent ad valorem or a reduc-~~
17 ~~tion of one-fifteenth of the total reduction under such~~
18 ~~agreement, whichever is greater, had taken effect on the~~
19 ~~date of the first proclamation pursuant to section 101(a)-~~

20 ~~(2) to carry out such trade agreement, and~~

21 ~~(2) the remainder of such total reduction had taken~~
22 ~~effect at 1-year intervals after the date referred to in~~
23 ~~paragraph (1) in installments equal to the greater of 3~~
24 ~~percent ad valorem or one-fourteenth of such remainder.~~

25 (1) *in the case of a total reduction in the rate of*

1 *duty on any article under such agreement in excess of 20*
 2 *percent ad valorem, a reduction of one-tenth of that*
 3 *total reduction had taken effect on the effective date of the*
 4 *first reduction proclaimed pursuant to section 101(a)(2)*
 5 *to carry out such agreement with respect to such article*
 6 *and at the beginning of each 1-year period after that*
 7 *date; or*

8 (2) *in the case of a total reduction in such rate of*
 9 *duty not in excess of 20 percent ad valorem, a reduction*
 10 *of 2 percent ad valorem had taken effect on the effective*
 11 *date of such first reduction and at the beginning of*
 12 *each 1-year period after that date.*

13 This subsection shall not apply in any case where the total
 14 reduction in the rate of duty does not exceed 10 percent of
 15 the rate before the reduction.

16 (b) If the President determines that such action will
 17 simplify the computation of the amount of duty imposed with
 18 respect to an article, he may exceed the limitation provided
 19 by section 101(b) or subsection (a) of this section by not
 20 more than whichever of the following is lesser:

21 (1) the difference between the limitation and the
 22 next lower whole number, or

23 (2) one-half of 1 percent ad valorem.

24 ~~(c)(1) No reduction pursuant to a trade agreement~~
 25 ~~under this title shall take effect more than 15 years after~~

1 the date of the first proclamation to carry out such trade
2 agreement.

3 (c) (1) *No reduction in the rate of duty on any article*
4 *pursuant to a trade agreement under section 101 shall take*
5 *effect more than 10 years after the effective date of the first*
6 *reduction proclaimed to carry out such trade agreement with*
7 *respect to such article.*

8 (2) If any part of a reduction takes effect, then any time
9 thereafter during which such part of the reduction is not in
10 effect by reason of legislation of the United States or action
11 thereunder, *the effect of which is to maintain or increase the*
12 *rate of duty on an article*, shall be excluded in determining—

13 (A) the 1-year ~~intervals~~ *periods* referred to in sub-
14 section (a) ~~(2)~~, and

15 (B) the expiration of the ~~15~~ 10 year period referred
16 to in paragraph (1) of this subsection.

17 **CHAPTER 2—OTHER AUTHORITY**

18 **SEC. 121. STEPS TO BE TAKEN TOWARD GATT REVISION;**

19 **AUTHORIZATION OF APPROPRIATIONS FOR** 20 **GATT.**

21 (a) The President shall, as soon as practicable, take
22 such action as may be necessary to bring trade agreements
23 heretofore entered into, and the application thereof, into
24 conformity with principles promoting the development of
25 an open, nondiscriminatory, and fair world economic system;

1 including ~~(but not limited to)~~: *The action and principles*
2 *referred to in the preceding sentence include, but are not*
3 *limited to, the following—*

4 (1) the revision of decisionmaking ~~machinery~~ *pro-*
5 *cedures* in the General Agreement on Tariffs and Trade
6 (hereinafter in this subsection referred to as "GATT")
7 to more nearly reflect the balance of economic ~~interest~~
8 *interests,*

9 (2) the revision of article XIX of the GATT into
10 a truly international safeguard ~~mechanism~~ *procedure*
11 which takes into account all forms of import restraints
12 countries use in response to injurious competition or
13 threat of such competition,

14 (3) the extension of GATT articles to conditions
15 of trade not presently covered in order to move to-
16 ward more fair trade practices,

17 (4) the adoption of international fair labor stand-
18 ards and of public petition and confrontation procedures
19 in the GATT,

20 (5) the revision of GATT articles with respect to
21 the treatment of border adjustments for internal taxes to
22 redress the disadvantage to countries relying primarily
23 on direct rather than indirect taxes for revenue needs,
24 ~~and~~

25 (6) the revision of the balance-of-payments pro-

1 vision in the GATT articles so as to recognize import
2 surcharges as the preferred means by which industrial
3 countries may handle balance-of-payments deficits inso-
4 far as import restraint measures are ~~required~~ required,

5 *(7) the improvement and strengthening of the provi-*
6 *sions of GATT and other international agreements gov-*
7 *erning access to supplies of food, raw materials, and*
8 *manufactured or semi-manufactured products, includ-*
9 *ing rules and procedures governing the imposition of*
10 *export controls, the denial of fair and equitable access to*
11 *such supplies, and effective consultative procedures on*
12 *problems of supply shortages,*

13 *(8) the extension of the provisions of GATT or*
14 *other international agreements to authorize multilateral*
15 *procedures by contracting parties with respect to mem-*
16 *ber or nonmember countries which deny fair and equi-*
17 *table access to supplies of food, raw materials, and manu-*
18 *factured or semi-manufactured products, and thereby*
19 *substantially injure the international community.*

20 *(9) any revisions necessary to establish procedures*
21 *for regular consultation among countries and instru-*
22 *mentalities with respect to international trade and pro-*
23 *cedures to adjudicate commercial disputes among such*
24 *countries or instrumentalities,*

25 *(10) any revisions necessary to apply the principles*

1 of reciprocity and nondiscrimination, including the
2 elimination of special preferences and reverse prefer-
3 ences, to all aspects of international trade,

4 (11) any revisions necessary to establish more flex-
5 ible international monetary mechanisms,

6 (12) any revisions necessary to define the forms of
7 subsidy to industries producing products for export and
8 the forms of subsidy to attract foreign investment which
9 are consistent with an open, nondiscriminatory, and fair
10 system of international trade, and

11 (13) any revisions necessary to establish agreement
12 on the extraterritorial application of national laws,
13 including laws relating to antitrust, taxation, and
14 foreign trade.

15 ~~(b) There are hereby authorized to be appropriated an-~~
16 ~~nually such sums as may be necessary for the payment by~~
17 ~~the United States of its share of the expenses of the contract-~~
18 ~~ing parties to the General Agreement on Tariffs and Trade.~~

19 (b) The President shall, to the extent feasible, enter into
20 agreements with foreign countries or instrumentalities
21 to establish the principles described in subsection (a) with
22 respect to international trade between the United States and
23 such countries or instrumentalities.

24 (c) If the President enters into a trade agreement which

1 *establishes rules or procedures, including those set forth in*
2 *subsection (a), promoting the development of an open, non-*
3 *discriminatory, and fair world economic system and if the*
4 *implementation of such agreement will change any provision*
5 *of Federal law (including a material change in an admin-*
6 *istrative rule), such agreement shall take effect with respect*
7 *to the United States only if the appropriate implementing*
8 *legislation is enacted by the Congress unless implementation*
9 *of such agreement is effected pursuant to authority delegated*
10 *by Congress. Such trade agreement may be submitted to*
11 *the Congress for approval in accordance with the procedures*
12 *of section 151. Nothing in this section shall be construed as*
13 *prior approval of any legislation necessary to implement a*
14 *trade agreement entered into under this section.*

15 *(d) There are authorized to be appropriated annually*
16 *such sums as may be necessary for the payment by the United*
17 *States of its share of the expenses of the Contracting Parties*
18 *to the General Agreement on Tariffs and Trade. This author-*
19 *ization does not imply approval or disapproval by the Con-*
20 *gress of all articles of the General Agreement on Tariffs and*
21 *Trade.*

22 **SEC. 122. BALANCE-OF-PAYMENTS AUTHORITY.**

23 ~~(a) Whenever the President determines that funda-~~
24 ~~mental international payments problems require special im-~~
25 ~~port measures to restrict imports—~~

1 ~~(1)~~ to deal with a large and serious United States
2 balance-of-payments deficit;

3 ~~(2)~~ to prevent an imminent and significant depre-
4 ciation of the dollar in foreign exchange markets, or

5 ~~(3)~~ to cooperate with other countries in correcting
6 an international balance-of-payments disequilibrium,

7 the President is authorized for a period not exceeding 150
8 days (unless a longer period is authorized by Act of
9 Congress)—

10 ~~(A)~~ to proclaim a temporary import surcharge, not
11 to exceed 15 percent ad valorem, in the form of duties
12 (in addition to those already imposed, if any) on articles
13 imported into the United States; and

14 ~~(B)~~ to proclaim temporary limitations through the
15 use of quotas on the importation of articles into the
16 United States.

17 Subparagraph ~~(B)~~ shall apply ~~(i)~~ only if international trade
18 or monetary agreements to which the United States is a party
19 permit the imposition of quotas as a balance-of-payments
20 measure, and ~~(ii)~~ only to the extent that the fundamental
21 imbalance cannot be dealt with effectively by a surcharge
22 proclaimed pursuant to subparagraph ~~(A)~~. Any temporary
23 import surcharge proclaimed pursuant to subparagraph ~~(A)~~
24 shall be treated as a regular customs duty.

1 (a) *Whenever fundamental international payments*
2 *problems require special import measures to restrict imports—*
3 (1) *to deal with large and serious United States*
4 *balance-of-payments deficits,*
5 (2) *to prevent an imminent and significant deprecia-*
6 *tion of the dollar in foreign exchange markets, or*
7 (3) *to cooperate with other countries in correcting*
8 *an international balance-of-payments disequilibrium,*
9 *the President shall proclaim, for a period not exceeding 180*
10 *days (unless such period is extended by Act of Congress)—*
11 (A) *a temporary import surcharge, not to exceed*
12 *15 percent ad valorem, in the form of duties (in addi-*
13 *tion to those already imposed, if any) on articles im-*
14 *ported into the United States;*
15 (B) *temporary limitations through the use of quotas*
16 *on the importation of articles into the United States; or*
17 (C) *both a temporary import surcharge described*
18 *in subparagraph (A) and temporary limitations de-*
19 *scribed in subparagraph (B).*
20 *The authority delegated under subparagraph (B) (and so*
21 *much of subparagraph (C) as relates to subparagraph (B))*
22 *may be exercised (i) only if international trade or monetary*
23 *agreements to which the United States is a party permit the*
24 *imposition of quotas as a balance-of-payments measure, and*
25 *(ii) only to the extent that the fundamental imbalance cannot*

1 *be dealt with effectively by a surcharge proclaimed pursuant*
2 *to subparagraph (A) or (C). Any temporary import sur-*
3 *charge proclaimed pursuant to subparagraph (A) or (C)*
4 *shall be treated as a regular customs duty.*

5 *(b) If the President determines that the imposition of*
6 *import restrictions under subsection (a) will be contrary to*
7 *the national interest of the United States, then he may refrain*
8 *from proclaiming such restrictions and he shall—*

9 *(1) immediately inform Congress of his determi-*
10 *nation, and*

11 *(2) immediately convene the group of congressional*
12 *official advisers designated under section 161(a) and con-*
13 *sult with them as to the reasons for such determination.*

14 ~~(b)~~ *(c) Whenever the President determines that funda-*
15 *mental international payments problems require special im-*
16 *port measures to increase imports—*

17 *(1) to deal with a large and persistent United*
18 *States balance-of-payments surplus, or large and per-*
19 *sistent United States balance-of-trade surpluses, as de-*
20 *termined on the basis of the cost-insurance-freight value*
21 *of imports, as reported by the Bureau of the Census, or*

22 *(2) to prevent significant appreciation of the dollar*
23 *in foreign exchange markets,*

24 *the President is authorized to proclaim for a period of 150*

1 days (unless a longer period is authorized *such period is ex-*
2 *tended* by Act of Congress) —

3 (A) ~~to proclaim~~ a temporary reduction (of not
4 more than 5 percent ad valorem) in the rate of duty on
5 any article; and

6 (B) ~~to proclaim~~ a temporary increase in the value
7 or quantity of articles which may be imported under
8 any import restriction, or a temporary suspension of any
9 import ~~restrictions~~; *restriction.*

10 ~~except with respect to those articles where in his judgment~~
11 ~~such action would cause or contribute to material injury to~~
12 ~~firms or workers in any domestic industry, including agricul-~~
13 ~~ture, mining, fishing, or commerce, or to impairment of the~~
14 ~~national security, or would otherwise be contrary to the~~
15 ~~national interest.~~

16 *Import liberalizing actions proclaimed pursuant to this sub-*
17 *section shall be of broad and uniform application with re-*
18 *spect to product coverage except that the President shall not*
19 *proclaim measures under this subsection with respect to those*
20 *articles where in his judgment such action will cause or con-*
21 *tribute to material injury to firms or workers in any domestic*
22 *industry, including agriculture, mining, fishing, or com-*
23 *merce, or to impairment of the national security, or will*
24 *otherwise be contrary to the national interest.*

1 ~~(e)~~(d) (1) Import restricting actions proclaimed pur-
2 suant to subsection (a) shall be applied consistently with the
3 principle of nondiscriminatory treatment. In addition, any
4 quota proclaimed pursuant to subparagraph (B) of subsection
5 (a) shall be applied on a basis which aims at a distribution of
6 trade with the United States approaching as closely as
7 possible that which various foreign countries might have
8 expected to obtain in the absence of such restrictions.

9 (2) Notwithstanding paragraph (1), if the President
10 determines that the purposes of this section ~~would~~ *will* best
11 be served by action against one or more countries having
12 large or persistent balance-of-payments surpluses, he may
13 exempt all other countries from such ~~surcharges~~ *action*.

14 (3) After such time when there enters into force for the
15 United States new rules regarding the application of sur-
16 charges as part of a reform of internationally agreed balance-
17 of-payments adjustment procedures, the exemption authority
18 contained in paragraph (2) shall be applied consistently
19 with such new international rules.

20 (4) It is the sense of Congress that the President seek
21 modifications in international agreements aimed at allowing
22 the use of surcharges in place of quantitative restrictions (and
23 providing rules to govern the use of such surcharges) as a
24 balance-of-payments adjustment measure within the context

1 of arrangements for an equitable sharing of balance-of-pay-
2 ments adjustment responsibility among deficit and surplus
3 countries.

4 ~~(d)~~(e) Import restricting actions proclaimed pursuant to
5 subsection (a) shall be of broad and uniform application with
6 respect to product coverage except where the President de-
7 termines, consistently with the purposes of this section, that
8 certain articles ~~or groups of articles~~ should not be subject to
9 import restricting actions because of the needs of the United
10 States economy. Such exceptions shall be limited to the
11 unavailability of domestic supply at reasonable prices, the
12 necessary importation of raw materials, avoiding serious dis-
13 locations in the supply of imported goods, and other similar
14 factors. In addition, uniform exceptions may be made where
15 import restricting actions ~~would~~ *will* be unnecessary or inef-
16 fective in carrying out the purposes of this section, such as
17 with respect to articles already subject to import restrictions,
18 goods in transit, or goods under binding contract. Neither the
19 authorization of import restricting actions nor the determina-
20 tion of exceptions with respect to product coverage shall be
21 made for the purpose of protecting individual domestic indus-
22 tries from import competition.

23 ~~(e)~~(f) Any quantitative limitation proclaimed pursuant
24 to subparagraph ~~(B)~~ (B) or (C) of subsection (a) on the
25 quantity or value, or both, or an article ~~or group of articles~~—

1 (1) shall permit the importation of a quantity or
 2 value *which is* not less than the quantity or value of such
 3 article ~~or articles~~ imported into the United States from
 4 the foreign countries to which such limitation applies
 5 during the most recent period which the President
 6 determines is representative of imports of such article ~~or~~
 7 ~~articles~~, and

8 (2) shall take into account any increase since the
 9 end of such representative period in domestic consump-
 10 tion of such article ~~or articles~~ and like or similar articles
 11 of domestic manufacturer or production.

12 ~~(f)~~(g) The President may at any time, consistent with
 13 the provisions of this section, suspend, modify, or terminate,
 14 in whole or in part, any proclamation under this section
 15 either during the initial 150-day *or 180-day* period of effec-
 16 ~~tiveness~~ ~~or effectiveness~~, *as applicable*, or as extended by
 17 subsequent Act of Congress.

18 ~~(g)~~(h) No provision of law authorizing the termination
 19 of tariff concessions shall be used to impose a surcharge on
 20 imports into the United States.

21 **SEC. 123. AUTHORITY TO SUSPEND IMPORT BARRIERS TO**
 22 **RESTRAIN INFLATION.**

23 ~~(a)~~ If, during a period of sustained ~~or rapid~~ price in-
 24 creases, the President determines that supplies of articles,
 25 imports of which are dutiable or subject to any other import

1 restriction, are inadequate to meet domestic demand at rea-
2 sonable prices, he may, either generally or by article or cate-
3 gory of articles—

4 ~~(1)~~ proclaim a temporary reduction in, or suspen-
5 sion of, the duty applicable to any article; and

6 ~~(2)~~ proclaim a temporary increase in the value or
7 quantity of articles which may be imported under any
8 import restriction.

9 Proclamations under this section in effect at any time shall
10 not apply to more than 30 percent of the estimated total
11 value of United States imports of all articles during the time
12 such actions are in effect.

13 ~~(b)(1)~~ The President shall exclude from the applica-
14 tion of any proclamation issued under subsection ~~(a)~~ any
15 article if in his judgment such action would cause or con-
16 tribute to material injury to firms or workers in any domes-
17 tic industry, including agriculture, mining, fishing, or com-
18 merce, or to impairment of the national security, or would
19 otherwise be contrary to the national interest.

20 ~~(2)~~ The President shall exclude from the application
21 of any proclamation under subsection ~~(a)~~ any article which
22 is the subject of any proclamation under section 22 of the
23 Agricultural Adjustment Act.

24 ~~(c)~~ The President may, to the extent that such action
25 is consistent with the purposes of this section and the limita-

1 tions contained in this section, proclaim the modification or
2 termination, in whole or in part, of any proclamation issued
3 under subsection (a).

4 ~~(d)~~ The President shall promptly notify each House of
5 Congress of any action taken under this section and the
6 reasons therefor.

7 ~~(e)~~ The effective period for any proclamation issued
8 under this section with respect to any article shall not
9 exceed 150 days (unless a longer period is authorized by
10 Act of Congress); nor shall any article which has been the
11 subject of any proclamation issued under this section be the
12 subject of another proclamation issued under this section
13 until 1 year has expired after the termination of the effective
14 period of such prior proclamation.

15 ~~SEC. 124.~~ 123. COMPENSATION AUTHORITY.

16 (a) Whenever any action has been taken under section
17 203~~(b)~~ to increase or impose any duty or other import re-
18 striction, the President—

19 (1) may enter into *trade* agreements with foreign
20 countries or *instrumentalities* for the purpose of granting
21 new concessions as compensation in order to maintain
22 the general level of reciprocal and mutually advantageous
23 concessions; and

24 (2) may proclaim such modification or continu-
25 ance of any existing duty, or such continuance of exist-

1 ing duty-free or excise treatment, as he determines to be
2 required or appropriate to carry out any such agreement.

3 (b) (1) No proclamation shall be made pursuant to sub-
4 section (a) decreasing any rate of duty to a rate which is
5 ~~more than 30 percent below~~ *less than 70 percent* of the exist-
6 ing rate of duty.

7 (2) *Where the rate of duty in effect at any time is an*
8 *intermediate stage under section 109, the proclamation made*
9 *pursuant to subsection (a) may provide for the reduction*
10 *of each rate of duty at each such stage proclaimed under*
11 *section 101 by not more than 30 percent of such rate of*
12 *duty, and may provide for a final rate of duty which is not*
13 *less than 70 percent of the rate of duty proclaimed as the*
14 *final stage under section 101.*

15 (3) *If the President determines that such action will*
16 *simplify the computation of the amount of duty imposed*
17 *with respect to an article, he may exceed the limitations pro-*
18 *vided by paragraphs (1) and (2) of this subsection by not*
19 *more than the lesser of—*

20 (A) *the difference between such limitation and the*
21 *next lower whole number, or*

22 (B) *one-half of 1 percent ad valorem.*

23 (4) *Any concessions granted under subsection (a)(1)*
24 *shall be reduced and terminated according to substantially*

1 *the same time schedule for reduction applicable to the relevant*
2 *import relief under section 203(h).*

3 ~~(e) No agreement may be entered into under this sec-~~
4 ~~tion during any period in which agreements may be entered~~
5 ~~into under section 101.~~

6 (c) *No trade agreement may be entered into under this*
7 *section with any foreign country or instrumentality if such*
8 *country or instrumentality has violated trade agreement con-*
9 *cessions of benefit to the United States and such violation has*
10 *not been adequately offset by action of the United States or*
11 *by such country or instrumentality.*

12 (d) *Notwithstanding the provisions of subsection (a),*
13 *the authority delegated under section 101 shall be used for the*
14 *purpose of granting new concessions as compensation within*
15 *the meaning of this section until such authority terminates.*

16 **SEC. 125. AUTHORITY TO RENEGOTIATE DUTIES. 124.**

17 **TWO-YEAR RESIDUAL AUTHORITY TO NE-**
18 **GOTIATE DUTIES.**

19 (a) Whenever the President determines that any exist-
20 ing duties or other import restrictions of any foreign country
21 or the United States are unduly burdening and restricting
22 the foreign trade of the United States and that the purposes
23 ~~stated in section 2~~ *of this Act* will be promoted thereby, the
24 President—

1 (1) may enter into trade agreements with foreign
2 countries or instrumentalities thereof, and

3 (2) may proclaim such modification or continuance
4 of any existing duty, such continuance of existing duty-
5 free or excise treatment, or such additional duties, as
6 he determines to be required or appropriate to carry out
7 any such trade agreement.

8 (b) Agreements entered into under this section in any
9 1-year period shall not provide for the reduction of duties,
10 or the continuance of duty-free *or excise* treatment, for ar-
11 ticles which account for more than 2 percent of the value
12 of United States imports for the most recent 12-month period
13 for which import statistics are available.

14 (c) (1) No proclamation shall be made pursuant to sub-
15 section (a) decreasing any rate of duty to a rate which is
16 ~~more than 20 percent below~~ *less than 80 percent of* the exist-
17 ing rate of duty.

18 (2) No proclamation shall be made pursuant to sub-
19 section (a) decreasing or increasing any rate of duty to a
20 rate which is lower or higher than the corresponding rate
21 which would have resulted if the maximum authority
22 granted by section 101 with respect to such article had been
23 exercised.

24 (3) *Where the rate of duty in effect at any time is an*
25 *intermediate stage under section 109, the proclamation made*

1 pursuant to subsection (a) may provide for the reduction of
2 each rate of duty at each such stage proclaimed under section
3 101 by not more than 20 percent of such rate of duty, and,
4 subject to the limitation in paragraph (2), may provide for
5 a final rate of duty which is not less than 80 percent of the
6 rate of duty proclaimed as the final stage under section 101.

7 (4) If the President determines that such action will
8 simplify the computation of the amount of duty imposed with
9 respect to an article, he may exceed the limitations provided by
10 paragraphs (1) and (2) of this subsection by not more than
11 the lesser of—

12 (A) the difference between such limitation and the
13 next lower whole number, or

14 (B) one-half of 1 percent *ad valorem*.

15 (d) Agreements may be entered into under this section
16 only during the 2-year period which immediately follows the
17 close of the period during which agreements may be entered
18 into under section 101.

19 **SEC. 126. 125. TERMINATION AND WITHDRAWAL AU-**
20 **THORITY.**

21 (a) Every trade agreement entered into under this Act
22 shall be subject to ~~termination~~ *termination, in whole or in*
23 *part*, or withdrawal, upon due notice, at the end of a period
24 specified in the agreement. Such period shall be not more
25 than 3 years from the date on which the agreement becomes

1 effective. If the agreement is not terminated or withdrawn
2 from at the end of the period so specified, it shall be subject
3 to termination or withdrawal thereafter upon not more than
4 6 months' notice.

5 (b) The President may at any time terminate, in whole
6 or in part, any proclamation made under this Act.

7 ~~(c) Whenever the United States, acting in pursuance
8 of any of its rights or obligations under any trade agreement
9 entered into pursuant to this Act, section 201 of the Trade
10 Expansion Act of 1962, or section 350 of the Tariff Act
11 of 1930, withdraws or suspends any obligation with respect
12 to the trade of any foreign country or instrumentality thereof,
13 the President is authorized, to the extent, at such times, and
14 for such periods as he deems necessary or appropriate, in
15 order to exercise the rights or fulfill the obligations of the
16 United States and consistently with the purposes stated in
17 section 2 and the international obligations of the United
18 States, in addition to exercising the authority contained in
19 subsection (b), to proclaim an increase in any existing duty
20 to a rate not more than 50 percent above the rate existing
21 on July 1, 1934, or 20 percent ad valorem above the rate
22 existing on July 1, 1973, whichever is higher, and to pro-
23 claim the withdrawal or suspension of the application, in
24 whole or in part, of the agreement.~~

25 (c) *Whenever the United States, acting in pursuance of*

1 *any of its rights or obligations under any trade agreement*
2 *entered into pursuant to this Act, section 201 of the Trade*
3 *Expansion Act of 1962, or section 350 of the Tariff Act of*
4 *1930, withdraws, suspends, or modifies any obligation with*
5 *respect to the trade of any foreign country or instrumentality*
6 *thereof, the President is authorized to proclaim increased*
7 *duties or other import restrictions, to the extent, at such times,*
8 *and for such periods as he deems necessary or appropriate,*
9 *in order to exercise the rights or fulfill the obligations of the*
10 *United States. No proclamation shall be made under this*
11 *subsection increasing any existing duty to a rate more than*
12 *50 percent above the rate set forth in rate column numbered*
13 *2 of the Tariff Schedules of the United States, as in effect on*
14 *January 1, 1975, or 20 percent ad valorem above the rate*
15 *existing on July 1, 1975, whichever is higher.*

16 *(d) Whenever any foreign country or instrumentality*
17 *withdraws, suspends, or modifies the application of trade*
18 *agreement obligations of benefit to the United States without*
19 *granting adequate compensation therefor, the President, in*
20 *pursuance of rights granted to the United States under any*
21 *trade agreement and to the extent necessary to protect United*
22 *States economic interests (including United States balance*
23 *of payments), shall—*

24 *(1) withdraw, suspend, or modify the application*

1 *of substantially equivalent trade agreement obligations*
2 *of benefit to such foreign country or instrumentality, and*
3 (2) *proclaim under subsection (c) such increased*
4 *duties or other import restrictions as are appropriate*
5 *to effect adequate compensation from such foreign coun-*
6 *try or instrumentality.*

7 ~~(d)~~ (e) Duties or other import restrictions required or
8 appropriate to carry out any trade agreement entered into
9 pursuant to this Act, section 201 of the Trade Expansion
10 Act of 1962, or section 350 of the Tariff Act of 1930 shall
11 not be affected by any termination, in whole or in part, of
12 such agreement *or by the withdrawal of the United States*
13 *from such agreement* and shall remain in effect after the date
14 of such termination *or withdrawal* for 1 year, unless the
15 President by proclamation provides that such rates shall be
16 restored to the level *at which* they would be but for the
17 agreement. Within 60 days ~~of~~ *after the date of* any such
18 termination *or withdrawal*, the President shall transmit to
19 the Congress his recommendations as to the appropriate rates
20 of duty for all articles which were affected by the termination
21 *or withdrawal* or would have been so affected but for the
22 preceding sentence.

23 ~~(e)~~ (f) Before taking any action pursuant to subsection
24 ~~(b)~~ ~~or~~ ~~(e)~~ (b), (c), or (d), the President shall provide for
25 a public hearing during the course of which interested persons

1 shall be given a reasonable opportunity to be present, to
2 produce evidence, and to be heard, *unless he determines that*
3 *such prior hearings will be contrary to the national interest*
4 *because of the need for expeditious action, in which case he*
5 *shall provide for a public hearing promptly after such action.*

6 **SEC. 127. NONDISCRIMINATORY TREATMENT. 126. RECIP-**

7 **ROCAL NONDISCRIMINATORY TREATMENT.**

8 (a) Except as otherwise provided in this Act or in any
9 other provision of law, any duty or other import restriction
10 or duty-free treatment proclaimed in carrying out any trade
11 agreement under this title shall apply to products of all
12 foreign countries, whether imported directly or indirectly.

13 (b) *The President shall determine, after the conclusion*
14 *of all negotiations entered into under this Act or at the end of*
15 *the 5-year period beginning on the date of enactment of this*
16 *Act, whichever is earlier, whether any major industrial coun-*
17 *try has failed to make concessions under trade agreements*
18 *which provide competitive opportunities for the commerce of*
19 *the United States in such country substantially equivalent*
20 *to the competitive opportunities, provided by concessions made*
21 *by the United States under trade agreements, for the com-*
22 *merce of such country in the United States.*

23 (c) *If the President determines under subsection (b)*
24 *that a major industrial country has not made concessions*
25 *under trade agreements which provide such substantially*

1 *equivalent competitive opportunities for the commerce of*
2 *United States, he shall, either generally with respect to such*
3 *country or by article produced by such country, in order to*
4 *restore equivalence of competitive opportunities—*

5 (1) *proclaim the termination of concessions or re-*
6 *frain from proclaiming benefits of trade agreement con-*
7 *cessions made with respect to rates of duty or other im-*
8 *port restrictions by the United States under any trade*
9 *agreement; and*

10 (2) *recommend to Congress that any legislation*
11 *necessary to carry out any trade agreement entered into*
12 *under section 102 shall not apply to such country.*

13 (d) *For purposes of this section, “major industrial*
14 *country” means Canada, the European Economic Commu-*
15 *nity, the individual member countries of such Community,*
16 *Japan, and any other foreign country designated by the*
17 *President for purposes of this subsection.*

18 **SEC. ~~128.~~ 127. RESERVATION OF ARTICLES FOR NATIONAL**
19 **SECURITY OR OTHER REASONS.**

20 (a) *No proclamation shall be made pursuant to the pro-*
21 *visions of this Act reducing or eliminating the duty or*
22 *other import restriction on any article if the President deter-*
23 *mines that such reduction or elimination would threaten to*
24 *impair the national security.*

25 (b) *While there is in effect with respect to any article*

1 any action taken under section 203 of this Act, or section
2 232 or 351 of the Trade Expansion Act of 1962 (19 U.S.C.
3 sec. 1862, 1981), the President shall reserve such article
4 from negotiations under this title (and from any action under
5 section 122 (b) or (123) contemplating reduction or elimina-
6 tion of any duty or other import restriction. In addition, the
7 President shall also so reserve any other article which he
8 determines to be appropriate, taking into consideration infor-
9 mation and advice available pursuant to and with respect to
10 the matters covered by sections 131, 132, 133 (b), where
11 applicable.

12 (b) While there is in effect with respect to any article
13 any action taken under section 203 of this Act, or section
14 232 or 351 of the Trade Expansion Act of 1962 (19 U.S.C.
15 1862 or 1981), the President shall reserve such article
16 from negotiations under this title (and from any action under
17 section 122 (c)) contemplating reduction or elimination of—

18 (A) any duty on such article,

19 (B) any import restriction imposed under such
20 section, or

21 (C) any other import restriction, the removal of
22 which will be likely to undermine the effect of the import
23 restrictions referred to in subparagraph (B).

24 In addition, the President shall also so reserve any other
25 article which he determines to be appropriate, taking into con-

1 *sideration information and advice available pursuant to and*
2 *with respect to the matters covered by sections 131, 132, and*
3 *133, where applicable.*

4 (c) The President shall submit to the Congress an an-
5 nual report on section 232 of the Trade Expansion Act of
6 1962. Within 60 days after he takes any action under such
7 section 232, the President shall report to the Congress the
8 action taken and the reasons therefor.

9 (d) *Section 232 of the Trade Expansion Act of 1962*
10 *is amended—*

11 (1) *by striking out “Director of the Office of Emer-*
12 *gency Planning (hereinafter in this section referred to*
13 *as the ‘Director’)” in the first sentence of subsection (b)*
14 *and inserting in lieu thereof “Secretary of the Treasury*
15 *(hereinafter referred to as the ‘Secretary’)” ;*

16 (2) *by striking out “advice from other appropriate*
17 *departments and agencies” in the first sentence of sub-*
18 *section (b) and inserting in lieu thereof “advice from,*
19 *and shall consult with, the Secretary of Defense, the*
20 *Secretary of Commerce, and other appropriate officers*
21 *of the United States” ;*

22 (3) *by striking out the last sentence of subsection (b)*
23 *and inserting in lieu thereof the following: “The Secre-*
24 *tary shall, if it is appropriate and after reasonable notice,*
25 *hold public hearings or otherwise afford interested parties*

1 *an opportunity to present information and advice relevant*
2 *to such investigation. The Secretary shall report the*
3 *findings of his investigation under this subsection with*
4 *respect to the effect of the importation of such article in*
5 *such quantities or under such circumstances upon the*
6 *national security and, based on such findings, his recom-*
7 *mendation for action or inaction under this section to the*
8 *President within one year after receiving an application*
9 *from an interested party or otherwise beginning an in-*
10 *vestigation under this subsection. If the Secretary finds*
11 *that such article is being imported into the United States*
12 *in such quantities or under such circumstances as to*
13 *threaten to impair the national security, he shall so*
14 *advise the President and the President shall take such*
15 *action, and for such time, as he deems necessary to ad-*
16 *just the imports of such article and its derivatives so that*
17 *such imports will not threaten to impair the national*
18 *security, unless the President determines that the article*
19 *is not being imported into the United States in such*
20 *quantities or under such circumstances as to threaten*
21 *to impair the national security.”; and*

22 *(4) by striking out “Director” each place it appears*
23 *in subsections (c) and (d) and inserting in lieu thereof*
24 *“Secretary”.*

CHAPTER 3—HEARINGS AND ADVICE

CONCERNING NEGOTIATIONS

SEC. 131. ~~TARIFF~~ INTERNATIONAL TRADE COMMISSION

ADVICE.

(a) In connection with any proposed trade agreement under chapter 1 or section ~~124 or 125~~ 123 or 124, the President shall from time to time publish and furnish the ~~Tariff Commission~~ *International Trade Commission* (hereafter in this section referred to as the "Commission") with lists of articles which may be considered for modification or continuance of United States duties, continuance of United States duty-free or excise treatment, or additional duties. In the case of any article with respect to which consideration may be given to reducing or increasing the rate of duty, the list shall specify the provision of this title pursuant to which such consideration may be given.

(b) Within 6 months after receipt of such a list or, in the case of a list submitted in connection with a trade agreement authorized under section 123, within 90 days after receipt of such list, the ~~Tariff~~ Commission shall advise the President with respect to each article of its judgment as to the probable economic effect of modifications of duties on industries producing like or directly competitive articles and on consumers, so as to assist the President in making an informed judgment as to the impact which might be caused

1 by such modifications on United States manufacturing, agri-
2 culture, mining, fishing, labor, and consumers. Such advice
3 may include in the case of any article the advice of the ~~Tariff~~
4 Commission as to whether any reduction in the rate of duty
5 should take place over a longer period than the minimum
6 periods provided by section ~~102~~ 107 (a).

7 (c) In addition, in order to assist the President in his
8 determination of whether to enter into any agreement under
9 section 102, the ~~Tariff~~ Commission shall make such investi-
10 gations and reports as may be requested by the President,
11 including, where feasible, advice as to the probable economic
12 effects of modifications of any barrier to (or other distortion
13 of) international trade on domestic industries and purchasers
14 and on prices and quantities of articles in the United States.

15 (d) In preparing its advice to the President under this
16 section, the ~~Tariff~~ Commission shall, to the extent prac-
17 ticable—

18 (1) investigate conditions, causes, and effects re-
19 lating to competition between the foreign industries pro-
20 ducing the articles in question and the domestic industries
21 producing the like or directly competitive articles;

22 (2) analyze the production, trade, and consumption
23 of each like or directly competitive article, taking into
24 consideration employment, profit levels, and use of pro-
25 ductive facilities with respect to the domestic industries

1 concerned, and such other economic factors in such in-
 2 dustries as it considers relevant, including prices, wages,
 3 sales, inventories, patterns of demand, capital invest-
 4 ment, obsolescence of equipment, and diversification of
 5 production;

6 (3) describe the probable nature and extent of any
 7 significant change in employment, profit levels, and
 8 use of productive facilities, and such other conditions as
 9 it deems relevant in the domestic industries concerned
 10 which it believes such modifications would cause; and

11 (4) make special studies (including studies of real
 12 wages paid in foreign supplying countries), whenever
 13 deemed to be warranted, of particular proposed modifi-
 14 cations affecting United States manufacturing, agricul-
 15 ture, mining, fishing, labor, and consumers, utilizing to
 16 the fullest extent practicable United States Government
 17 facilities abroad and appropriate personnel of the United
 18 States.

19 (e) In preparing its advice to the President under this
 20 section, the ~~Tariff~~ Commission shall, after reasonable notice,
 21 hold public hearings.

22 **SEC. 132. ADVICE FROM DEPARTMENTS AND OTHER**
 23 **SOURCES.**

24 Before any trade agreement is entered into under chap-
 25 ter 1 or section ~~124 or 125~~ 123 or 124, the President shall

1 seek information and advice with respect to such agreement
2 from the Departments of Agriculture, Commerce, Defense,
3 Interior, Labor, State, and the Treasury, from the Special
4 Representative for Trade Negotiations, and from such other
5 sources as he may deem appropriate.

6 **SEC. 133. PUBLIC HEARINGS.**

7 (a) In connection with any proposed trade agreement
8 under chapter 1 or section ~~124 or 125~~ *123 or 124*, the Pres-
9 ident shall afford an opportunity for any interested person to
10 present his views concerning any article on a list published
11 pursuant to section 131, any article which should be so listed,
12 any concession which should be sought by the United States,
13 or any other matter relevant to such proposed trade agree-
14 ment. For this purpose, the President shall designate an
15 agency or an interagency committee which shall, after
16 reasonable notice, hold public hearings and prescribe regu-
17 lations governing the conduct of such hearings.

18 (b) The organization holding such hearings shall fur-
19 nish the President with a summary thereof.

20 **SEC. 134. PREREQUISITES FOR OFFERS.**

21 In any negotiations seeking an agreement under chapter
22 1 or section ~~124 or 125~~, *123 or 124*, the President may
23 make an offer for the modification or continuance of any
24 United States ~~duty~~ *duty, import restriction, or other barrier*
25 *to (or other distortion of) international trade, the con-*

1 tinuance of United States duty-free or excise treatment,
2 or the imposition of additional ~~duties~~ *duties, import restric-*
3 *tions, or barriers to (or other distortions of) international*
4 *trade, with respect to any article only after he has received*
5 *a summary of the hearings at which an opportunity to be*
6 *heard with respect to such article has been afforded under*
7 *section 133. In addition, the President may make such an*
8 *offer only after he has received advice concerning such article*
9 *from the Tariff Commission under section 131(b), or after*
10 *the expiration of the relevant 6-month period provided for*
11 *in that section, whichever first occurs. In addition, the Presi-*
12 *dent may make an offer for the modification or continuance*
13 *of any United States duty, the continuance of United States*
14 *duty-free or excise treatment, or the imposition of additional*
15 *duties, with respect to any article included in a list published*
16 *and furnished under section 131(a), only after he has re-*
17 *ceived advice concerning such article from the International*
18 *Trade Commission under section 131(b), or after the expira-*
19 *tion of the 6-month or 90-day period provided for in that*
20 *section, as appropriate, whichever first occurs.*

21 **SEC. 135. ADVICE FROM PRIVATE SECTOR.**

22 (a) The President, in accordance with the provisions of
23 this section, shall seek information and advice from repre-
24 sentative elements of the private sector with respect to nego-

1 tiating objectives and bargaining positions before entering
2 into a trade agreement referred to in section 101 or 102.

3 (b) (1) The President shall establish an Advisory Com-
4 mittee for Trade Negotiations to provide overall policy advice
5 on any trade agreement referred to in section 101 or 102.
6 The Committee shall be composed of not more than 45 in-
7 dividuals, and shall include representatives of government,
8 labor, industry, agriculture, *service industries*, consumer
9 interests, and the general public.

10 (2) The Committee shall meet at the call of the Special
11 Representative for Trade Negotiations, who shall be the
12 Chairman. The Committee shall terminate ~~at the expiration~~
13 ~~of 5 years from the date of the enactment of this Act upon~~
14 *submission of its report required under subsection (e)(2).*
15 Members of the Committee shall be appointed by the Presi-
16 dent for a period of 2 years and may be reappointed for one
17 or more additional periods.

18 (3) The Special Representative for Trade Negotiations
19 shall make available to the Committee such staff, information,
20 personnel, and administrative services and assistance as it
21 may reasonably require to carry out its activities.

22 *(c)(1) The President may, on his own initiative or at*
23 *the request of organizations representing industry, labor, or*
24 *agriculture, establish general policy advisory committees for*

1 *industry, labor, and agriculture, respectively, to provide gen-*
2 *eral policy advice on any trade agreement referred to in*
3 *section 101 or 102. Such committees shall, insofar as prac-*
4 *ticable, be representative of all industry, labor, or agricul-*
5 *tural interests, respectively, and shall be organized by the*
6 *President acting through the Special Representative for*
7 *Trade Negotiations and the Secretaries of Commerce, Labor,*
8 *and Agriculture, as appropriate.*

9 ~~(c)~~ ~~In addition to the Committee established under sub-~~
10 ~~section (b), the~~ (2) The President shall, on his own initiative
11 or at the request of organizations in a particular ~~product~~
12 sector, establish such industry, labor, or agricultural *sector*
13 advisory committees as he determines to be necessary for any
14 trade negotiations referred to in section 101 or 102. Such
15 committees shall, so far as practicable, be representative of all
16 industry, labor, or agricultural interests in the sector con-
17 cerned. In organizing such committees the President, acting
18 through the Special Representative for Trade Negotiations
19 and the Secretary of Commerce, Labor, or Agriculture, as
20 appropriate, ~~(1)~~ (A) shall consult with interested private
21 organizations, and ~~(2)~~ (B) shall take into account such fac-
22 tors as patterns of actual and potential competition between
23 United States industry and agriculture and foreign enterprise
24 in international trade, the character of the nontariff barriers
25 and other distortions affecting such competition, the neces-

1 sity for reasonable limits on the number of such product
2 sector advisory committees, the necessity that each committee
3 be reasonably limited in size, and that the product lines cov-
4 ered by each committee be reasonably related.

5 (d) Committees established pursuant to subsection (c)
6 shall meet at the call of the Special Representative for Trade
7 Negotiations, before and during any trade negotiations, to
8 provide the following:

9 (1) policy advice on negotiations;

10 (2) technical advice and information on negotia-
11 tions on particular products both domestic and foreign;
12 and

13 (3) advice on other factors relevant to positions of
14 the United States in trade negotiations.

15 (e) (1) *The Advisory Committee for Trade Negotiations,*
16 *each appropriate policy advisory committee, and each sector*
17 *advisory committee, if the sector which such committee*
18 *represents is affected, shall meet at the conclusion of nego-*
19 *tiations for each trade agreement entered into under this Act,*
20 *to provide to the President, to Congress, and to the Special*
21 *Representative for Trade Negotiations a report on such*
22 *agreement. The report of the Advisory Committee for Trade*
23 *Negotiations and each appropriate policy advisory committee*
24 *shall include an advisory opinion as to whether and to what*
25 *extent the agreement promotes the economic interests of the*

1 *United States and the report of the appropriate sector com-*
2 *mittee shall include an advisory opinion as to whether the*
3 *agreement provides for equity and reciprocity within the*
4 *sector.*

5 (2) *The Advisory Committee for Trade Negotiations,*
6 *each policy advisory committee, and each sector advisory*
7 *committee shall issue a report to the Congress as soon as is*
8 *practical after the end of the period which ends 5 years after*
9 *the date of enactment of this Act. The report of the Advisory*
10 *Committee for Trade Negotiations and each policy advisory*
11 *committee shall include an advisory opinion as to whether and*
12 *to what extent trade agreements entered into under this Act,*
13 *taken as a whole, serve the economic interests of the United*
14 *States. The report of each sector advisory committee shall*
15 *include an advisory opinion on the degree to which trade*
16 *agreements entered into under this Act which affect the*
17 *sector represented by each such committee, taken as a whole,*
18 *provide for equity and reciprocity within that sector.*

19 ~~(e)~~ (f) *The provisions of the Federal Advisory Com-*
20 *mittee Act (Public Law 92-463) shall apply—*

21 (1) *to the Advisory Committee for Trade Negotia-*
22 *tions established pursuant to subsection (b); and*

23 (2) *to all other advisory committees which may be*
24 *established pursuant to subsection (c); except that the*
25 *meetings of advisory groups established under subsection*

1 (c) shall be exempt from the requirements of subsections
2 (a) and (b) of section 10 *and section 11* of the Federal
3 Advisory Committee Act (relating to open meetings,
4 public notice, public participation, and public availability
5 of documents), whenever and to the extent it is deter-
6 mined by the President or his designee that such meet-
7 ings will be concerned with matters the disclosure of
8 which would seriously compromise the Government's
9 negotiating objectives or bargaining positions on the
10 negotiation of any trade agreement.

11 ~~(f) Information received in confidence by the Advi-~~
12 ~~sory Committee for Trade Negotiations or by any advisory~~
13 ~~committee established under subsection (c) shall not be dis-~~
14 ~~closed to any person other than to officers or employees of the~~
15 ~~United States designated by the Special Representative for~~
16 ~~Trade Negotiations, by the Committee on Ways and Means~~
17 ~~of the House of Representatives, or by the Committee on~~
18 ~~Finance of the Senate to receive such information for use in~~
19 ~~connection with negotiation of a trade agreement referred to~~
20 ~~in section 101 or 102.~~

21 *(g)(1)(A) Trade secrets and commercial or financial*
22 *information which is privileged or confidential, submitted in*
23 *confidence by the private sector to officers or employees of the*
24 *United States in connection with trade negotiations, shall not*
25 *be disclosed to any person other than to—*

1 (i) officers and employees of the United States
2 designated by the Special Representative for Trade
3 Negotiations, and

4 (ii) members of the Committee on Ways and Means
5 of the House of Representatives and the Committee on
6 Finance of the Senate who are accredited as official
7 advisers under section 161(a) or are designated by the
8 chairman of either such committee under section 161(b)
9 (2), and members of the staff of either such committee
10 designated by the chairman under section 161(b)(2),
11 for use in connection with negotiation of a trade agreement
12 referred to in section 101 or 102.

13 (B) Information, other than that described in para-
14 graph (A), and advice submitted in confidence by the private
15 sector to officers or employees of the United States, to the
16 Advisory Committee for Trade Negotiations or to any ad-
17 visory committee established under subsection (c), in connec-
18 tion with trade negotiations, shall not be disclosed to any
19 person other than—

20 (i) the individuals described in subparagraph (A),
21 and

22 (ii) the appropriate advisory committees established
23 under this section.

24 (2) Information submitted in confidence by officers or
25 employees of the United States to the Advisory Committee

1 *for Trade Negotiations, or to any advisory committee estab-*
2 *lished under subsection (c), shall not be disclosed other than*
3 *in accordance with rules issued by the Special Representative*
4 *for Trade Negotiations and the Secretary of Commerce,*
5 *Labor or Agriculture, as appropriate, after consultation*
6 *with the relevant advisory committees established under sub-*
7 *section (c). Such rules shall define the categories of informa-*
8 *tion which require restricted or confidential handling by such*
9 *committee considering the extent to which public disclosure*
10 *of such information can reasonably be expected to prejudice*
11 *United States negotiating objectives. Such rules shall, to the*
12 *maximum extent feasible, permit meaningful consultations*
13 *by advisory committee members with persons affected by*
14 *proposed trade agreements.*

15 ~~(g)~~ (h) The Special Representative for Trade Negotia-
16 tions, and the Secretary of Commerce, Labor, or Agriculture,
17 as appropriate, shall provide such staff, information, person-
18 nel, and administrative services and assistance to advisory
19 committees established pursuant to subsection (c) as such
20 committees may reasonably require to carry out their
21 activities.

22 ~~(h)~~ (i) It shall be the responsibility of the Special Rep-
23 resentative for Trade Negotiations, in conjunction with the
24 Secretary of Commerce, Labor, or Agriculture, as appro-
25 priate, to adopt procedures for consultation with and ob-

1 taining information and advice from the advisory committees
2 established pursuant to subsection (c) on a continuing and
3 timely basis, both during preparation for negotiations and
4 actual negotiations. Such consultation shall include the pro-
5 vision of information to each advisory committee as to (1)
6 significant issues and developments arising in preparation
7 for or in the course of such negotiations, and (2) overall
8 negotiating objectives and positions of the United States and
9 other parties to the negotiations. The Special Representative
10 for Trade Negotiations shall not be bound by the advice or
11 recommendations of such advisory committees but the Special
12 Representative for Trade Negotiations shall inform the ad-
13 visory committees of failures to accept such advice or recom-
14 mendations, and the President shall include in his statement
15 to the Congress, required by section 163, a report by the
16 Special Representative for Trade Negotiations on consulta-
17 tion with such committees, issues involved in such consulta-
18 tion, and the reasons for not accepting advice or recom-
19 mendations.

20 ~~(i)~~ (j) In addition to any advisory committee estab-
21 lished pursuant to this section, the President shall provide
22 adequate, timely, and continuing opportunity for the submis-
23 sion on an informal *and, if such information is submitted*
24 *under the provisions of subsection (g), confidential* basis by
25 private organizations or groups, representing labor, industry.

1 agriculture, *service industries*, consumer interests, and others,
2 of statistics, data, and other trade information, as well as
3 policy recommendations, pertinent to the negotiation of any
4 trade agreement referred to in section 101 or 102.

5 ~~(j)~~ (k) Nothing contained in this section shall be con-
6 strued to authorize or permit any individual to participate
7 directly in any negotiation of any trade agreement referred
8 to in section 101 or 102.

9 **CHAPTER 4—OFFICE OF THE SPECIAL REP-**
10 **RESENTATIVE FOR TRADE NEGOTIA-**
11 **TIONS**

12 **SEC. 141. OFFICE OF THE SPECIAL REPRESENTATIVE FOR**
13 **TRADE NEGOTIATIONS.**

14 (a) There is established *within the Executive Office of*
15 *the President* the Office of the Special Representative for
16 Trade Negotiations (hereinafter in this section referred to
17 as the "Office").

18 (b) (1) The Office shall be headed by the Special Rep-
19 resentative for Trade Negotiations who shall be appointed
20 by the President, by and with the advice and consent of
21 the Senate. *As an exercise of the rulemaking power of the*
22 *Senate, any nomination of the Special Representative for*
23 *Trade Negotiations submitted to the Senate for confirmation,*
24 *and referred to a committee, shall be referred to the Commit-*
25 *tee on Finance.* The Special Representative for Trade Nego-

1 tiations shall hold office at the pleasure of the President, shall
2 be entitled to receive the same compensation and allow-
3 ances as a chief of mission, and shall have the rank of Am-
4 bassador Extraordinary and Plenipotentiary.

5 (2) There shall be in the Office two Deputy Special
6 Representatives for Trade Negotiations who shall be ap-
7 pointed by the President, by and with the advice and con-
8 sent of the Senate. *As an exercise of the rulemaking power*
9 *of the Senate, any nomination of a Deputy Special Represent-*
10 *ative submitted to the Senate for confirmation, and referred*
11 *to a committee, shall be referred to the Committee on Finance.*
12 Each Deputy Special Representative for Trade Negotiations
13 shall hold office at the pleasure of the President and shall
14 have the rank of Ambassador.

15 (c) (1) The Special Representative for Trade Negotia-
16 tions shall—

17 (A) be the chief representative of the United States
18 for each trade negotiation under this title or section 301;

19 ~~(B) be responsible to the President and to Congress~~
20 ~~for the administration of trade agreements programs~~
21 ~~under this Act and the Trade Expansion Act of 1962;~~

22 (B) report directly to the President and the Con-
23 gress, and be responsible to the President and the
24 Congress for the administration of trade agreements

1 *programs under this Act, the Trade Expansion Act of*
2 *1962, and section 350 of the Tariff Act of 1930;*

3 (C) advise the President and Congress with respect
4 to nontariff barriers to international trade, international
5 commodity agreements, and other matters which are re-
6 lated to the trade agreements programs;

7 (D) be responsible for making reports to Congress
8 with respect to the matter set forth in subparagraphs
9 (A) and (B);

10 (E) be chairman of the interagency trade organiza-
11 tion established pursuant to section 242 (a) of the Trade
12 Expansion Act of 1962; and

13 (F) be responsible for such other functions as the
14 President may direct.

15 (2) Each Deputy Special Representative for Trade
16 Negotiation shall have as his principal function the conduct
17 of trade negotiations under this Act and shall have such
18 other functions as the Special Representative for Trade
19 Negotiations may direct.

20 (d) The Special Representative for Trade Negotiations
21 may, for the purpose of carrying out his functions under this
22 section—

23 (1) subject to the civil service and classification
24 laws, select, appoint, employ, and fix the compensation

1 of such officers and employees as are necessary and
2 prescribe their authority and duties;

3 (2) employ experts and consultants in accordance
4 with section 3109 of title 5, United States Code, and
5 compensate individuals so employed for each day (in-
6 cluding traveltime) at rates not in excess of the maxi-
7 mum rate of pay for grade GS-18 as provided in section
8 5332 of title 5, United States Code, and while such
9 experts and consultants are so serving away from their
10 homes or regular place of business, to pay such em-
11 ployees travel expenses and per diem in lieu of sub-
12 sistence at rates authorized by section 5703 of title 5,
13 United States Code, for persons in Government service
14 employed intermittently;

15 (3) promulgate such rules and regulations as may
16 be necessary to carry out the functions vested in him;

17 (4) utilize, with their consent, the services, per-
18 sonnel, and facilities of other Federal agencies;

19 (5) enter into and perform such contracts, leases,
20 cooperative agreements, or other transactions as may
21 be necessary in the conduct of the work of the Office
22 and on such terms as the Special Representative for

1 Trade Negotiations may deem appropriate, with any
2 agency or instrumentality of the United States, or with
3 any public or private person, firm, association, corpo-
4 ration, or institution;

5 (6) accept voluntary and uncompensated services,
6 notwithstanding the provisions of section ~~665(b)~~ of
7 title ~~31~~, United States Code *3679(b) of the Revised*
8 *Statutes (31 U.S.C. 665(b))*; and

9 (7) adopt an official seal, which shall be judicially
10 noticed.

11 (e) The Special Representative for Trade Negotiations
12 shall, to the extent he deems it necessary for the proper
13 administration and execution of the trade agreements pro-
14 grams of the United States, draw upon the resources of,
15 and consult with, Federal agencies in connection with the
16 performance of his functions.

17 (f) *There are authorized to be appropriated to the Of-*
18 *fice of Special Representative for Trade Negotiations such*
19 *amounts as may be necessary for the purpose of carrying out*
20 *its functions for fiscal year 1976 and each fiscal year there-*
21 *after any part of which is within the 5-year period begin-*
22 *ning on the date of the enactment of this Act.*

1 (g)(1) *The Office of Special Representative for Trade*
2 *Negotiations established under Executive Order No.*
3 *11075 of January 15, 1963, as amended, is abolished.*

4 (2) *The assets, liabilities, contracts, property, and*
5 *records and unexpended balances of appropriations, au-*
6 *thorizations, allocations, and other funds employed, held,*
7 *used, arising from, or available to such Office are transferred*
8 *to the Office of Special Representative for Trade Negotia-*
9 *tions established under subsection (a) of this section.*

10 ~~(f)~~ (h) (1) Any individual who holds the position of
11 Special Representative for Trade Negotiations or a position as
12 Deputy Special Representative for Trade Negotiations on
13 the day before the date of enactment of this Act and who
14 has been ~~confirmed~~ *appointed* by and with the advice and
15 consent of the Senate may continue to hold such position
16 without regard to the first sentence of paragraph (1) of
17 *subsection (b)*, or the first sentence of paragraph (2) of
18 *subsection (b)*, as the case may be.

19 (2) All personnel who on the day before the date
20 of the enactment of this Act are employed by the Office
21 of the Special Representative for Trade Negotiations estab-
22 lished by Executive Order No. 11075 of January 15, 1963,
23 as amended, are hereby transferred to the Office.

1 **CHAPTER 5—CONGRESSIONAL DISAPPROV-**
2 **AL PROCEDURES WITH RESPECT TO**
3 **PRESIDENTIAL ACTIONS**

4 *SEC. 151. BILLS IMPLEMENTING TRADE AGREEMENTS ON*
5 *NONTARIFF BARRIERS AND RESOLUTIONS*
6 *APPROVING COMMERCIAL AGREEMENTS*
7 *WITH COMMUNIST COUNTRIES.*

8 *(a) RULES OF HOUSE OF REPRESENTATIVES AND*
9 *SENATE.—This section and section 152 are enacted by the*
10 *Congress—*

11 *(1) as an exercise of the rulemaking power of the*
12 *House of Representatives and the Senate, respectively,*
13 *and as such they are deemed a part of the rules of each*
14 *House, respectively, but applicable only with respect to*
15 *the procedure to be followed in that House in the case*
16 *of implementing bills described in subsection (b)(1),*
17 *implementing revenue bills described in subsection (b)*
18 *(2), approval resolutions described in subsection (b)*
19 *(3), and resolutions described in section 152(a); and*
20 *they supersede other rules only to the extent that they are*
21 *inconsistent therewith; and*

22 *(2) with full recognition of the constitutional right*
23 *of either House to change the rules (so far as relating to*

1 *the procedure of that House) at any time, in the same*
2 *manner and to the same extent as in the case of any other*
3 *rule of that House.*

4 (b) *DEFINITIONS.—For purposes of this section—*

5 (1) *The term “implementing bill” means only a*
6 *bill of either House of Congress which is introduced as*
7 *provided in subsection (c) with respect to one or more*
8 *trade agreements submitted to the House of Representa-*
9 *tives and the Senate under section 102 and which con-*
10 *tains—*

11 (A) *a provision approving such trade agree-*
12 *ment or agreements,*

13 (B) *a provision approving the statement of*
14 *administrative action (if any) proposed to imple-*
15 *ment such trade agreement or agreements, and*

16 (C) *if changes in existing laws or new statutory*
17 *authority is required to implement such trade agree-*
18 *ment or agreements, provisions, necessary or appro-*
19 *priate to implement such trade agreement or agree-*
20 *ments, either repealing or amending existing laws*
21 *or providing new statutory authority.*

22 (2) *The term “implementing revenue bill” means an*
23 *implementing bill which contains one or more revenue*
24 *measures by reason of which it must originate in the*
25 *House of Representatives.*

1 (3) The term "approval resolution" means only a
2 concurrent resolution of the two Houses of the Congress,
3 the matter after the resolving clause of which is as fol-
4 lows: "That the Congress approves the extension of non-
5 discriminatory treatment with respect to the products of
6 _____ transmitted by the President to the Congress
7 on _____.", the first blank space being filled with the
8 name of the country involved and the second blank space
9 being filled with the appropriate date.

10 (c) INTRODUCTION AND REFERRAL.—

11 (1) On the day on which a trade agreement is sub-
12 mitted to the House of Representatives and the Senate
13 under section 102, the implementing bill submitted by
14 the President with respect to such trade agreement shall
15 be introduced (by request) in the House by the majority
16 leader of the House, for himself and the minority leader
17 of the House, or by Members of the House designated by
18 the majority leader and minority leader of the House;
19 and shall be introduced (by request) in the Senate by
20 the majority leader of the Senate, for himself and the
21 minority leader of the Senate, or by Members of the Sen-
22 ate designated by the majority leader and minority leader
23 of the Senate. If either House is not in session on the day
24 on which such a trade agreement is submitted, the imple-

1 *menting bill shall be introduced in that House, as pro-*
2 *vided in the preceding sentence, on the first day thereafter*
3 *on which that House is in session. Such bills shall be re-*
4 *ferred by the Presiding Officers of the respective Houses*
5 *to the appropriate committee, or, in the case of a bill con-*
6 *taining provisions within the jurisdiction of two or more*
7 *committees, jointly to such committees for consideration*
8 *of those provisions within their respective jurisdictions.*

9 *(2) On the day on which a bilateral commercial*
10 *agreement, entered into under title IV of this Act after*
11 *the date of the enactment of this Act, is transmitted to the*
12 *House of Representatives and the Senate, an approval*
13 *resolution with respect to such agreement shall be in-*
14 *troduced (by request) in the House by the majority*
15 *leader of the House, for himself and the minority leader*
16 *of the House, or by Members of the House designated by*
17 *the majority leader and minority leader of the House;*
18 *and shall be introduced (by request) in the Senate by the*
19 *majority leader of the Senate, for himself and the minor-*
20 *ity leader of the Senate, or by Members of the Senate*
21 *designated by the majority leader and minority leader*
22 *of the Senate. If either House is not in session on the day*
23 *on which such an agreement is transmitted, the approval*
24 *resolution with respect to such agreement shall be in-*
25 *troduced in that House, as provided in the preceding*

1 *sentence, on the first day thereafter on which that House*
2 *is in session. The approval resolution introduced in the*
3 *House shall be referred to the Committee on Ways and*
4 *Means and the approval resolution introduced in the*
5 *Senate shall be referred to the Committee on Finance.*

6 *(d) AMENDMENTS PROHIBITED.—No amendment to an*
7 *implementing bill or approval resolution shall be in order in*
8 *either the House of Representatives or the Senate; and no*
9 *motion to suspend the application of this subsection shall*
10 *be in order in either House, nor shall it be in order in either*
11 *House for the Presiding Officer to entertain a request to*
12 *suspend the application of this subsection by unanimous*
13 *consent.*

14 *(e) PERIOD FOR COMMITTEE AND FLOOR CONSIDERA-*
15 *TION.—*

16 *(1) Except as provided in paragraph (2), if the*
17 *committee or committees of either House to which an im-*
18 *plementing bill or approval resolution has been re-*
19 *ferred have not reported it at the close of the 45th day*
20 *after its introduction, such committee or committees*
21 *shall be automatically discharged from further con-*
22 *sideration of the bill or resolution and it shall be placed*
23 *on the appropriate calendar. A vote on final passage of*
24 *the bill or resolution shall be taken in each House on or*
25 *before the close of the 15th day after the bill or resolu-*

1 *tion is reported by the committee or committees of that*
2 *House to which it was referred, or after such committee*
3 *or committees have been discharged from further con-*
4 *sideration of the bill or resolution. If prior to the pas-*
5 *sage by one House of an implementing bill or approval*
6 *resolution of that House, that House receives the same*
7 *implementing bill or approval resolution from the other*
8 *House, then—*

9 *(A) the procedure in that House shall be*
10 *the same as if no implementing bill or approval*
11 *resolution had been received from the other House;*
12 *but*

13 *(B) the vote on final passage shall be on the*
14 *implementing bill or approval resolution of the*
15 *other House.*

16 *(2) The provisions of paragraph (1) shall not*
17 *apply in the Senate to an implementing revenue bill.*
18 *An implementing revenue bill received from the House*
19 *shall be referred to the appropriate committee or com-*
20 *mittees of the Senate. If such committee or committees*
21 *have not reported such bill at the close of the 15th day*
22 *after its receipt by the Senate (or, if later, before the close*
23 *of the 45th day after the corresponding implementing*
24 *revenue bill was introduced in the Senate), such com-*
25 *mittee or committees shall be automatically discharged*

1 from further consideration of such bill and it shall be
2 placed on the calendar. A vote on final passage of such
3 bill shall be taken in the Senate on or before the close of
4 the 15th day after such bill is reported by the committee
5 or committees of the Senate to which it was referred, or
6 after such committee or committees have been discharged
7 from further consideration of such bill.

8 (3) For purposes of paragraphs (1) and (2), in
9 computing a number of days in either House, there shall
10 be excluded any day on which that House is not in
11 session.

12 (f) FLOOR CONSIDERATION IN THE HOUSE.—

13 (1) A motion in the House of Representatives to
14 proceed to the consideration of an implementing bill
15 or approval resolution shall be highly privileged and not
16 debatable. An amendment to the motion shall not be in
17 order, nor shall it be in order to move to reconsider the
18 vote by which the motion is agreed to or disagreed to.

19 (2) Debate in the House of Representatives on an
20 implementing bill or approval resolution shall be limited
21 to not more than 20 hours, which shall be divided equally
22 between those favoring and those opposing the bill or
23 resolution. A motion further to limit debate shall not be
24 debatable. It shall not be in order to move to recommit an

1 *implementing bill or approval resolution or to move to*
2 *reconsider the vote by which an implementing bill or*
3 *approval resolution is agreed to or disagreed to.*

4 (3) *Motions to postpone, made in the House of Rep-*
5 *resentatives with respect to the consideration of an*
6 *implementing bill or approval resolution, and motions*
7 *to proceed to the consideration of other business, shall be*
8 *decided without debate.*

9 (4) *All appeals from the decisions of the Chair*
10 *relating to the application of the Rules of the House of*
11 *Representatives to the procedure relating to an imple-*
12 *menting bill or approval resolution shall be decided with-*
13 *out debate.*

14 (5) *Except to the extent specifically provided in*
15 *the preceding provisions of this subsection, considera-*
16 *tion of an implementing bill or approval resolution shall*
17 *be governed by the Rules of the House of Representatives*
18 *applicable to other bills and resolutions in similar cir-*
19 *cumstances.*

20 (g) *FLOOR CONSIDERATION IN THE SENATE.—*

21 (1) *A motion in the Senate to proceed to the con-*
22 *sideration of an implementing bill or approval resolution*
23 *shall be privileged and not debatable. An amendment to*
24 *the motion shall not be in order, nor shall it be in order*

1 to move to reconsider the vote by which the motion is
2 agreed to or disagreed to.

3 (2) Debate in the Senate on an implementing bill
4 or approval resolution, and all debatable motions and
5 appeals in connection therewith, shall be limited to not
6 more than 20 hours. The time shall be equally divided
7 between, and controlled by, the majority leader and the
8 minority leader or their designees.

9 (3) Debate in the Senate on any debatable motion
10 or appeal in connection with an implementing bill or
11 approval resolution shall be limited to not more than
12 1 hour, to be equally divided between, and controlled by,
13 the mover and the manager of the bill, except that in the
14 event the manager of the bill is in favor of any such
15 motion or appeal, the time in opposition thereto, shall be
16 controlled by the minority leader or his designee. Such
17 leaders, or either of them, may, from time under their
18 control on the passage of an implementing bill or ap-
19 proval resolution, allot additional time to any Senator
20 during the consideration of any debatable motion or
21 appeal.

22 (4) A motion in the Senate to further limit debate
23 is not debatable. A motion to recommit an implementing
24 bill or approval resolution is not in order.

1 **SEC. 151. RESOLUTIONS DISAPPROVING THE ENTERING**
2 **INTO FORCE OF TRADE AGREEMENTS ON DIS-**
3 **TORTIONS OF TRADE OR DISAPPROVING CER-**
4 **TAIN OTHER ACTIONS.**

5 **(a) RULES OF HOUSE OF REPRESENTATIVES AND SEN-**
6 **ATE ON SUCH RESOLUTIONS.**—This chapter is enacted by the
7 Congress—

8 **(1)** as an exercise of the rulemaking power of the
9 House of Representatives and the Senate, respectively,
10 and as such they are deemed a part of the rules of each
11 House, respectively, but applicable only with respect
12 to the procedure to be followed in that House in the
13 case of resolutions described in subsection **(b)**; and
14 they supersede other rules only to the extent that they
15 are inconsistent therewith; and

16 **(2)** with full recognition of the constitutional right
17 of either House to change the rules (so far as relating
18 to the procedure of that House) at any time, in the
19 same manner and to the same extent as in the case of
20 any other rule of that House.

21 **(b) TERMS OF RESOLUTION.**—

22 **(1)** For purposes of this section, the term “resolu-
23 tion” means only a resolution of either House of Con-
24 gress, the matter after the resolving clause of which is
25 as follows: “That the _____ does not favor

1 _____ transmitted to Congress by the President
2 on _____”, the first blank space therein being
3 filled with the name of the resolving House, the third
4 blank space therein being appropriately filled with the
5 day and year, and the second blank space therein being
6 filled in accordance with paragraph (2).

7 (2) The second blank space referred to in para-
8 graph (1) shall be filled as follows:

9 (A) in the case of a resolution relating to the
10 entering into force of a trade agreement under sec-
11 tion 102(f), with the phrase “the entering into force
12 of the trade agreement”;

13 (B) in the case of a resolution referred to in
14 section 204(b), with the phrase “the taking effect
15 or the continuation in effect of the proposed action
16 under paragraph (3) or (4) of section 203(b) of
17 the Trade Reform Act of 1973”;

18 (C) in the case of a resolution referred to in
19 section 302(b), with the phrase “the taking effect or
20 the continuation in effect of action under section
21 301 of the Trade Reform Act of 1973”; and

22 (D) in the case of a resolution referred to in
23 section 406(e), with the phrase “the entering into
24 force or the continuing in effect of nondiscriminatory
25 treatment with respect to the products of _____”

1 ~~(with this blank space being filled by the name of~~
 2 ~~the appropriate country).~~

3 ~~(c) REFERENCE OF RESOLUTION TO COMMITTEE.—~~

4 ~~A resolution disapproving the entering into force of a trade~~
 5 ~~agreement under section 102(f) shall be referred to the com-~~
 6 ~~mittee or committees of each House which would have juris-~~
 7 ~~isdiction over proposed legislation relating to matters covered~~
 8 ~~by the proclamation and orders submitted with such agree-~~
 9 ~~ment. A resolution referred to in section 204(b), 302(b),~~
 10 ~~or 406(c) shall be referred to the Committee on Ways~~
 11 ~~and Means of the House of Representatives or to the Com-~~
 12 ~~mittee on Finance of the Senate, as the case may be.~~

13 ~~(d) DISCHARGE OF COMMITTEE CONSIDERING RESO-~~
 14 ~~LUTION.—~~

15 ~~(1) If the committee to which a resolution has~~
 16 ~~been referred has not reported it at the end of 7 cal-~~
 17 ~~endar days after its introduction, it is in order to move~~
 18 ~~either to discharge the committee from further considera-~~
 19 ~~tion of the resolution or to discharge the committee from~~
 20 ~~further consideration of any other resolution with respect~~
 21 ~~to the agreement which has been referred to the com-~~
 22 ~~mittee.~~

23 ~~(2) A motion to discharge may be made only by~~
 24 ~~an individual favoring the resolution, is highly privileged~~
 25 ~~(except that it may not be made after the committee has~~

1 reported as resolution with respect to the same matter);
 2 and debate thereon shall be limited to not more than 1
 3 hour, to be divided equally between those favoring and
 4 those opposing the resolution. An amendment to the
 5 motion is not in order, and it is not in order to move
 6 to reconsider the vote by which the motion is agreed to
 7 or disagreed to.

8 (3) If the motion to discharge is agreed to or dis-
 9 agreed to, the motion may not be renewed, nor may
 10 another motion to discharge the committee be made
 11 with respect to any other resolution with respect to the
 12 same matter.

13 (c) PROCEDURE AFTER REPORT OR DISCHARGE OF
 14 COMMITTEE; DEBATE.—

15 (1) When the committee has reported, or has been
 16 discharged from further consideration of, a resolution,
 17 it is at any time thereafter in order (even though a
 18 previous motion to the same effect has been disagreed
 19 to) to move to proceed to the consideration of the
 20 resolution. The motion is highly privileged and is not
 21 debatable. An amendment to the motion is not in order,
 22 and it is not in order to move to reconsider the vote
 23 by which the motion is agreed to or disagreed to.

24 (2) Debate on the resolution shall be limited to
 25 not more than 10 hours, which shall be divided equally

1 between those favoring and those opposing the resolu-
 2 tion. A motion further to limit debate is not debatable.
 3 An amendment to, or motion to recommit, the resolution
 4 is not in order, and it is not in order to move to
 5 reconsider the vote by which the resolution is agreed to
 6 or disagreed to.

7 (f) DECISIONS WITHOUT DEBATE ON MOTION TO
 8 POSTPONE OR PROCEED.—

9 (1) Motions to postpone, made with respect to the
 10 discharge from committee or the consideration of a
 11 resolution and motions to proceed to the consideration
 12 of other business, shall be decided without debate.

13 (2) Appeals from the decisions of the Chair relat-
 14 ing to the application of the rules of the House of Rep-
 15 resentatives or the Senate, as the case may be, to the
 16 procedure relating to any resolution shall be decided
 17 without debate.

18 SEC. 152. RESOLUTIONS DISAPPROVING CERTAIN ACTIONS.

19 (a) CONTENTS OF RESOLUTIONS.—

20 (1) For purposes of this section, the term “resolu-
 21 tion” means only—

22 (A) a concurrent resolution of the two Houses
 23 of the Congress, the matter after the resolving clause
 24 of which is as follows: “That the Congress does not
 25 approve _____ transmitted to the Congress

1 on _____.”, the first blank space being filled
2 in accordance with paragraph (2) and the second
3 blank space being filled with the appropriate date;
4 and

5 (B) a resolution of either House of the Con-
6 gress, the matter after the resolving clause of which
7 is as follows: “That the _____ does not approve
8 _____ transmitted to the Congress on
9 _____.”, with the first blank space being
10 filled with the name of the resolving House, the sec-
11 ond blank space being filled in accordance with para-
12 graph (3), and the third blank space being filled
13 with the appropriate date.

14 (2) The first blank space referred to in paragraph

15 (1) (A) shall be filled as follows:

16 (A) in the case of a resolution referred to in
17 section 203(c), with the phrase “the action taken
18 by the President under section 203 of the Trade
19 Reform Act of 1974”; and

20 (B) in the case of a resolution referred to in
21 section 302(b), with the phrase “the action taken
22 by the President under section 301 of the Trade
23 Reform Act of 1974”.

24 (3) The second blank space referred to in paragraph

25 (1) (B) shall be filled as follows:

1 (A) in the case of a resolution referred to in
2 section 303(e) of the Tariff Act of 1930, with the
3 phrase "the determination of the Secretary of the
4 Treasury under section 303(d) of the Tariff Act
5 of 1930";

6 (B) in the case of a resolution referred to in
7 section 407(c)(2), with the phrase "the exten-
8 sion of nondiscriminatory treatment with respect to
9 the products of _____" (with this blank space
10 being filled with the name of the country involved);
11 and

12 (C) in the case of a resolution referred to in
13 section 407(c)(3), with the phrase "the report of
14 the President submitted under section _____ of
15 the Trade Reform Act of 1974 with respect to
16 _____" (with the first blank space being filled
17 with "402(b)" or "403(b)", as appropriate, and
18 the second blank space being filled with the name of
19 the country involved).

20 (b) REFERENCE TO COMMITTEES.—All resolutions
21 introduced in the House of Representatives shall be referred
22 to the Committee on Ways and Means and all resolutions
23 introduced in the Senate shall be referred to the Committee
24 on Finance.

25 (c) DISCHARGE OF COMMITTEES.—

1 (1) *If the committee of either House to which a*
2 *resolution has been referred has not reported it at the*
3 *end of 30 days after its introduction, not counting any*
4 *day which is excluded under section 153(b), it is in order*
5 *to move either to discharge the committee from further*
6 *consideration of the resolution or to discharge the com-*
7 *mittee from further consideration of any other resolution*
8 *introduced with respect to the same matter, except no*
9 *motion to discharge shall be in order after the committee*
10 *has reported a resolution with respect to the same matter.*

11 (2) *A motion to discharge under paragraph (1)*
12 *may be made only by an individual favoring the resolu-*
13 *tion, and is highly privileged in the House and privileged*
14 *in the Senate; and debate thereon shall be limited to not*
15 *more than 1 hour, the time to be divided in the House*
16 *equally between those favoring and those opposing the*
17 *resolution, and to be divided in the Senate equally*
18 *between, and controlled by, the majority leader and the*
19 *minority leader or their designees. An amendment to*
20 *the motion is not in order, and it is not in order to*
21 *move to reconsider the vote by which the motion is agreed*
22 *to or disagreed to.*

23 (d) *FLOOR CONSIDERATION IN THE HOUSE.—*

24 (1) *A motion in the House of Representatives to*
25 *proceed to the consideration of a resolution shall be*

1 *highly privileged and not debatable. An amendment to*
2 *the motion shall not be in order, nor shall it be in*
3 *order to move to reconsider the vote by which the motion*
4 *is agreed to or disagreed to.*

5 (2) *Debate in the House of Representatives on a*
6 *resolution shall be limited to not more than 20 hours,*
7 *which shall be divided equally between those favoring*
8 *and those opposing the resolution. A motion further*
9 *to limit debate shall not be debatable. No amendment*
10 *to, or motion to recommit, the resolution shall be in*
11 *order. It shall not be in order to move to reconsider*
12 *the vote by which a resolution is agreed to or disagreed*
13 *to.*

14 (3) *Motions to postpone, made in the House of*
15 *Representatives with respect to the consideration of a*
16 *resolution, and motions to proceed to the consideration*
17 *of other business, shall be decided without debate.*

18 (4) *All appeals from the decisions of the Chair*
19 *relating to the application of the Rules of the House*
20 *of Representatives to the procedure relating to a resolu-*
21 *tion shall be decided without debate.*

22 (5) *Except to the extent specifically provided in the*
23 *preceding provisions of this subsection, consideration of*
24 *a resolution in the House of Representatives shall be gov-*

1 *erned by the Rules of the House of Representatives appli-*
2 *cable to other resolutions in similar circumstances.*

3 *(c) FLOOR CONSIDERATION IN THE SENATE.—*

4 *(1) A motion in the Senate to proceed to the consid-*
5 *eration of a resolution shall be privileged. An amendment*
6 *to the motion shall not be in order, nor shall it be in*
7 *order to move to reconsider the vote by which the motion*
8 *is agreed to or disagreed to.*

9 *(2) Debate in the Senate on a resolution, and all*
10 *debatable motions and appeals in connection therewith,*
11 *shall be limited to not more than 20 hours, to be equally*
12 *divided between, and controlled by, the majority leader*
13 *and the minority leader or their designees.*

14 *(3) Debate in the Senate on any debatable motion*
15 *or appeal in connection with a resolution shall be limited*
16 *to not more than 1 hour, to be equally divided between,*
17 *and controlled by, the mover and the manager of the*
18 *resolution, except that in the event the manager of the*
19 *resolution is in favor of any such motion or appeal, the*
20 *time in opposition thereto, shall be controlled by the mi-*
21 *nority leader or his designee. Such leaders, or either of*
22 *them, may, from time under their control on the passage*
23 *of a resolution, allot additional time to any Senator*
24 *during the consideration of any debatable motion or*
25 *appeal.*

1 (4) *A motion in the Senate to further limit debate*
 2 *on a resolution, debatable motion, or appeal is not de-*
 3 *batable. No amendment to, or motion to recommit, a*
 4 *resolution is in order in the Senate.*

5 (f) *SPECIAL RULE FOR CONCURRENT RESOLUTIONS.—*
 6 *In the case of a resolution described in subsection (a)(1),*
 7 *if prior to the passage by one House of a resolution of that*
 8 *House, that House receives a resolution with respect to the*
 9 *same matter from the other House, then—*

10 (1) *the procedure in that House shall be the same as*
 11 *if no resolution had been received from the other House;*
 12 *but*

13 (2) *the vote on final passage shall be on the resolu-*
 14 *tion of the other House.*

15 **SEC. ~~152~~ 153. SPECIAL RULES RELATING TO CONGRES-**
 16 **SIONAL ~~DISAPPROVAL~~ PROCEDURES.**

17 (a) Whenever, pursuant to section ~~102(f)~~, ~~204(b)~~,
 18 ~~302(b)~~, or ~~406 (a) and (b)~~, ~~102(e)~~, ~~203(b)~~, ~~302(a)~~,
 19 or ~~407 (a) or (b)~~, or section ~~303(e)~~ of the *Tariff Act of*
 20 ~~1930~~, a document is required to be transmitted to the Con-
 21 gress, copies of such document shall be delivered to both
 22 Houses of Congress on the same day and shall be delivered
 23 to the Clerk of the House of Representatives if the House
 24 is not in session and to the Secretary of the Senate if the
 25 Senate is not in session.

1 (b) For purposes of ~~section 102(f)(3), 204(b), 302~~
 2 ~~(b), and 406(e), sections 203(c), 302(b), 407(c)(2), and~~
 3 ~~407(c)(3)~~, the 90-day period referred to in such sections
 4 shall be computed by excluding—

5 (1) the days on which either House is not in ses-
 6 sion because of an adjournment of more than 3 days to a
 7 day certain or an adjournment of the Congress sine die,
 8 and

9 (2) any Saturday and Sunday, not excluded under
 10 paragraph (1), when either House is not in session.

11 CHAPTER 6—CONGRESSIONAL LIAISON

12 AND REPORTS

13 SEC. 161. CONGRESSIONAL DELEGATES TO NEGOTIATIONS.

14 ~~At the beginning of each regular session of the Congress,~~
 15 ~~the President shall, upon the recommendation of the Speaker~~
 16 ~~of the House of Representatives, select five members (not~~
 17 ~~more than three of whom shall be of the same political party)~~
 18 ~~of the Committee on Ways and Means, and shall, upon the~~
 19 ~~recommendation of the President of the Senate, select five~~
 20 ~~members (not more than three of whom shall be of the same~~
 21 ~~political party) of the Committee on Finance, who shall be~~
 22 ~~accredited as official advisers to the United States delegation~~
 23 ~~to international conferences, meetings, and negotiation ses-~~
 24 ~~sions with respect to trade agreements. Any individual so~~
 25 ~~selected may be reselected under this section.~~

1 (a) *At the beginning of each regular session of Congress,*
2 *the Speaker of the House of Representatives, upon the rec-*
3 *ommendation of the chairman of the Committee on Ways and*
4 *Means, shall select five members (not more than three of*
5 *whom are members of the same political party) of such*
6 *committee, and the President pro tempore of the Senate,*
7 *upon the recommendation of the chairman of the Committee*
8 *on Finance, shall select five members (not more than three of*
9 *whom are members of the same political party) of such com-*
10 *mittee, who shall be accredited by the President as official*
11 *advisers to the United States delegations to international con-*
12 *ferences, meetings, and negotiation sessions relating to trade*
13 *agreements.*

14 (b)(1) *The Special Representative for Trade Negotia-*
15 *tion shall keep each official adviser currently informed on*
16 *United States negotiating objectives, the status of negotiations*
17 *in progress, and the nature of any changes in domestic law or*
18 *the administration thereof which may be recommended to Con-*
19 *gress to carry out any trade agreement.*

20 (2) *The chairmen of the Committee on Ways and Means*
21 *and the Committee on Finance may designate members (in*
22 *addition to the official advisors under subsection (a)) and*
23 *staff members of their respective committees who shall have*

1 *access to the information provided to official advisers under*
2 *paragraph (1).*

3 **SEC. 162. TRANSMISSION OF AGREEMENTS TO CONGRESS.**

4 (a) As soon as practicable after a trade agreement
5 entered into under chapter 1 or section ~~124~~ ~~or 125~~ *123* or
6 *124* has entered into force with respect to the United States,
7 the President shall, if he has not previously done so, transmit
8 a copy of such trade agreement to each House of the Con-
9 gress together with a statement, in the light of the advice
10 of the ~~Tariff~~ *International Trade* Commission under section
11 131 (b), if any, and of other relevant considerations, of his
12 reasons for entering into the agreement.

13 (b) The President shall transmit to each Member of
14 the Congress a summary of the information required to be
15 transmitted to each House under subsection (a). For pur-
16 poses of this subsection, the term "Member" includes any
17 Delegate or Resident Commissioner.

18 **SEC. 163. REPORTS.**

19 (a) The President shall submit to the Congress an
20 annual report on the trade agreements program and on import
21 relief and adjustment assistance for ~~workers and firms~~ *work-*
22 *ers, firms, and communities* under this Act. Such report shall
23 include information regarding new negotiations; changes

1 made in duties and nontariff barriers and other distortions of
2 trade of the United States; reciprocal concessions obtained;
3 changes in trade agreements (including the incorporation
4 therein of actions taken for import relief and compensation
5 provided therefor) ; extension or withdrawal of nondiscrimi-
6 natory treatment by the United States with respect to the
7 products of a foreign country; extension, modification, with-
8 drawal, suspension, or limitation of preferential treatment to
9 exports of developing countries; the results of action taken
10 to obtain removal of foreign trade restrictions (including
11 discriminatory restrictions) against United States exports
12 and the removal of foreign practices which discriminate
13 against United States service industries (including trans-
14 portation and tourism) and investment; and the measures
15 being taken to seek the removal of other significant foreign
16 import restrictions; and other information relating to the
17 trade agreements program and to the agreements entered
18 into thereunder. *Such report shall also include information*
19 *regarding the number of applications filed for adjustment*
20 *assistance for workers, firms, and communities, the number of*
21 *such applications which were approved, and the extent to*
22 *which adjustment assistance has been provided under such*
23 *approved applications.*

24 (b) The ~~Tariff~~ *International Trade* Commission shall
25 submit to the Congress, at least once a year, a factual report
26 on the operation of the trade agreements program.

1 **CHAPTER 7—UNITED STATES INTERNATIONAL**
2 **TRADE COMMISSION**

3 **SEC. 171. CHANGE OF NAME OF TARIFF COMMISSION.**

4 *(a) The United States Tariff Commission (established*
5 *by section 330 of the Tariff Act of 1930) is renamed as the*
6 *United States International Trade Commission.*

7 *(b) Any reference in any law of the United States, or in*
8 *any order, rule, regulation, or other document, to the United*
9 *States Tariff Commission (or the Tariff Commission) shall*
10 *be considered to refer to the United States International*
11 *Trade Commission.*

12 **SEC. 172. ORGANIZATION OF THE COMMISSION.**

13 *(a) Subsections (a) and (b) of section 330 of the Tariff*
14 *Act of 1930 (19 U.S.C. 1330) are amended to read as*
15 *follows:*

16 *“(a) MEMBERSHIP.—The United States International*
17 *Trade Commission (referred to in this title as the “Commis-*
18 *sion”)* shall be composed of seven commissioners who shall
19 *be appointed by the President, by and with the advice and*
20 *consent of the Senate. No person shall be eligible for appoint-*
21 *ment as a commissioner unless he is a citizen of the United*
22 *States, and, in the judgment of the President, is possessed of*
23 *qualifications requisite for developing expert knowledge of*
24 *international trade problems and efficiency in administering*
25 *the duties and functions of the Commission. A person who has*

1 served as a commissioner for more than 7 years (excluding
2 service as a commissioner before the date of the enactment
3 of the Trade Reform Act of 1974) shall not be eligible for
4 reappointment as a commissioner. Not more than four of
5 the commissioners shall be members of the same political
6 party, and in making appointments members of different
7 political parties shall be appointed alternately as nearly as
8 may be practicable.

9 “(b) *TERMS OF OFFICE.*—The terms of office of the
10 commissioners holding office on the date of the enactment of
11 the Trade Reform Act of 1974 which (but for this sentence)
12 would expire on June 16, 1975, June 16, 1976, June 16,
13 1977, June 16, 1978, June 16, 1979, and June 16, 1980,
14 shall expire on June 16, 1976, June 16, 1978, June 16,
15 1980, June 16, 1982, June 16, 1984, and June 16, 1986,
16 respectively. The term of office of each commissioner appointed
17 after such date shall expire 14 years from the date of the
18 expiration of the term for which his predecessor was ap-
19 pointed, except that—

20 “(1) the term of the first commissioner appointed
21 by reason of the increase in the number of commissioners
22 to seven shall expire on June 16, 1988; and

23 “(2) any commissioner appointed to fill a vacancy
24 occurring prior to the expiration of the term for which

1 *his predecessor was appointed shall be appointed for the*
2 *remainder of such term."*

3 *(b) Subsection (c) of such section is amended—*

4 *(1) by striking out "The" in the first sentence and*
5 *inserting in lieu thereof "(1) Except as provided in*
6 *paragraph (2), the"; and*

7 *(2) by adding at the end thereof the following new*
8 *paragraph:*

9 *"(2) Effective on June 17, 1976, the commissioner*
10 *whose term is first to expire shall serve as chairman during*
11 *the last 2 years of his term (or, in the case of a commissioner*
12 *appointed to fill a vacancy occurring in the last 2 years of a*
13 *term, during the remainder of his term), and the commis-*
14 *sioner whose term is second to expire shall serve as vice chair-*
15 *man during the same 2-year period (or, in the case of a com-*
16 *missioner appointed to fill a vacancy occurring during the*
17 *last 3d or 4th year of a term, during the remainder of such*
18 *2-year period)."*

19 *(c) (1) Section 5314 of title 5, United States Code, is*
20 *amended by adding at the end thereof the following new*
21 *paragraph:*

22 *"(60) Chairman, United States International Trade*
23 *Commission."*

24 *(2) Section 5315 of such title is amended by striking*

1 out paragraph (24) and inserting in lieu thereof the fol-
2 lowing:

3 “(24) Members, United States International Trade
4 Commission.”

5 (3) Section 5316 of such title is amended by striking out
6 paragraph (93).

7 **SEC. 173. VOTING RECORD OF COMMISSIONERS.**

8 Section 332(g) of the Tariff Act of 1930 (31 U.S.C.
9 1332(g)) is amended—

10 (1) by striking out “and” before “a summary”, and

11 (2) by inserting before the period at the end “, and a
12 list of all votes taken by the commission during the year,
13 showing those commissioners voting in the affirmative and
14 the negative on each vote and those commissioners not
15 voting on each vote and the reasons for not voting”.

16 **SEC. 174. REPRESENTATION IN COURT PROCEEDINGS.**

17 Section 333(c) of the Tariff Act of 1930 (19 U.S.C.
18 1333 (c)) is amended—

19 (1) by striking out “Upon application of the At-
20 torney General of the United States, at” in subsection
21 (c) and inserting in lieu thereof “At”, and

22 (2) by adding at the end thereof the following new
23 subsection:

24 “(g) REPRESENTATION IN COURT PROCEEDINGS.—

25 The Commission shall be represented in all judicial proceed-

1 *ings by attorneys who are employees of the commission or,*
2 *at the request of the commission, by the Attorney General of*
3 *the United States.”*

4 **SEC. 175 INDEPENDENT BUDGET AND AUTHORIZATION**
5 **OF APPROPRIATIONS.**

6 *(a) (1) Effective with respect to the fiscal year beginning*
7 *October 1, 1976, for purposes of the Budget and Accounting*
8 *Act, 1921 (31 U.S.C. 1 et seq.), estimated expenditures*
9 *and proposed appropriations for the United States Interna-*
10 *tional Trade Commission shall be transmitted to the Presi-*
11 *dent on or before October 15 of the year preceding the*
12 *beginning of each fiscal year and shall be included by him*
13 *in the Budget without revision, and the Commission shall*
14 *not be considered to be a department or establishment for*
15 *purposes of such Act.*

16 *(2) Section 3679 of the Revised Statutes (31 U.S.C.*
17 *665) is amended by inserting “the United States Interna-*
18 *tional Trade Commission,” before “, or the District of*
19 *Columbia” each place it appears in subsections (d) and (g).*

20 *(b) Section 330 of the Tariff Act of 1930 (19 U.S.C.*
21 *1330) is amended by adding at the end thereof the following*
22 *new subsection:*

23 *“(e) AUTHORIZATION OF APPROPRIATIONS.—For the*
24 *fiscal year beginning October 1, 1976, and each fiscal year*
25 *thereafter, there are authorized to be appropriated to the*

1 *Commission only such sums as may hereafter be provided by*
2 *law.”.*

3 *(c)(1) Paragraph (2) is enacted as an exercise of the*
4 *rulemaking power of the Senate and with full recognition of*
5 *the constitutional right of the Senate to change its rules at any*
6 *time.*

7 *(2) Paragraph 6(a) of rule XVI of the Standing Rules*
8 *of the Senate is amended by adding at the end of the table*
9 *contained therein the following:*

“Committee on Finance ---- For the International Trade Commission.”.

10 **TITLE II—RELIEF FROM INJURY**
11 **CAUSED BY IMPORT COMPETI-**
12 **TION**

13 **CHAPTER 1—IMPORT RELIEF**

14 **SEC. 201. INVESTIGATION BY ~~TARIFF~~ INTERNATIONAL**
15 **TRADE COMMISSION.**

16 (a) (1) A petition for eligibility for import relief for the
17 purpose of facilitating orderly adjustment to import com-
18 petition may be filed with the ~~Tariff Commission~~ *Internat-*
19 *ional Trade Commission (hereinafter in this chapter re-*
20 *ferred to as the “Commission”)* by an entity, including a
21 trade association, firm, certified or recognized union, or group
22 of workers, which is representative of an industry. The peti-
23 tion shall include a statement describing the specific purposes
24 for which import relief is being sought, which may include

1 such objectives as facilitating the orderly transfer of resources
2 to alternative uses and other means of adjustment to new
3 conditions of competition.

4 (2) Whenever a petition is filed under this subsection,
5 the ~~Tariff~~ Commission shall transmit a copy thereof to the
6 Special Representative for Trade Negotiations and the agen-
7 cies directly concerned.

8 (b) (1) Upon the request of the President or the Spe-
9 cial Representative for Trade Negotiations, upon resolution
10 of either the Committee on Ways and Means of the House of
11 Representatives or the Committee on Finance of the Senate,
12 upon its own motion, or upon the filing of a petition under
13 subsection (a) (1), the ~~Tariff~~ Commission shall promptly
14 make an investigation to determine whether an article is be-
15 ing imported into the United States in such increased quan-
16 tities as to be a substantial cause of serious injury, or the
17 threat thereof, to the domestic industry producing an article
18 like or directly competitive with the imported article.

19 (2) In making its determinations under paragraph (1),
20 the ~~Tariff~~ Commission shall take into account all economic
21 factors which it considers relevant, including (but not limited
22 to) —

23 (A) with respect to serious injury, the significant
24 idling of productive facilities in the industry, the inability
25 of a significant number of firms to operate at a reasonable

1 level of profit, and significant unemployment or under-
2 employment within the industry;

3 (B) with respect to threat of serious injury, a
4 decline in sales, a higher and growing inventory, and
5 a downward trend in production, profits, wages, or
6 employment (or increasing underemployment) in the
7 domestic industry concerned; and

8 (C) with respect to substantial cause, an *absolute*
9 increase in imports ~~(either actual or relative to domestic~~
10 ~~production)~~ and a decline in the proportion of the
11 domestic market supplied by domestic producers.

12 (3) For purposes of paragraph (1), in determining
13 the domestic industry producing an article like or directly
14 competitive with an imported article, the ~~Tariff~~ Commission—

15 (A) may, in the case of a domestic producer which
16 also imports, treat as part of such domestic industry only
17 its domestic production, and

18 (B) may, in the case of a domestic producer which
19 produces more than one article, treat as part of such
20 domestic industry only that portion or subdivision of the
21 producer which produces the like or directly competitive
22 article.

23 (4) For purposes of this section, the term “substantial
24 cause” means a cause which is important and not less than
25 any other cause.

1 (5) In the course of any proceeding under this sub-
2 section, the ~~Tariff~~ Commission shall, for the purpose of
3 assisting the President in making his determinations under
4 sections 202 and 203, investigate and report on efforts made
5 by firms and workers in the industry to compete more
6 effectively with imports.

7 (6) In the course of any proceeding under this sub-
8 section, the ~~Tariff~~ Commission shall investigate any factors
9 which in its judgment may be contributing to increased
10 imports of the article under investigation; and, whenever
11 in the course of its investigation the ~~Tariff~~ Commission
12 has reason to believe that the increased imports are attrib-
13 utable in part to circumstances which come within the pur-
14 view of the Antidumping Act, 1921, section 303 or 337
15 of the Tariff Act of 1930, or other remedial provisions of
16 law, the ~~Tariff~~ Commission shall promptly notify the appro-
17 priate agency so that such action may be taken as is other-
18 wise authorized by such provisions of law.

19 (c) In the course of any proceeding under subsection
20 (b), the ~~Tariff~~ Commission shall, after reasonable notice,
21 hold public hearings and shall afford interested parties an
22 opportunity to be present, to present evidence, and to be
23 heard at such hearings.

24 ~~(d)(1)~~ The ~~Tariff~~ Commission shall report to the
25 President its findings under subsection ~~(b)~~ and the basis

1 therefor and shall include in each report any dissenting or
2 separate views. If the Tariff Commission finds with respect
3 to any article, as a result of its investigation, the serious
4 injury or threat thereof described in subsection (b), it
5 shall find the amount of the increase in, or imposition of, any
6 duty or other import restriction on such article which is
7 necessary to prevent or remedy such injury and shall include
8 such finding in its report to the President. The Tariff Com-
9 mission shall furnish to the President a transcript of the hear-
10 ings and any briefs which may have been submitted in con-
11 nection with each investigation.

12 *(d) (1) The Commission shall report to the President its*
13 *findings under subsection (b), and the basis therefor and*
14 *shall include in each report any dissenting or separate views.*
15 *If the Commission finds with respect to any article, as a result*
16 *of its investigation, the serious injury or threat thereof de-*
17 *scribed in subsection (b), it shall—*

18 *(A) find the amount of the increase in, or imposi-*
19 *tion of, any duty or import restriction on such article*
20 *which is necessary to prevent or remedy such injury, or*

21 *(B) if it determines that adjustment assistance un-*
22 *der chapters 2, 3, and 4 can effectively remedy such*
23 *injury, recommend the provision of such assistance,*
24 *and shall include such findings or recommendation in its*
25 *report to the President. The Commission shall furnish to the*

1 *President a transcript of the hearings and any briefs which*
2 *were submitted in connection with each investigation.*

3 (2) The report of the ~~Tariff~~ Commission of its deter-
4 mination under subsection (b) shall be made at the earliest
5 practicable time, but not later than 6 months after the date
6 on which the petition is filed (or the date on which the re-
7 quest or resolution is received or the motion is adopted, as
8 the case may be). Upon making such report to the Presi-
9 dent, the ~~Tariff~~ Commission shall also promptly make pub-
10 lic such report (with the exception of information which
11 the Commission determines to be confidential) and shall
12 cause a summary thereof to be published in the Federal
13 Register.

14 (e) Except for good cause determined by the ~~Tariff~~
15 Commission to exist, no investigation for the purposes of this
16 section shall be made with respect to the same subject matter
17 as a previous investigation under this section, unless 1 year
18 has elapsed since the ~~Tariff~~ Commission made its report to
19 the President of the results of such previous investigation.

20 (f) (1) Any investigation by the ~~Tariff~~ Commission
21 under section 301 (b) of the Trade Expansion Act of
22 1962 (as in effect before the date of the enactment
23 of this Act) which is in progress immediately before
24 such date of enactment shall be continued under this section
25 in the same manner as if the investigation had been instituted

1 originally under the provisions of this section. For purposes
2 of subsection (d) (2), the petition for any investigation to
3 which the preceding sentence applies shall be treated as
4 having been filed, or the request or resolution as having been
5 received or the motion having been adopted, as the case may
6 be, on the date of the enactment of this Act.

7 (2) If, on the date of the enactment of this Act, the
8 President has not taken any action with respect to any
9 report of the ~~Tariff~~ Commission containing an affirmative
10 determination resulting from an investigation under sec-
11 tion 301 (b) of the Trade Expansion Act of 1962 (as
12 in effect before the date of the enactment of this Act),
13 such report shall be treated by the President as a report
14 received by him under this section on the date of the
15 enactment of this Act.

16 **SEC. 202. PRESIDENTIAL ACTION AFTER INVESTIGATIONS.**

17 ~~(a) After receiving a report from the Tariff Commis-~~
18 ~~sion containing an affirmative finding under section 201(b)~~
19 ~~that increased imports have been a substantial cause of seri-~~
20 ~~ous injury or threat thereof with respect to an industry—~~

21 ~~(1) the President shall evaluate the extent to which~~
22 ~~adjustment assistance has been made available (or can~~
23 ~~be made available) under chapters 2 and 3 to the work-~~
24 ~~ers and firms in such industry, and, after such evaluation,~~
25 ~~may direct the Secretary of Labor and the Secretary of~~

1 Commerce that expeditious consideration be given to
2 petitions for adjustment assistance; and

3 ~~(2) the President may provide import relief for such~~
4 ~~industry pursuant to section 203.~~

5 ~~(b) Within 60 days (30 days in the case of a supple-~~
6 ~~mental report under subsection (d)) after receiving a report~~
7 ~~from the Tariff Commission containing an affirmative finding~~
8 ~~under section 201(b) (or a finding under section 201(b)~~
9 ~~which he may treat as an affirmative finding by reason of~~
10 ~~section 330(d) of the Tariff Act of 1930), the President~~
11 ~~shall make his determination whether to provide import relief~~
12 ~~pursuant to section 203. If the President determines not to~~
13 ~~provide import relief, he shall immediately submit a report~~
14 ~~to the House of Representatives and to the Senate stating~~
15 ~~the considerations on which his decision was based.~~

16 *(a) After receiving a report from the Commission con-*
17 *taining an affirmative finding under section 201(b) that in-*
18 *creased imports have been a substantial cause of serious in-*
19 *jury or the threat thereof with respect to an industry, the*
20 *President—*

21 *(1)(A) shall provide import relief for such industry*
22 *pursuant to section 203, and*

23 *(B) shall evaluate the extent to which adjustment*
24 *assistance has been made available (or can be made avail-*
25 *able) under chapters 2, 3, and 4 of this title to the*

1 *workers and firms in such industry and to the commu-*
2 *nities in which such workers and firms are located, and,*
3 *after such evaluation, may direct the Secretary of Labor*
4 *and the Secretary of Commerce that expeditious consider-*
5 *ation be given to the petitions for adjustment assistance;*
6 *or*

7 *(2) if the Commission, under section 201(d), rec-*
8 *ommends the provision of adjustment assistance, shall*
9 *direct the Secretaries of Labor and Commerce as de-*
10 *scribed in paragraph (1)(B).*

11 *(b) Within 60 days after receiving a report from the*
12 *Commission containing an affirmative finding under section*
13 *201(b) (or a finding under section 201(b) which he con-*
14 *siders to be an affirmative finding, by reason of section 330*
15 *(d) of the Tariff Act of 1930, within such 60-day period),*
16 *the President shall—*

17 *(1) determine what method and amount of import*
18 *relief he will provide, and whether he will direct expedi-*
19 *tious consideration of adjustment assistance petitions, and*
20 *publish in the Federal Register that he has made such*
21 *determination; or*

22 *(2) if such report recommends the provision of*
23 *adjustment assistance, publish in the Federal Register*
24 *his order to the Secretary of Labor and Secretary of*
25 *Commerce for expeditious consideration of petitions.*

1 (c) In determining ~~whether to provide import relief~~
2 *what method and amount of import relief he will provide*
3 pursuant to section 203, the President shall take into
4 account, in addition to such other considerations as he may
5 deem relevant—

6 (1) information and advice from the Secretary of
7 Labor on the extent to which workers in the industry
8 have applied for, are receiving, or are likely to receive
9 adjustment assistance under chapter 2 or benefits from
10 other manpower programs;

11 (2) information and advice from the Secretary of
12 Commerce on the extent to which firms in the industry
13 have applied for, are receiving, or are likely to receive
14 adjustment assistance under ~~chapter 3~~ *chapters 3 and 4*;

15 (3) the probable effectiveness of import relief as a
16 means to promote adjustment, the efforts being made or
17 to be implemented by the industry concerned to adjust to
18 import competition, and other considerations relative to
19 the position of the industry in the Nation's economy;

20 (4) the effect of import relief on consumers (includ-
21 ing the price and availability of the imported article and
22 the like or directly competitive article produced in the
23 United States) and on competition in the domestic mar-
24 kets for such articles;

1 (5) the effect of import relief on the international
2 economic interests of the United States;

3 (6) the impact on United States industries and
4 firms as a consequence of any possible modification of
5 duties or other import restrictions which may result from
6 international obligations with respect to compensation;

7 (7) the geographic concentration of imported prod-
8 ucts marketed in the United States;

9 (8) the extent to which the United States market
10 is the focal point for exports of such article by reason
11 of restraints on exports of such article to, or on imports
12 of such article into, third country markets; and

13 ~~(9) the economic and social costs which would be~~
14 ~~incurred by taxpayers, communities, and workers, if~~
15 ~~import relief were or were not provided.~~

16 *(9) the economic and social costs which will be in-*
17 *curred, and which would be incurred if no such import*
18 *relief were provided, by taxpayers, communities, and*
19 *workers.*

20 (d) The President may, within ~~45~~ 15 days after the
21 date on which he receives an affirmative finding of the
22 ~~Tariff~~ Commission under section 201 (b) with respect to an
23 industry, request additional information from the ~~Tariff~~
24 Commission. The ~~Tariff~~ Commission shall, as soon as prac-
25 ticable but in no event more than 30 days ~~(60 days where~~

1 ~~extensive additional information is requested~~ after the date
2 on which it receives the President's request, furnish addi-
3 tional information with respect to such industry in a sup-
4 plemental report.

5 **SEC. 203. IMPORT RELIEF.**

6 ~~(a)~~ For purposes of applying the provisions of this
7 section, each of the following methods of providing relief
8 from injury caused by imports shall be preferred to the
9 methods listed below it:

10 ~~(1)~~ Increases in, or impositions of, duties.

11 ~~(2)~~ Tariff rate quotas.

12 ~~(3)~~ Quantitative restrictions.

13 ~~(4)~~ Orderly marketing agreements.

14 ~~Nothing in this section shall prevent the use of a combination~~
15 ~~of two or more such methods.~~

16 ~~(b)~~ If the President determines to provide import
17 relief pursuant to this section, he shall, to the extent that and

18 *(a) If the President is required to provide import relief*
19 *under section 202(a)(1), he shall, to the extent that and*
20 *for such time (not to exceed 5 years) as he determines neces-*
21 *sary taking into account the considerations specified in section*
22 *202(c) to prevent or remedy serious injury or the threat*
23 *thereof to the industry in question and to facilitate the or-*
24 *derly adjustment to new competitive conditions by the in-*
25 *dustry in question—*

1 (1) proclaim an increase in, or imposition of, any
2 duty on the article causing or threatening to cause serious
3 injury to such industry;

4 (2) proclaim a tariff-rate quota on such article;

5 (3) proclaim a modification of, or imposition of, any
6 quantitative restriction on the import into the United
7 States of such article;

8 (4) negotiate orderly marketing agreements with
9 foreign countries limiting the export from foreign coun-
10 tries and the import into the United States of such
11 articles; or

12 (5) take any combination of such actions.

13 ~~(c) Whenever the President selects under this section
14 a method or methods of providing relief from injury caused
15 by imports, he shall report to the Congress what action he is
16 taking, and he shall state with respect to each such method
17 the reasons why he selected that method of providing relief
18 from such injury rather than adjustment assistance and rather
19 than each method of import relief which ranks higher in
20 preference.~~

21 ***(b) On the day on which the President proclaims import
22 relief under this section or announces his intention to negotiate
23 one or more orderly marketing agreements, the President shall
24 transmit to Congress a document setting forth the action he
25 is taking under this section. If the action taken by the Presi-***

1 *dent differs from the action recommended to him by the Com-*
2 *mission under section 201(b)(1)(A), he shall state the*
3 *reason for such difference.*

4 *(c)(1) If the President reports under subsection (b)*
5 *that he is taking action which differs from the action recom-*
6 *mended by the Commission under section 201(b)(1)(A), the*
7 *action recommended by the Commission shall take effect (as*
8 *provided in paragraph (2)) upon the adoption by both Houses*
9 *of Congress (within the 90-day period following the date*
10 *on which the document referred to in subsection (b) is trans-*
11 *mitted to the Congress), by an affirmative vote of a majority*
12 *of the Members of each House present and voting, of a con-*
13 *current resolution disapproving the action taken by the Presi-*
14 *dent under section 202(a)(1)(A).*

15 *(2) If the contingency set forth in paragraph (1)*
16 *occurs, the President shall (within 30 days after the adop-*
17 *tion of such resolution) proclaim the increase in, or imposi-*
18 *tion of, any duty or other import restriction on the article*
19 *which was recommended by the Commission under section*
20 *201(b).*

21 *(d) (1) No proclamation pursuant to subsection ~~(b)~~*
22 *(a) or (c) shall be made increasing a rate of duty to (or*
23 *imposing) a rate which is more than 50 percent ad valorem*
24 *above the rate (if any) existing at the time of the procla-*
25 *mation.*

1 (2) Any quantitative restriction proclaimed pursuant
2 to subsection ~~(b)~~ (a) or (c) and any orderly marketing
3 agreement negotiated pursuant to such subsection ~~subsection~~
4 (a) shall permit the importation of a quantity or value of
5 the article which is not less than the quantity or value of such
6 article imported into the United States during the most
7 recent period which the President determines is representa-
8 tive of imports of such article.

9 ~~(c)(1)~~ Any initial proclamation made pursuant to
10 paragraph ~~(1)~~, ~~(2)~~, or ~~(3)~~ of subsection ~~(b)(a)~~ shall be
11 made within 15 days after the import relief determination
12 date. Any initial orderly marketing agreement under para-
13 graph ~~(4)~~ of subsection ~~(b)(a)~~ shall be entered into within
14 180 days after the import relief determination date.

15 (2) If, within 15 days after the import relief deter-
16 mination date, the President announces his intention to
17 negotiate one or more orderly marketing agreements, the
18 taking effect of any initial proclamation referred to in para-
19 graph ~~(1)~~ may be withheld until the entering into effect of
20 an orderly marketing agreement which is entered into on
21 or before the 180th day after the import relief determina-
22 tion date, and the application of any such initial proclama-
23 tion may be suspended while such agreement is in effect.

24 (3) For purposes of this subsection, the term "import
25 relief determination date" means the date of the President's

1 ~~determination under section 202 to provide import relief.~~

2 (e)(1) *Import relief under this section shall be pro-*
3 *claimed and take effect within 15 days after the import relief*
4 *determination date unless the President announces on such*
5 *date his intention to negotiate one or more orderly marketing*
6 *agreements under subsection (a) (4) or (5) in which*
7 *case import relief shall be proclaimed and take effect within*
8 *90 days after the import relief determination date.*

9 (2) *If the President provides import relief under sub-*
10 *section (a) (1), (2), (3), or (5), he may, after such relief*
11 *takes effect, negotiate orderly marketing agreements with*
12 *foreign countries, and may, after such agreements take effect,*
13 *suspend or terminate, in whole or in part, such import relief.*

14 (3) *If the President negotiates an orderly marketing*
15 *agreement under subsection (a) (4) or (5) and such*
16 *agreement does not continue to be effective, he may, consistent*
17 *with the limitations contained in subsection (h), provide*
18 *import relief under subsection (a) (1), (2), (3), or (5).*

19 (4) *For purposes of this subsection, the term "import*
20 *relief determination date" means the date of the President's*
21 *determination under section 202(b) as to what method and*
22 *amount of import relief he will provide.*

23 (f) (1) *For purposes of subsections (a) and ~~(b)~~ (c),*
24 *the suspension of item 806.30 or 807.00 of the Tariff Sched-*

1 ules of the United States with respect to an article shall be
2 treated as an increase in duty.

3 (2) For purposes of subsections (a) and ~~(b)~~ (c), the
4 suspension of the designation of any article as an eligible
5 article for purposes of title V shall be treated as an increase
6 in duty.

7 (3) No proclamation providing for a suspension referred
8 to in paragraph (1) ~~or (2)~~ with respect to any article shall
9 be made under subsection ~~(b)~~ (a) or (c) unless the ~~Tariff~~
10 Commission, in addition to making an affirmative determi-
11 nation with respect to such article under section 201(b),
12 determines in the course of its investigation under section
13 201(b) that the serious injury (or threat thereof) *substan-*
14 *tially caused by imports* to the domestic industry producing
15 a like or directly competitive article results from the appli-
16 cation of item 806.30 or item 807.00; ~~or from the designa-~~
17 ~~tion of the article as an eligible article for purposes of title V;~~
18 ~~as the case may be.~~

19 (4) *No proclamation which provides solely for a sus-*
20 *pension referred to in paragraph (2) with respect to any*
21 *article shall be made under subsection (a) or (c) unless*
22 *the Commission, in addition to making an affirmative de-*
23 *termination with respect to such article under section 201(b),*
24 *determines in the course of its investigation under section*
25 *201(b) that the serious injury (or threat thereof) substan-*

1 tially caused by imports to the domestic industry producing
2 a like or directly competitive article results from the desig-
3 nation of the article as an eligible article for the purposes
4 of title V.

5 ~~(g)~~ No import relief shall be provided pursuant to this
6 section unless due diligence has been exercised in notifying
7 those persons who may be adversely affected by the provid-
8 ing of such relief, and unless the President has provided for
9 a public hearing with respect to the proposal to provide such
10 relief during the course of which interested persons have been
11 given a reasonable opportunity to be present, to produce
12 evidence, and to be heard.

13 ~~(h)~~ (g) (1) The President shall by regulations provide
14 for the efficient and fair administration of any quantitative
15 restriction proclaimed pursuant to subsection ~~(b)(3)~~ (a)
16 (3) or (c).

17 (2) In order to carry out an agreement concluded
18 under subsection ~~(b)(4)~~ (a)(4), (a)(5), or (e)(2), the
19 President is authorized to prescribe regulations governing
20 the entry or withdrawal from warehouse of articles covered
21 by such agreement. In addition, in order to carry out one
22 or more agreements concluded under subsection ~~(b)(4)~~ (a)
23 (4), (a)(5), or (e)(2) among countries accounting for a
24 major part of United States imports of the article covered
25 by such agreements, the President is also authorized to issue

1 regulations governing the entry or withdrawal from ware-
2 house of like articles which are the product of countries
3 not parties to such agreements.

4 (3) Regulations prescribed under this subsection shall,
5 to the extent practicable and consistent with efficient and fair
6 administration, insure against inequitable sharing of imports
7 by a relatively small number of the larger importers.

8 ~~(i)~~(h) (1) Any import relief provided pursuant to this
9 section shall, unless renewed pursuant to paragraph (3),
10 terminate no later than the close of the day which is 5
11 years after the day on which import relief with respect to
12 the article in question first took effect pursuant to this
13 section.

14 (2) To the extent feasible, any import relief provided
15 pursuant to this section for a period of more than 3 years shall
16 be phased down during the period of such relief, with the first
17 reduction of relief taking effect no later than the close of the
18 day which is 3 years after the day on which such relief
19 first took effect.

20 (3) Any import relief provided pursuant to this sec-
21 tion or section 351 or 352 of the Trade Expansion Act of
22 1962 may be extended by the President, at a level of relief
23 no greater than the level in effect immediately before such
24 extension, for one ~~2-year~~ 3-year period if the President deter-
25 mines, after taking into account the advice received from the

1 ~~Tariff~~ Commission under subsection ~~(j)~~(i) (2) and after tak-
2 ing into account the considerations described in section 202
3 (c), that such extension is in the national interest.

4 ~~(4)~~ Any import relief provided pursuant to this sec-
5 tion may be reduced or terminated by the President when he
6 determines, after taking into account the advice received from
7 the ~~Tariff~~ Commission under subsection ~~(2)~~ and after seek-
8 ing advice of the Secretary of Commerce and the Secretary
9 of Labor, that such reduction or termination is in the national
10 interest.

11 ~~(5)~~ (4) For purposes of this subsection and subsection
12 ~~(j)~~ (i), the import relief provided in the case of an orderly
13 marketing agreement shall be the level of relief contemplated
14 by such agreement.

15 ~~(j)~~(i) (1) So long as any import relief provided pursu-
16 ant to this section or section 351 or 352 of the *Trade Ex-*
17 *pansion Act of 1962* remains in effect, the ~~Tariff~~ Commission
18 shall keep under review developments with respect to the
19 industry concerned (including the progress and specific efforts
20 made by the firms in the industry concerned to adjust to im-
21 port competition) and upon request of the President shall
22 make reports to the President concerning such developments.

23 (2) Upon request of the President or upon its own
24 motion, the ~~Tariff~~ Commission shall advise the President of
25 its judgment as to the probable economic effect on the indus-

1 try concerned of the ~~reduction~~ *extension, reduction,* or ter-
2 mination of the import relief provided pursuant to this section.

3 (3) Upon petition on behalf of the industry concerned,
4 filed with the ~~Tariff~~ Commission not earlier than the date
5 which is 9 months, and not later than the date which is
6 6 months, before the date any import relief provided pur-
7 suant to this section *or section 351 or 352 of the Trade Ex-*
8 *pansion Act of 1962* is to terminate by reason of the expira-
9 tion of the initial period therefor, the ~~Tariff~~ Commission
10 shall advise the President of its judgment as to the probable
11 economic effect on such industry of such termination.

12 (4) In advising the President under paragraph (2) or
13 (3) as to the probable economic effect on the industry con-
14 cerned, the ~~Tariff~~ Commission shall take into account all eco-
15 nomic factors which it considers relevant, including the
16 considerations set forth in section 202 (c) and the progress
17 and specific efforts made by the industry concerned to adjust
18 to import competition.

19 (5) Advice by the ~~Tariff~~ Commission under paragraph
20 (2) or (3) shall be given on the basis of an investigation
21 during the course of which the ~~Tariff~~ Commission shall hold a
22 hearing at which interested persons shall be given a reason-
23 able opportunity to be present, to produce evidence, and to
24 be heard.

25 ~~(k)~~ (j) No investigation for the purposes of section 201

1 shall be made with respect to an article which has received
2 import relief under this section unless 2 years have elapsed
3 since the last day on which import relief was provided with
4 respect to such article pursuant to this section.

5 **SEC. 204. PROCEDURE FOR CONGRESSIONAL DISAPPROVAL**
6 **OF QUANTITATIVE RESTRICTIONS AND OR-**
7 **DERLY MARKETING AGREEMENTS.**

8 (a) Whenever the President issues a proclamation pur-
9 suant to section ~~203(b)(3)~~ or enters into an orderly market-
10 ing agreement pursuant to section ~~203(b)(4)~~, he shall
11 promptly transmit to the House of Representatives and to
12 the Senate a copy of such proclamation or agreement to-
13 gether with a copy of the statement required to be made to
14 Congress under section ~~203(c)~~.

15 (b) If, before the close of the 90-day period beginning
16 on the day on which the copy of the proclamation or agree-
17 ment is delivered to the House of Representatives and to the
18 Senate pursuant to subsection (a), either the House of Rep-
19 resentatives or the Senate adopts, by an affirmative vote of
20 a majority of those present and voting in that House, a resolu-
21 tion of disapproval under the procedures set forth in section
22 ~~151~~, then such proclamation or such agreement, as the case
23 may be, shall have no force and effect beginning with the
24 day after the date of the adoption of such resolution of dis-
25 approval.

1 ford such interested persons an opportunity to be present, to
2 produce evidence, and to be heard.

3 **SEC. 222. GROUP ELIGIBILITY REQUIREMENTS.**

4 The Secretary shall certify a group of workers as eligible
5 to apply for adjustment assistance under this chapter if he
6 determines—

7 (1) that a significant number or proportion of the
8 workers in such workers' firm or an appropriate sub-
9 division of the firm have become totally or partially
10 separated, or are threatened to become totally or par-
11 tially separated,

12 (2) that sales or production, or both, of such firm
13 or subdivision have decreased absolutely, and

14 (3) that *absolute* increases of imports of articles like
15 or directly competitive with articles produced by such
16 workers' firm or an appropriate subdivision thereof con-
17 tributed importantly to such total or partial separation,
18 or threat thereof, and to such decline in sales or
19 production.

20 *For purposes of paragraph (3), the term "contributed im-*
21 *portantly" means a cause which is important but not neces-*
22 *sarily more important than any other cause.*

23 **SEC. 223. DETERMINATIONS BY SECRETARY OF LABOR.**

24 (a) As soon as possible after the date on which a pe-
25 tition is filed under section 221, but in any event not later

1 than 60 days after that date, the Secretary shall determine
2 whether the petitioning group meets the requirements of
3 section 222 and shall issue a certification of eligibility to
4 apply for assistance under this chapter covering workers in
5 any group which meets such requirements. Each certifica-
6 tion shall specify the date on which the total or partial
7 separation began or threatened to begin.

8 (b) A certification under this section shall not apply
9 to any worker whose last total or partial separation from the
10 firm or appropriate subdivision of the firm before his applica-
11 tion under section 231 occurred—

12 (1) more than one year before the date of the peti-
13 tion on which such certification was granted, or

14 (2) more than 6 months before the effective date
15 of this chapter.

16 (c) Upon reaching his determination on a petition, the
17 Secretary shall promptly publish a summary of the deter-
18 mination in the Federal Register *together with his reasons*
19 *for making such determination.*

20 (d) Whenever the Secretary determines, with respect
21 to any certification of eligibility of the workers of a firm
22 or subdivision of the firm, that total or partial separations
23 from such firm or subdivision are no longer attributable to
24 the conditions specified in section 222, he shall terminate such
25 certification and promptly have notice of such termination

1 published in the Federal Register *together with his reasons*
 2 *for making such determination.* Such termination shall apply
 3 only with respect to total or partial separations occurring
 4 after the termination date specified by the Secretary.

5 **SEC. 224. STUDY BY SECRETARY OF LABOR WHEN ~~TARIFF~~**
 6 ***INTERNATIONAL TRADE COMMISSION BEGINS***
 7 ***INVESTIGATION; ACTION WHERE THERE IS***
 8 ***AFFIRMATIVE FINDING.***

9 (a) Whenever the ~~Tariff Commission~~ *International*
 10 *Trade Commission* (hereafter referred to in this chapter as
 11 the "*Commission*") begins an investigation under section
 12 201 with respect to an industry, the ~~Tariff~~ Commission shall
 13 immediately notify the Secretary of such investigation, and
 14 the Secretary shall immediately begin a study of—

15 (1) the number of workers in the domestic industry
 16 producing the like or directly competitive article ~~which~~
 17 *who* have been or are likely to be certified as eligible for
 18 adjustment assistance, and

19 (2) the extent to which the adjustment of such
 20 workers to the import competition may be facilitated
 21 through the use of existing programs.

22 (b) The report of the Secretary of the study under sub-
 23 section (a) shall be made to the President not later than
 24 15 days after the day on which the ~~Tariff~~ Commission makes

1 its report under section 201. Upon making ~~its~~ *his* report to
2 the President, the Secretary shall also promptly make it
3 public (with the exception of information which the Sec-
4 retary determines to be confidential) and shall have a sum-
5 mary of it published in the Federal Register.

6 (c) Whenever the ~~Tariff~~ Commission makes an affirma-
7 tive finding under section 201 (b) that increased imports
8 are a substantial cause of serious injury or threat thereof
9 with respect to an industry, the Secretary shall make avail-
10 able, to the extent feasible, full information to the work-
11 ers in such industry about programs which may facilitate
12 the adjustment to import competition of such workers,
13 and he shall provide assistance in the preparation and
14 processing of petitions and applications of such workers for
15 program benefits.

16 **Subchapter B—Program Benefits**

17 **PART I—TRADE READJUSTMENT ALLOWANCES**

18 **SEC. 231. QUALIFYING REQUIREMENTS FOR WORKERS.**

19 Payment of a trade readjustment allowance shall be
20 made to an adversely affected worker covered by a certifica-
21 tion under subchapter A who files an application for such
22 allowance for any week of unemployment which begins after
23 the date specified in such certification pursuant to section 223
24 (a), if the following conditions are met:

1 (1) Such worker's last total or partial separation
2 before his application under this chapter, occurred—

3 (A) on or after the date, as specified in the
4 certification under which he is covered, on which
5 total or partial separation began or threatened to
6 begin in the adversely affected employment, and

7 (B) before the expiration of the 2-year period
8 beginning on the date on which the determination
9 under section 223 was made, and

10 (C) before the termination date (if any) deter-
11 mined pursuant to section 223 (d) ; and

12 (2) Such worker had, in the 52 weeks immediately
13 preceding such total or partial separation, at least 26
14 weeks of employment at wages of \$30 or more a week
15 in adversely affected employment with a single firm or
16 subdivision of a firm, or, if data with respect to weeks of
17 employment are not available, equivalent amounts of
18 employment computed under regulations prescribed by
19 the Secretary.

20 **SEC. 232. WEEKLY AMOUNTS.**

21 (a) Subject to the other provisions of this section, the
22 trade readjustment allowance payable to an adversely af-
23 fected worker for a week of unemployment shall be—

24 ~~(1)(A) in the case of any such week in the first~~

1 26 weeks of such allowances, 70 percent of his average
2 weekly wage (but not in excess of the average weekly
3 manufacturing wage); or

4 ~~(B)~~ in the case of any subsequent week of such
5 allowances, 65 percent of his average weekly wage (but
6 not in excess of the average weekly manufacturing
7 wage); reduced by

8 (1) 70 percent of his average weekly wage (but not
9 in excess of the average weekly manufacturing wage),
10 reduced by

11 (2) 50 percent of the amount of the remuneration
12 for services performed during such week.

13 (b) Any adversely affected worker who is entitled to
14 trade readjustment allowances and who is undergoing train-
15 ing approved by the Secretary, including on-the-job training,
16 shall receive for each week in which he is undergoing any
17 such training, a trade readjustment allowance in an amount
18 (computed for such week) equal to the amount computed
19 under subsection (a) or (if greater) the amount of any
20 weekly allowance for such training to which he would be
21 entitled under any other Federal law for the training of
22 workers, if he applied for such allowance. Such trade re-
23 adjustment allowance shall be paid in lieu of any training
24 allowance to which the worker would be entitled under such
25 other Federal law.

1 (c) The amount of trade readjustment allowance pay-
2 able to an adversely affected worker under subsection (a)
3 for any week shall be reduced by any amount of unemploy-
4 ment insurance which he ~~has received or is seeking~~ *receives,*
5 *or which he would receive if he applied for such insurance,*
6 with respect to such week; but, if the appropriate State or
7 Federal agency finally determines that the worker was not
8 entitled to unemployment insurance with respect to such
9 week, the reduction shall not apply with respect to such
10 week.

11 (d) If unemployment insurance, or a training allow-
12 ance under any Federal law, is paid to an adversely affected
13 worker for any week of unemployment with respect to
14 which he would be entitled (determined without regard
15 to subsection (c) or (e) or to any disqualification under
16 section 236 (c)) to a trade readjustment allowance if he
17 applied for such allowance, each such week shall be de-
18 ducted from the total number of weeks of trade readjust-
19 ment allowance otherwise payable to him under section
20 233 (a) when he applies for a trade readjustment allow-
21 ance and is determined to be entitled to such allowance.
22 If the unemployment insurance or the training allowance
23 paid to such worker for any week of unemployment is less
24 than the amount of the trade readjustment allowance to
25 which he would be entitled if he applied for such allow-

1 ance, he shall receive, when he applies for a trade read-
2 justment allowance and is determined to be entitled to such
3 allowance, a trade readjustment allowance for such week
4 equal to such difference.

5 (e) Whenever, with respect to any week of unem-
6 ployment, the total amount payable to an adversely affected
7 worker as remuneration for services performed during such
8 week, as unemployment insurance, as a training allowance
9 referred to in subsection (d), and as a trade readjustment
10 allowance would exceed—

11 ~~(1) in the case of any such week in the first 26~~
12 ~~weeks of such allowances, 80 percent of his average~~
13 ~~weekly wage (or, if lesser, 130 percent of the average~~
14 ~~weekly manufacturing wage); or~~

15 ~~(2) in the case of any subsequent week of such~~
16 ~~allowances, 75 percent of his average weekly wage (or,~~
17 ~~if lesser, 130 percent of the average weekly manufac-~~
18 ~~turing wage);~~

19 *allowance exceeds 80 percent of his average weekly wage*
20 *(or, if lesser, 130 percent of the average weekly manufac-*
21 *turing wage), then his trade readjustment allowance for*
22 *such week shall be reduced by the amount of such excess.*

23 (f) The amount of any weekly payment to be made
24 under this section which is not a whole dollar amount shall
25 be rounded upward to the next higher whole dollar amount.

1 ~~(g)(1)~~ If unemployment insurance is paid under a
2 State law to an adversely affected worker for a week for
3 which—

4 ~~(A)~~ he receives a trade readjustment allowance,
5 or

6 ~~(B)~~ he makes application for a trade readjust-
7 ment allowance and would be entitled ~~(determined~~
8 without regard to subsection ~~(c)~~ or ~~(e)~~ to receive
9 such allowance,

10 the State agency making such payment shall, unless it has
11 been reimbursed for such payment under Federal law, be
12 reimbursed from funds the authorization contained in pur-
13 suant to section 245(b), to the extent such payment does
14 not exceed the amount of the trade readjustment allowance
15 which such worker would have received, or would have been
16 entitled to receive, as the case may be, if he had not received
17 the State payment. The amount of such reimbursement shall
18 be determined by the Secretary on the basis of reports fur-
19 nished to him by the State agency.

20 ~~(2)~~ In any case in which a State agency is reimbursed
21 under paragraph ~~(1)~~ for payments of unemployment in-
22 surance made to an adversely affected worker, such pay-
23 ments, and the period of unemployment of such worker for
24 which such payments were made, may be disregarded under
25 the State law ~~(and for purposes of applying section 3303~~

1 of the Internal Revenue Code of 1954) in determining
2 whether or not an employer is entitled to a reduced rate of
3 contributions permitted by the State law.

4 **SEC. 233. TIME LIMITATIONS ON TRADE READJUSTMENT**
5 **ALLOWANCES.**

6 (a) Payment of trade readjustment allowances shall
7 not be made to an adversely affected worker for more than
8 52 weeks, except that, in accordance with regulations pre-
9 scribed by the Secretary—

10 (1) such payments may be made for not more than
11 26 additional weeks to an adversely affected worker
12 to assist him to complete training approved by the
13 Secretary, or

14 (2) such payments shall be made for not more than
15 ~~13~~ 26 additional weeks to an adversely affected worker
16 who had reached his 60th birthday on or before the date
17 of total or partial separation.

18 *In no case may an adversely affected worker be paid trade*
19 *readjustment allowances for more than 78 weeks.*

20 ~~(b) Except for a payment made for an additional week~~
21 ~~specified in subsection (a), a trade readjustment allowance~~
22 ~~shall not be paid for a week of unemployment beginning~~
23 ~~more than 2 years after the beginning of the appropriate~~
24 ~~week. A trade readjustment allowance shall not be paid for~~
25 ~~any additional week specified in subsection (a) if such~~

1 week begins more than 3 years after the beginning of the
2 appropriate week. The appropriate week for a totally sepa-
3 rated worker is the week of his most recent total separation.
4 The appropriate week for a partially separated worker is
5 the week in respect of which he first receives a trade read-
6 justment allowance following his most recent partial
7 separation.

8 (b)(1) *Except for a payment made for an additional*
9 *week under subsection (a)(1) or (a)(2), a trade readjust-*
10 *ment allowance may not be paid for a week of unemployment*
11 *beginning more than 2 years after the beginning of the*
12 *appropriate week.*

13 (2) *A trade readjustment allowance may not be paid for*
14 *an additional week specified in subsection (a)(1) if the*
15 *adversely affected worker who would receive such allowance*
16 *did not make a bona fide application to a training program*
17 *approved by the Secretary within 180 days after the end*
18 *of the appropriate week or the date of his first certification*
19 *of eligibility to apply for adjustment assistance issued by the*
20 *Secretary, whichever is later.*

21 (3) *A trade readjustment allowance may not be paid*
22 *for an additional week specified in subsection (a) if such*
23 *additional week begins more than 3 years after the beginning*
24 *of the appropriate week.*

1 (4) *For purposes of this subsection, the appropriate*
2 *week—*

3 (A) *for a totally separated worker is the week of*
4 *his most recent total separation, and*

5 (B) *for a partially separated worker is the first*
6 *week for which he receives a trade readjustment*
7 *allowance following his most recent partial separation.*

8 **SEC. 234. APPLICATION OF STATE LAWS.**

9 Except where inconsistent with the provisions of this
10 chapter and subject to such regulations as the Secretary
11 may prescribe, the availability and disqualification provisions
12 of the State law—

13 (1) under which an adversely affected worker is
14 entitled to unemployment insurance (whether or not he
15 has filed a claim for such insurance), or

16 (2) if he is not so entitled to unemployment insur-
17 ance, of the State in which he was totally or partially
18 separated,

19 shall apply to any such worker who files a claim for trade
20 readjustment allowances. The State law so determined with
21 respect to a separation of a worker shall remain applicable,
22 for purposes of the preceding sentence, with respect to such
23 separation until such worker becomes entitled to unemploy-
24 ment insurance under another State law (whether or not he
25 has filed a claim for such insurance).

1 **PART II—TRAINING AND RELATED SERVICES**2 **SEC. 235. EMPLOYMENT SERVICES.**

3 The Secretary shall make every reasonable effort to
4 secure for adversely affected workers covered by a certifica-
5 tion under subchapter A of this chapter counseling, testing,
6 and placement services, and supportive and other services,
7 provided for under any other Federal law. The Secretary
8 shall, whenever appropriate, procure such services through
9 agreements with cooperating State agencies.

10 **SEC. 236. TRAINING.**

11 (a) If the Secretary determines that there is no suitable
12 employment available for an adversely affected worker
13 covered by a certification under subchapter A of this chapter,
14 but that suitable employment (which may include technical
15 and professional employment) would be available if the
16 worker received appropriate training, he may approve such
17 training. Insofar as possible, the Secretary shall provide or
18 assure the provision of such training ~~through manpower~~
19 ~~programs established by law.~~ *on the job.*

20 (b) The Secretary may, where appropriate, authorize
21 supplemental assistance necessary to defray transportation
22 and subsistence expenses for separate maintenance when
23 training is provided in facilities which are not within com-
24 muting distance of a worker's regular place of residence. The
25 Secretary shall not authorize payments for subsistence ex-

1 ceeding ~~\$5~~ \$15 per day; nor shall he authorize payments for
2 transportation expenses exceeding ~~10~~ 12 cents per mile.

3 (c) Any adversely affected worker who, without good
4 cause, refuses to accept or continue, or fails to make satis-
5 factory progress in, suitable training to which he has been
6 referred by the Secretary shall not thereafter be entitled to
7 payments under this chapter until he enters or resumes the
8 training to which he has been so referred.

9 PART III—JOB SEARCH AND RELOCATION

10 ALLOWANCES

11 SEC. 237. JOB SEARCH ALLOWANCES.

12 (a) Any adversely affected worker covered by a cer-
13 tification under subchapter A of this chapter who has been
14 totally separated may file an application with the Secretary
15 for a job search allowance. Such allowance, if granted, shall
16 provide reimbursement to the worker of 80 percent of the
17 cost of his necessary job search expenses as prescribed by
18 regulations of the Secretary; except that such reimbursement
19 may not exceed \$500 for any worker.

20 (b) A job search allowance may be granted only—

21 (1) to assist an adversely affected worker in secur-
22 ing a job within the United States;

23 (2) where the Secretary determines that such
24 worker cannot reasonably be expected to secure suitable

1 employment in the commuting area in which he resides;
2 and

3 (3) where the worker has filed an application for
4 such allowance with the Secretary no later than 1 year
5 after the date of his last total separation before his ap-
6 plication under this chapter.

7 **SEC. 238. RELOCATION ALLOWANCES.**

8 (a) Any adversely affected worker covered by a certi-
9 fication under subchapter A of this chapter who has been
10 totally separated may file an application with the Secretary
11 for a relocation allowance, subject to the terms and condi-
12 tions of this section.

13 (b) A relocation allowance may be granted only to
14 assist an adversely affected worker in relocating within the
15 United States and only if the Secretary determines that such
16 worker cannot reasonably be expected to secure suitable
17 employment in the commuting area in which he resides and
18 that such worker—

19 (1) has obtained suitable employment affording a
20 reasonable expectation of long-term duration in the area
21 in which he wishes to relocate, or

22 (2) has obtained a bona fide offer of such employ-
23 ment.

1 (c) A relocation allowance shall not be granted to such
2 worker unless—

3 (1) for the week in which the application for such
4 allowance is filed, he is entitled to a trade readjustment
5 allowance (determined without regard to section 232
6 (c) and (e)) or would be so entitled (determined
7 without regard to whether he filed application therefor)
8 but for the fact that he has obtained the employment
9 referred to in subsection (b) (1), and

10 (2) such relocation occurs within a reasonable pe-
11 riod after the filing of such application or (in the case of
12 a worker who has been referred to training by the Secre-
13 tary) within a reasonable period after the conclusion of
14 such training.

15 Under regulations prescribed by the Secretary, a relocation
16 allowance shall not be granted to more than one member of
17 the family with respect to the same relocation.

18 (d) For the purposes of this section, the term “reloca-
19 tion allowance” means—

20 (1) 80 percent of the reasonable and necessary
21 expenses, as specified in regulations prescribed by the
22 Secretary, incurred in transporting a worker and his
23 family, if any, and household effects, and

24 (2) a lump sum equivalent to three times the

1 worker's average weekly wage, up to a maximum
2 payment of \$500.

3 **Subchapter C—General Provisions**

4 **SEC. 239. AGREEMENTS WITH STATES.**

5 (a) The Secretary is authorized on behalf of the United
6 States to enter into an agreement with any State, or with
7 any State agency (referred to in this subchapter as “co-
8 operating States” and “cooperating State agencies” re-
9 spectively). Under such an agreement, the cooperating State
10 agency (1) as agent of the United States, will receive
11 applications for, and will provide, payments on the basis
12 provided in this chapter, (2) where appropriate, will afford
13 adversely affected workers who apply for payments under
14 this chapter testing, counseling, referral to training, and
15 placement services, and (3) will otherwise cooperate with
16 the Secretary and with other State and Federal agencies in
17 providing payments and services under this chapter.

18 (b) Each agreement under this subchapter shall pro-
19 vide the terms and conditions upon which the agreement
20 may be amended, suspended, or terminated.

21 (c) Each agreement under this subchapter shall provide
22 that unemployment insurance otherwise payable to any ad-
23 versely affected worker will not be denied or reduced for any
24 week by reason of any right to payments under this chapter.

1 (d) A determination by a cooperating State agency
2 with respect to entitlement to ~~payments~~ *program benefits*
3 under an agreement is subject to review in the same manner
4 and to the same extent as determinations under the appli-
5 cable State law and only in that manner and to that extent.

6 (e) *Section 3302(c) of the Internal Revenue Code of*
7 *1954 (relating to credits against Federal unemployment tax)*
8 *is amended by inserting after paragraph (3) the following*
9 *new paragraph:*

10 “(4) *If the Secretary of Labor determines that a*
11 *State, or State agency, has not—*

12 “(A) *entered into the agreement described in*
13 *section 239 of the Trade Reform Act of 1974,*
14 *with the Secretary of Labor before July 1, 1975, or*

15 “(B) *fulfilled its commitments under an agree-*
16 *ment with the Secretary of Labor as described in*
17 *section 239 of the Trade Reform Act of 1974,*

18 *then, in the case of a taxpayer subject to the unemploy-*
19 *ment compensation law of such State, the total credits*
20 *(after applying subsections (a) and (b) and paragraphs*
21 *(1), (2), and (3) of this section) otherwise allowable*
22 *under this section for a year during which such State*
23 *or agency does not enter into or fulfill such an agreement*
24 *shall be reduced by 15 percent of the tax imposed with*

1 *respect to wages paid by such taxpayer during such year*
2 *which are attributable to such State.”.*

3 **SEC. 240. ADMINISTRATION ABSENT STATE AGREEMENT.**

4 (a) In any State where there is no agreement in force
5 between a State or its agency under section 239, the Sec-
6 retary shall arrange under regulations prescribed by him for
7 performance of all necessary functions under subchapter B
8 of this chapter, including provision for a fair hearing for any
9 worker whose application for payments is denied.

10 (b) A final determination under subsection (a) with
11 respect to entitlement to ~~payments~~ *program benefits* under
12 subchapter B of this chapter is subject to review by the courts
13 in the same manner and to the same extent as is provided
14 by section 205 (g) of the Social Security Act (42 U.S.C.
15 sec. 405 (g)).

16 **SEC. 241. PAYMENTS TO STATES.**

17 (a) The Secretary shall from time to time certify to
18 the Secretary of the Treasury for payment to each cooperat-
19 ing State the sums necessary to enable such State as agent
20 of the United States to make payments provided for by this
21 chapter. The Secretary of the Treasury, prior to audit or
22 settlement by the General Accounting Office, shall make
23 payment to the State from the Adjustment Assistance Trust
24 Fund established in section 245 in accordance with such

1 certification. Sums reimbursable to a State pursuant to
2 section 232(g) shall be credited to the account of such
3 State in the Unemployment Trust Fund and shall be used
4 only for the payment of cash benefits to individuals with
5 respect to their unemployment, exclusive of expenses of
6 administration.

7 (b) All money paid a State under this section shall be
8 used solely for the purposes for which it is paid; and money
9 so paid which is not used for such purposes shall be returned,
10 at the time specified in the agreement under this subchapter,
11 to the Secretary of the Treasury and credited to the Adjust-
12 ment Assistance *Trust Fund*.

13 (c) Any agreement under this subchapter may require
14 any officer or employee of the State certifying payments or
15 disbursing funds under the agreement or otherwise partici-
16 pating in the performance of the agreement, to give a surety
17 bond to the United States in such amount as the Secretary
18 may deem necessary, and may provide for the payment of
19 the cost of such bond from funds for carrying out the pur-
20 poses of this chapter.

21 **SEC. 242. LIABILITIES OF CERTIFYING AND DISBURSING**
22 **OFFICERS.**

23 (a) No person designated by the Secretary, or desig-
24 nated pursuant to an agreement under this subchapter, as a
25 certifying officer, shall, in the absence of gross negligence or

1 intent to defraud the United States, be liable with respect to
2 any payment certified by him under this chapter.

3 (b) No disbursing officer shall, in the absence of gross
4 negligence or intent to defraud the United States, be liable
5 with respect to any payment by him under this chapter if
6 it was based upon a voucher signed by a certifying officer
7 designated as provided in subsection (a).

8 **SEC. 243. RECOVERY OF OVERPAYMENTS.**

9 (a) If a cooperating State agency or the Secretary, or
10 a court of competent jurisdiction finds that any person—

11 (1) has made or has caused to be made by another,
12 a false statement or representation of a material fact
13 knowing it to be false, or has knowingly failed or caused
14 another to fail to disclose a material fact; and

15 (2) as a result of such action has received any pay-
16 ment under this chapter to which he was not entitled,
17 such person shall be liable to repay such amount to the State
18 agency or the Secretary as the case may be, or either may
19 recover such amount by deductions from any sums payable
20 to such person under this chapter. Any such finding by a
21 State agency or the Secretary may be made only after an
22 opportunity for a fair hearing.

23 (b) Any amount repaid to a State agency under this
24 section shall be deposited into the fund from which payment
25 was made. Any amount repaid to the Secretary under this

1 section shall be returned to the Secretary of the Treasury and
2 credited to the Adjustment Assistance Trust Fund.

3 **SEC. 244. PENALTIES.**

4 Whoever makes a false statement of a material fact know-
5 ing it to be false, or knowingly fails to disclose a material
6 fact, for the purpose of obtaining or increasing for himself
7 or for any other person any payment authorized to be fur-
8 nished under this chapter or pursuant to an agreement under
9 section 239 shall be fined not more than \$1,000 or im-
10 prisoned for not more than one year, or both.

11 **SEC. 245. CREATION OF TRUST FUND; AUTHORIZATION OF**
12 **APPROPRIATIONS OUT OF CUSTOMS RECEIPTS.**

13 (a) There is hereby established on the books of the
14 Treasury of the United States a trust fund to be known as
15 the "Adjustment Assistance Trust Fund" (referred to in this
16 section as the "Trust Fund"). The Trust Fund shall consist
17 of such amounts as may be deposited in it pursuant to the
18 authorization contained in subsection (b). Amounts in the
19 Trust Fund may be used only to carry out the provisions
20 of this chapter (including administrative costs). The Secre-
21 tary of the Treasury shall be the trustee of the Trust Fund
22 and shall report to the Congress not later than March 1 of
23 each year on the operation and status of the Trust Fund
24 during the preceding fiscal year.

25 (b) (1) There is *are* hereby authorized to be appropri-

1 ated to the Trust Fund, out of amounts in the general fund of
2 the Treasury attributable to the collections of customs duties
3 not otherwise appropriated, for each fiscal year ending after
4 the date of the enactment of this Act, such sums as may be
5 necessary to carry out the provisions of this chapter (includ-
6 ing administrative costs).

7 *(2) There are authorized to be appropriated to the Trust*
8 *Fund, for purposes of training (including administrative*
9 *costs) under section 236, \$50,000,000 for fiscal year 1975*
10 *and such sums as may be necessary for the 5 succeeding*
11 *fiscal years.*

12 **SEC. 246. TRANSITIONAL PROVISIONS.**

13 (a) Where a group of workers has been certified as
14 eligible to apply for adjustment assistance under section
15 302 (b) (2) or (c) of the Trade Expansion Act of 1962, any
16 worker who has not had an application for trade readjust-
17 ment allowances under section 322 of that Act ~~approved or~~
18 denied before the effective date of this chapter may apply
19 under section 231 of this Act as if the group certification
20 under which he claims coverage had been made under sub-
21 chapter A of this chapter.

22 (b) In any case where a group of workers or their
23 certified or recognized union or other duly authorized repre-
24 sentative has filed a petition under section 301 (a) (2) of

1 the Trade Expansion Act of 1962, more than 4 months
2 before the effective date of this chapter and—

3 (1) the ~~Tariff~~ Commission has not rejected such
4 petition before the effective date of this chapter, and

5 (2) the President or his delegate has not issued a
6 certification under section 302 (c) of that Act to the
7 petitioning group before the effective date of this
8 chapter,

9 such group or representative thereof may file a new petition
10 under section 221 of this Act, not later than 90 days after
11 the effective date of this chapter. For purposes of section
12 223 (b) (1), the date on which such group or representa-
13 tive filed the petition under the Trade Expansion Act of 1962
14 shall apply. Section 223 (b) (2) shall not apply to workers
15 covered by a certification issued pursuant to a petition meet-
16 ing the requirements of this subsection.

17 (c) A group of workers may file a petition under sec-
18 tion 221 covering weeks of unemployment (as defined in
19 the Trade Expansion Act of 1962) beginning before the
20 effective date of this chapter, or covering such weeks and
21 also weeks of unemployment beginning on or after the ef-
22 fective date of this chapter.

23 (d) Any worker receiving payments pursuant to this
24 section shall be entitled—

25 (1) for weeks of unemployment (as defined in the

1 Trade Expansion Act of 1962) beginning before the
2 effective date of this chapter, to the rights and privileges
3 provided in chapter 3 of title III of such Act, and

4 ~~(2) for weeks of unemployment beginning on or~~
5 ~~after the effective date of this chapter, to the rights and~~
6 ~~privileges provided in this chapter.~~

7 *(2) for weeks of unemployment beginning on or*
8 *after the effective date of this chapter, to the rights and*
9 *privileges provided in this chapter, except that the total*
10 *number of weeks of unemployment, as defined in the*
11 *Trade Expansion Act of 1962, for which trade readjust-*
12 *ment allowances were payable under that Act shall be*
13 *deducted from the total number of weeks of unemploy-*
14 *ment for which an adversely affected worker is eligible*
15 *for trade readjustment allowances under this chapter.*

16 (e) The ~~Tariff~~ Commission shall make available to the
17 Secretary on request data it has acquired in investigations
18 under section 301 of the Trade Expansion Act of 1962 con-
19 cluded within the 2-year period ending on the effective date
20 of this chapter which did not result in Presidential action
21 under section 302 (a) (3) or 302 (c) of that Act.

22 **SEC. 247. DEFINITIONS.**

23 For purposes of this chapter—

24 (1) The term “adversely affected employment”
25 means employment in a firm or appropriate subdivision

1 of a firm, if workers of such firm or subdivision are eligi-
2 ble to apply for adjustment assistance under this chapter.

3 (2) The term "adversely affected worker" means
4 an individual who, because of lack of work in adversely
5 affected employment—

6 (A) has been totally or partially separated
7 from such employment, or

8 (B) has been totally separated from employ-
9 ment with the firm in a subdivision of which such
10 adversely affected employment exists.

11 (3) The term "average weekly manufacturing
12 wage" means the national gross average weekly earn-
13 ings of production workers in manufacturing industries
14 for the latest calendar year (as officially published an-
15 nually by the Bureau of Labor Statistics of the Depart-
16 ment of Labor) most recently published before the pe-
17 riod for which the assistance under this chapter is fur-
18 nished.

19 (4) The term "average weekly wage" means one-
20 thirteenth of the total wages paid to an individual in the
21 high quarter. For purposes of this computation, the high
22 quarter shall be that quarter in which the individual's
23 total wages were highest among the first 4 of the last 5
24 completed calendar quarters immediately before the quar-
25 ter in which occurs the week with respect to which the

1 computation is made. Such week shall be the week in
2 which total separation occurred, or, in cases where
3 partial separation is claimed, an appropriate week, as
4 defined in regulations prescribed by the Secretary.

5 (5) The term "average weekly hours" means the
6 average hours worked by the individual (excluding
7 overtime) in the employment from which he has been
8 or claims to have been separated in the 52 weeks
9 (excluding weeks during which the individual was sick
10 or on vacation) preceding the week specified in the last
11 sentence of paragraph (4).

12 (6) The term "partial separation" means, with
13 respect to an individual who has not been totally sepa-
14 rated, that he has had—

15 (A) his hours of work reduced to 80 percent
16 or less of his average weekly hours in adversely
17 affected employment, and

18 (B) his wages reduced to 80 percent or less
19 ~~(75 percent in the case of any week after the first~~
20 ~~26 weeks in which he is eligible to receive a trade~~
21 ~~readjustment allowance)~~ of his average weekly
22 wage in such adversely affected employment.

23 (7) The term "remuneration" means wages and
24 net earnings derived from services performed as a self-
25 employed individual.

1 (8) The term "State" includes the District of Co-
2 lumbia and the Commonwealth of Puerto Rico; and the
3 term "United States" when used in the geographical
4 sense includes such Commonwealth.

5 (9) The term "State agency" means the agency
6 of the State which administers the State law.

7 (10) The term "State law" means the unemploy-
8 ment insurance law of the State approved by the Secre-
9 tary of Labor under section 3304 of the Internal Reve-
10 nue Code of 1954.

11 (11) The term "total separation" means the layoff
12 or severance of an individual from employment with a
13 firm in which, or in a subdivision of which, adversely
14 affected employment exists.

15 (12) The term "unemployment insurance" means
16 the unemployment insurance payable to an individual
17 under any State law or Federal unemployment insur-
18 ance law, including chapter 85 of title 5, United States
19 Code, and the Railroad Unemployment Insurance Act.

20 (13) The term "week" means a week as defined in
21 the applicable State law.

22 (14) The term "week of unemployment" means
23 with respect to an individual any week for which his re-
24 muneration for services performed during such week is
25 less than 80 percent ~~(75 percent in the case of any week~~

1 after the first 26 weeks in which he is eligible to receive
2 a trade readjustment allowance) of his average weekly
3 wage and in which, because of lack of work—

4 (A) if he has been totally separated, he worked
5 less than the full-time week (excluding overtime) in
6 his current occupation, or

7 (B) if he has been partially separated, he
8 worked 80 percent or less of his average weekly
9 hours.

10 **SEC. 248. REGULATIONS.**

11 The Secretary shall prescribe such regulations as may
12 be necessary to carry out the provisions of this chapter.

13 **SEC. 249. SUBPENA POWER.**

14 (a) *The Secretary may require by subpoena the attend-*
15 *ance of witnesses and the production of evidence necessary for*
16 *him to make a determination under the provisions of this*
17 *chapter.*

18 (b) *If a person refuses to obey a subpoena issued under*
19 *subsection (a), a United States district court within the juris-*
20 *isdiction of which the relevant proceeding under this chapter is*
21 *conducted may, upon petition by the Secretary, issue an order*
22 *requiring compliance with such subpoena.*

23 **SEC. 250. JUDICIAL REVIEW.**

24 (a) *A worker or group of workers, or an authorized*
25 *representative of such worker or group, aggrieved by a final*

1 *determination by the Secretary under the provisions of sec-*
2 *tion 223 may, within 60 days after notice of such determi-*
3 *nation, file a petition for review of such determination with*
4 *the United States court of appeals for the circuit in which*
5 *such worker or group is located or in the United States*
6 *Court of Appeals for the District of Columbia Circuit. The*
7 *clerk of such court shall send a copy of such petition to the*
8 *Secretary. Upon receiving such petition, the Secretary shall*
9 *promptly certify and file in such court the record on which*
10 *he based such determination.*

11 *(b) The findings of fact by the Secretary, if supported*
12 *by substantial evidence, shall be conclusive; but the court, for*
13 *good cause shown, may remand the case to the Secretary to*
14 *take further evidence, and the Secretary may thereupon make*
15 *new or modified findings of fact and may modify his previous*
16 *action, and shall certify to the court the record of the further*
17 *proceedings. Such new or modified findings of fact shall like-*
18 *wise be conclusive if supported by substantial evidence.*

19 *(c) The court shall have jurisdiction to affirm the action*
20 *of the Secretary or to set it aside, in whole or in part. The*
21 *judgment of the court shall be subject to review by the Supreme*
22 *Court of the United States upon certiorari or certification as*
23 *provided in section 1254 of title 28, United States Code.*

1 **SEC. 249. EFFECTIVE DATE.**

2 This chapter (other than section 250) shall become ef-
3 fective on the 90th day following the date of the enactment
4 of this Act.

5 **SEC. 250. COORDINATION.**

6 There is hereby established the Adjustment Assistance
7 Coordinating Committee to consist of a Deputy Special Trade
8 Representative as Chairman, and the officials charged with
9 adjustment assistance responsibilities of the Departments of
10 Labor and Commerce and the Small Business Administra-
11 tion. It shall be the function of the Committee to coordinate
12 the adjustment assistance policies and programs of the
13 various agencies involved and to promote the efficient and
14 effective delivery of adjustment assistance benefits.

15 **CHAPTER 3—ADJUSTMENT ASSISTANCE**
16 **FOR FIRMS**

17 **SEC. 251. PETITIONS AND DETERMINATIONS.**

18 (a) A petition for a certification of eligibility to apply
19 for adjustment assistance under this chapter may be filed
20 with the Secretary of Commerce (hereinafter in this chapter
21 referred to as the "Secretary") by a firm or its representa-
22 tive. Upon receipt of the petition, the Secretary shall

1 promptly publish notice in the Federal Register that he has
2 received the petition and initiated an investigation.

3 (b) If the petitioner, or any other person, organization,
4 or group found by the Secretary to have a substantial interest
5 in the proceedings, submits not later than 10 days after the
6 date of the Secretary's publication under subsection (a) a
7 request for a hearing, the Secretary shall provide for a public
8 hearing and afford such interested persons an opportunity
9 to be present, to produce evidence, and to be heard.

10 (c) The Secretary shall certify a firm as eligible to
11 apply for adjustment assistance under this chapter if he
12 determines—

13 (1) that a significant number or proportion of the
14 workers in such firm have become totally or partially
15 separated, or are threatened to become totally or par-
16 tially separated,

17 (2) that sales or production, or both, of such firm
18 have decreased absolutely, and

19 (3) that *absolute* increases of imports of articles
20 like or directly competitive with articles produced by
21 such firm contributed importantly to such total or partial
22 ~~separation~~ *separation, or threat thereof*, and to such
23 decline in sales or production.

24 *For purposes of paragraph (3), the term "contributed im-*

1 *portantly*” means a cause which is important but not neces-
2 *sarily more important than any other cause.*

3 (d) A determination shall be made by the Secretary as
4 soon as possible after the date on which the petition is filed
5 under this section, but in any event not later than 60 days
6 after that date.

7 **SEC. 252. APPROVAL OF ADJUSTMENT PROPOSALS.**

8 (a) A firm certified under section 251 as eligible to
9 apply for adjustment assistance may, at any time within 2
10 years after the date of such certification, file an application
11 with the Secretary for adjustment assistance under this
12 chapter. Such application shall include a proposal for the
13 economic adjustment of such firm.

14 (b) (1) Adjustment assistance under this chapter con-
15 sists of technical assistance and financial assistance, which
16 may be furnished singly or in combination. The Secretary
17 shall approve a firm’s application for adjustment assistance
18 only if he determines—

19 ~~(1)~~ (A) that the firm has no reasonable access to
20 financing through the private capital market, and

21 ~~(2)~~ (B) that the firm’s adjustment proposal—

22 ~~(A)~~ (i) is reasonably calculated materially to
23 contribute to the economic adjustment of the firm,

1 ~~(B)~~ (ii) gives adequate consideration to the
2 interests of the workers of such firm, and

3 ~~(C)~~ (iii) demonstrates that the firm will make
4 all reasonable efforts to use its own resources for
5 economic development.

6 (2) *The Secretary shall make a determination as soon*
7 *as possible after the date on which an application is filed*
8 *under this section, but in no event later than 60 days after*
9 *such date.*

10 (c) In order to assist a firm which has been certified
11 as eligible to apply for adjustment assistance under this chap-
12 ter in preparing a viable adjustment proposal, the Secretary
13 may furnish technical assistance to such firm.

14 (d) Whenever the Secretary determines that any firm
15 no longer requires assistance under this chapter, he shall
16 terminate the certification of eligibility of such firm and
17 promptly have notice of such termination published in the
18 Federal Register. Such termination shall take effect on the
19 termination date specified by the Secretary.

20 **SEC. 253. TECHNICAL ASSISTANCE.**

21 (a) The technical assistance furnished under this chap-
22 ter shall consist of—

23 (1) assistance to the firm in developing a pro-
24 posal for its economic adjustment,

1 (2) assistance in the implementation of such a
2 proposal, or

3 (3) both.

4 (b) The Secretary may provide to a firm certified under
5 section 251, on such terms and conditions as he determines
6 to be appropriate, such technical assistance as in his judgment
7 will carry out the purposes of this chapter with respect to
8 such firm.

9 (c) The Secretary shall furnish technical assistance
10 nder this chapter through existing agencies and through
11 private individuals, firms, and institutions. In the case of
12 assistance furnished through private individuals, firms, and
13 institutions (including private consulting services), the Sec-
14 retary may share the cost thereof (but not more than 75
15 percent of such cost may be borne by the United States).

16 **SEC. 254. FINANCIAL ASSISTANCE.**

17 (a) The Secretary may provide to a firm, on such
18 terms and conditions as he determines to be appropriate,
19 such financial assistance in the form of direct loans or guar-
20 antees of loans as in his judgment will materially contribute
21 to the economic adjustment of the firm. The assumption
22 of an outstanding indebtedness of the firm, with or without
23 recourse, shall be considered to be the making of a loan for
24 purposes of this section.

1 (b) Loans or guarantees of loans shall be made under
2 this chapter only for the purpose of making funds available
3 to the firm—

4 (1) for acquisition, construction, installation, mod-
5 ernization, development, conversion, or expansion of
6 land, plant, buildings, equipment, facilities, or machin-
7 ery, or

8 (2) to supply such working capital as may be nec-
9 essary to enable the firm to implement its adjustment
10 proposal.

11 (c) To the extent that loan funds can be obtained from
12 private sources (with or without a guarantee) at the rate
13 provided in the first sentence of section 255 (b), no direct
14 loan shall be provided to a firm under this chapter.

15 **SEC. 255. CONDITIONS FOR FINANCIAL ASSISTANCE.**

16 (a) No financial assistance shall be provided under this
17 chapter unless the Secretary determines—

18 (1) that the funds required are not available from
19 the firm's own resources; and

20 (2) that there is reasonable assurance of repay-
21 ment of the loan.

22 ~~(b) In the case of guaranteed loans, the guaranteed~~
23 ~~portion of the loan shall not bear interest at a rate higher~~
24 ~~than the maximum rate permissible in the case of loans to~~
25 ~~small businesses which are guaranteed by the Small Busi-~~

1 ness Administration. The rate of interest on direct loans
2 shall be the prevailing rate authorized for loans to small
3 businesses by the Small Business Administration.

4 **(b)** *The rate of interest on loans which are guaranteed*
5 *under this chapter shall be no higher than the maximum*
6 *interest per annum that a participating financial institution*
7 *may establish on guaranteed loans made pursuant to section*
8 *7(a) of the Small Business Act (15 U.S.C. 636(a)). The*
9 *rate of interest on direct loans made under this chapter shall*
10 *be (i) a rate determined by the Secretary of the Treasury*
11 *taking into consideration the current average market yield*
12 *on outstanding marketable obligations of the United States*
13 *with remaining periods to maturity that are comparable to*
14 *the average maturities of such loans, adjusted to the nearest*
15 *one-eighth of 1 percent, plus (ii) an amount adequate in the*
16 *judgment of the Secretary to cover administrative costs and*
17 *probable losses under the program.*

18 **(c)** The Secretary shall make no loan or guarantee of a
19 loan having a maturity in excess of 25 years, including re-
20 newals and extensions. Such limitation on maturities shall
21 not, however, apply—

22 **(1)** to securities or obligations received by the
23 Secretary as claimant in bankruptcy or equitable reor-
24 ganization, or as creditor in other proceedings attendant
25 upon insolvency of the obligor, or

1 (2) to an extension or renewal for an additional
2 period not exceeding 10 years, if the Secretary deter-
3 mines that such extension or renewal is reasonably
4 necessary for the orderly liquidation of the loan.

5 (d) In making guarantees of loans, and in making
6 direct loans, the Secretary shall give priority to firms which
7 are small businesses within the meaning of the Small Busi-
8 ness Act (and regulations promulgated thereunder).

9 (e) No loan shall be guaranteed by the Secretary in an
10 amount which exceeds 90 percent of ~~that portion of the~~
11 ~~loan made for purposes specified in section 254(b)~~ *the*
12 *balance of the loan outstanding.*

13 (f) The Secretary shall maintain operating reserves
14 with respect to anticipated claims under guarantees made
15 under this chapter. Such reserves shall be considered to con-
16 stitute obligations for purposes of section 1311 of the Supple-
17 mental Appropriation Act, 1955 (31 U.S.C. 200).

18 (g) *The Secretary may charge a fee to a lender which*
19 *makes a loan guaranteed under this chapter in such amount*
20 *as is necessary to cover the cost of administration of such*
21 *guarantee.*

22 ~~(g)~~(h) (1) The aggregate amount of loans made to any
23 firm which are guaranteed under this chapter and which are
24 outstanding at any time shall not exceed \$3,000,000.

25 (2) The aggregate amount of direct loans made to any

1 firm under this chapter which are outstanding at any time
2 shall not exceed \$1,000,000.

3 **SEC. 256. DELEGATION OF FUNCTIONS TO SMALL BUSI-**
4 **NESS ADMINISTRATION; AUTHORIZATION OF**
5 **APPROPRIATIONS.**

6 ~~(a) In the case of any firm which is a small business~~
7 ~~(within the meaning of the Small Business Act and regula-~~
8 ~~tions promulgated thereunder), the Secretary may delegate~~
9 ~~all or any part of his functions under this chapter (other than~~
10 ~~the functions under section 251 with respect to the certifica-~~
11 ~~tion of eligibility) to the Administrator of the Small Business~~
12 ~~Administration.~~

13 *(a) In the case of any firm which is small (within the*
14 *meaning of the Small Business Act and regulations promul-*
15 *gated thereunder), the Secretary may delegate all of his*
16 *functions under this chapter (other than the functions under*
17 *sections 251 and 252(d) with respect to the certification*
18 *of eligibility and section 264) to the Administrator of the*
19 *Small Business Administration.*

20 (b) There are hereby authorized to be appropriated to
21 the Secretary such sums as may be necessary from time to
22 time to carry out his functions under this chapter in con-
23 nection with furnishing adjustment assistance to firms, which
24 sums are authorized to be appropriated to remain available
25 until expended.

1 (c) *The unexpended balances of appropriations author-*
2 *ized by section 312(d) of the Trade Expansion Act of 1962*
3 *are transferred to the Secretary to carry out his functions*
4 *under this chapter.*

5 **SEC. 257. ADMINISTRATION OF FINANCIAL ASSISTANCE.**

6 (a) In making and administering guarantees and loans
7 under section 254, the Secretary may—

8 (1) require security for any such guarantee or
9 loan, and enforce, waive, or subordinate such security;

10 (2) assign or sell at public or private sale, or other-
11 wise dispose of, upon such terms and conditions and for
12 such consideration as he shall determine to be reason-
13 able, any evidence of debt, contract, claim, personal
14 property, or security assigned to or held by him in
15 connection with such guarantees or loans, and collect,
16 compromise, and obtain deficiency judgments with re-
17 spect to all obligations assigned to or held by him in
18 connection with such guarantees or loans until such time
19 as such obligations may be referred to the Attorney Gen-
20 eral for suit or collection;

21 (3) renovate, improve, modernize, complete, insure,
22 rent, sell, or otherwise deal with, upon such terms and
23 conditions and for such consideration as he shall deter-
24 mine to be reasonable, any real or personal property con-

1 veyed to or otherwise acquired by him in connection
2 with such guarantees or loans;

3 (4) acquire, hold, transfer, release, or convey any
4 real or personal property or any interest therein when-
5 ever deemed necessary or appropriate, and execute all
6 legal documents for such purposes; and

7 (5) exercise all such other powers and take all such
8 other acts as may be necessary or incidental to the carry-
9 ing out of functions pursuant to section 254.

10 (b) Any mortgage acquired as security under subsection
11 (a) shall be recorded under applicable State law.

12 (c) *All repayments of loans, payments of interest, and*
13 *other receipts arising out of transactions entered into by the*
14 *Secretary pursuant to this chapter, shall be available for*
15 *financing functions performed under this chapter, including*
16 *administrative expenses in connection with such functions.*

17 **SEC. 258. PROTECTIVE PROVISIONS.**

18 (a) Each recipient of adjustment assistance under this
19 chapter shall keep records which fully disclose the amount
20 and disposition by such recipient of the proceeds, if any, of
21 such adjustment assistance, and which will facilitate an effec-
22 tive audit. The recipient shall also keep such other records as
23 the Secretary may prescribe.

24 (b) The Secretary and the Comptroller General of

1 the United States shall have access for the purpose of audit
2 and examination to any books, documents, papers, and
3 records of the recipient pertaining to adjustment assistance
4 under this chapter.

5 (c) No adjustment assistance under this chapter shall
6 be extended to any firm unless the owners, partners, or
7 officers certify to the Secretary—

8 (1) the names of any attorneys, agents, and other
9 persons engaged by or on behalf of the firm for the
10 purpose of expediting applications for such adjustment
11 assistance; and

12 (2) the fees paid or to be paid to any such person.

13 (d) No financial assistance shall be provided to any
14 firm under this chapter unless the owners, partners, or of-
15 ficers shall execute an agreement binding them and the firm
16 for a period of 2 years after such financial assistance is pro-
17 vided, to refrain from employing, tendering any office or
18 employment to, or retaining for professional services any
19 person who, on the date such assistance or any part thereof
20 was provided, or within 1 year prior thereto, shall have
21 served as an officer, attorney, agent, or employee occupying
22 a position or engaging in activities which the Secretary
23 shall have determined involve discretion with respect to the
24 provision of such financial assistance.

1 **SEC. 259. PENALTIES.**

2 Whoever makes a false statement of a material fact
3 knowing it to be false, or knowingly fails to disclose a mate-
4 rial fact, or whoever willfully overvalues any security, for
5 the purpose of influencing in any way ~~the action of the~~
6 ~~Secretary~~ *a determination* under this chapter, or for the pur-
7 pose of obtaining money, property, or anything of value under
8 this chapter, shall be fined not more than \$5,000 or im-
9 prisoned for not more than 2 years, or both.

10 **SEC. 260. SUITS.**

11 In providing technical and financial assistance under
12 this chapter the Secretary may sue and be sued in any court
13 of record of a State having general jurisdiction or in any
14 United States district court, and jurisdiction is conferred upon
15 such district court to determine such controversies without
16 regard to the amount in controversy; but no attachment, in-
17 junction, garnishment, or other similar process, mesne or
18 final, shall be issued against him or his property. Nothing in
19 this section shall be construed to except the activities pur-
20 suant to sections 253 and 254 from the application of sec-
21 tions 516, 547, and 2679 of title 28 of the United States
22 Code.

23 **SEC. 261. DEFINITIONS.**

24 For purposes of this chapter, the term "firm" includes
25 an individual proprietorship, partnership, joint venture, asso-

1 ciation, corporation (including a development corpora-
2 tion), business trust, cooperative, trustee in bankruptcy, and
3 receiver under decree of any court. A firm, together with any
4 predecessor or successor firm, or any affiliated firm controlled
5 or substantially beneficially owned by substantially the same
6 persons, may be considered a single firm where necessary
7 to prevent unjustifiable benefits.

8 **SEC. 262. REGULATIONS.**

9 The Secretary shall prescribe such regulations as may
10 be necessary to carry out the provisions of this chapter.

11 **SEC. 263. TRANSITIONAL PROVISIONS.**

12 (a) In any case where a firm or its representative has
13 filed a petition with the ~~Tariff~~ *International Trade Commis-*
14 *sion (hereafter in this chapter referred to as the "Commis-*
15 *sion")* under section 301 (a) (2) of the Trade Expansion Act
16 of 1962, and the ~~Tariff~~ Commission has not made its deter-
17 mination under section 301 (c) of that Act before the date
18 of the enactment of this Act, such firm may reapply under
19 the provisions of section 251 of this Act. In order to assist
20 the Secretary in making his determination under such section
21 251 with respect to such firm, the ~~Tariff~~ Commission shall
22 make available to the Secretary, on request, data it has
23 acquired with respect to its investigation.

24 (b) If, on the date of the enactment of this Act, the
25 President (or his delegate) has not taken action under sec-

1 tion 302 (c) of the Trade Expansion Act of 1962 with
 2 respect to a report of the ~~Tariff~~ Commission containing an
 3 affirmative finding under section 301 (c) of that Act or a
 4 report with respect to which an equal number of Commis-
 5 sioners are evenly divided, the Secretary may treat such
 6 report as a certification of eligibility made under section 251
 7 of this Act on the date of the enactment of this Act.

8 (c) Any certification of eligibility of a firm under
 9 section 302 (c) of the Trade Expansion Act of 1962 made
 10 before the date of the enactment of this Act shall be treated
 11 as a certification of eligibility made under section 251 of
 12 this Act on the date of the enactment of this Act; except
 13 that any firm whose adjustment proposal was certified under
 14 section 311 of the Trade Expansion Act of 1962 before the
 15 date of the enactment of this Act may receive adjustment
 16 assistance at the level set forth in such certified proposal.

17 **SEC. 264. STUDY BY SECRETARY OF COMMERCE WHEN**
 18 **~~TARIFF~~ INTERNATIONAL TRADE COMMISSION**
 19 **BEGINS INVESTIGATION; ACTION WHERE**
 20 **THERE IS AFFIRMATIVE FINDING.**

21 (a) Whenever the ~~Tariff~~ Commission begins an investi-
 22 gation under section 201 with respect to an industry, the
 23 ~~Tariff~~ Commission shall immediately notify the Secretary of
 24 such investigation, and the Secretary shall immediately begin
 25 a study of—

1 (1) the number of firms in the domestic industry
2 producing the like or directly competitive article which
3 have been or are likely to be certified as eligible for
4 adjustment assistance, and

5 (2) the extent to which the orderly adjustment of
6 such firms to the import competition may be facilitated
7 through the use of existing programs.

8 (b) The report of the Secretary of the study under sub-
9 section (a) shall be made to the President not later than
10 15 days after the day on which the ~~Tariff~~ Commission makes
11 its report under section 201. Upon making its report to the
12 President, the Secretary shall also promptly make it public
13 (with the exception of information which the Secretary de-
14 termines to be confidential) and shall have a summary of
15 it published in the Federal Register.

16 (c) Whenever the ~~Tariff~~ Commission makes an affir-
17 mative finding under section 201 (b) that increased imports
18 are a substantial cause of serious injury or threat thereof with
19 respect to an industry, the Secretary shall make available,
20 to the extent feasible, full information to the firms in such
21 industry about programs which may facilitate the orderly
22 adjustment to import competition of such firms, and he shall
23 provide assistance in the preparation and processing of pe-
24 titions and applications of such firms for program benefits.

1 **CHAPTER 4—ADJUSTMENT ASSISTANCE**
2 **FOR COMMUNITIES**

3 **SEC. 271. PETITIONS AND DETERMINATIONS.**

4 *(a) A petition for certification of eligibility for adjust-*
5 *ment assistance under this chapter may be filed with the Sec-*
6 *retary of Commerce (hereinafter in this chapter referred to*
7 *as the “Secretary”) by a political subdivision of a State*
8 *(hereinafter in this chapter referred to as a “community”),*
9 *by a group of such communities, or by the Governor of a*
10 *State on behalf of such communities. Upon receipt of the pe-*
11 *tition, the Secretary shall promptly publish notice in the*
12 *Federal Register that he has received the petition and initiated*
13 *an investigation.*

14 *(b) If the petitioner, or any other person found by the*
15 *Secretary to have a substantial interest in the proceedings,*
16 *submits not later than 10 days after the Secretary’s publica-*
17 *tion of notice under subsection (a) a request for a hearing*
18 *the Secretary shall provide for a public hearing and afford*
19 *such interested persons an opportunity to be present, to pro-*
20 *duce evidence, and to be heard.*

21 *(c) The Secretary shall certify a community as eligible*
22 *for adjustment assistance under this chapter if he deter-*
23 *mines—*

24 *(1) that a significant number or proportion of the*

1 *workers in the trade impacted area in which such com-*
2 *munity is located have become totally or partially sepa-*
3 *rated, or are threatened to become totally or partially*
4 *separated,*

5 *(2) that sales or production, or both, of firms, or*
6 *subdivisions of firms, located in the trade impacted area*
7 *specified in paragraph (1) have decreased absolutely,*
8 *and*

9 *(3) that absolute increases of imports of articles like*
10 *or directly competitive with articles produced by firms, or*
11 *subdivisions of firms, located in the trade impacted area*
12 *specified in paragraph (1) or that the transfer of firms*
13 *or subdivisions of firms located in such area to foreign*
14 *countries have contributed importantly to the total or*
15 *partial separations, or threats thereof, described in para-*
16 *graph (1) and to the decline in sales or production*
17 *described in paragraph (2).*

18 *For purposes of paragraph (3), the term "contributed*
19 *importantly" means a cause which is important but not neces-*
20 *sarily more important than any other cause.*

21 *(d) As soon as possible after the date on which a petition*
22 *is filed under this section, but in any event not later than 60*
23 *days after that date, the Secretary shall determine whether the*
24 *petitioning community, or group of communities, meets the*
25 *requirements of subsection (c) and shall issue a certification*

1 of eligibility for assistance under this chapter covering any
2 community located in the same trade impacted area in which
3 the petitioner is located which meets such requirements.

4 (e) The Secretary, after consulting the Secretary of
5 Labor, shall establish the size and boundaries of each trade
6 impacted area, considering the criteria in subsection (c) and,
7 to the extent they are relevant, the factors specified as criteria
8 for redevelopment areas under section 401 of the Public
9 Works and Economic Development Act of 1965.

10 (f) If the Secretary determines that a community re-
11 quires no additional assistance under this chapter, he shall
12 terminate the certification of eligibility of such community and
13 promptly have notice of such termination published in the
14 Federal Register. Such termination shall take effect on the
15 termination date specified by the Secretary.

16 **SEC. 272. TRADE IMPACTED AREA COUNCILS.**

17 (a) Within 60 days after a community is certified under
18 section 271, the Secretary shall send his representatives to
19 the trade impacted area in which such community is located
20 to inform officials of communities and other residents of such
21 area about benefits available to them under this Act and to
22 assist such officials and residents in establishing a Trade
23 Impacted Area Council for Adjustment Assistance (herein-
24 after in this chapter referred to as the "Council") for such
25 area.

1 **(b)(1)** *The Secretary shall establish, subject to the last*
2 *sentence of this paragraph, a Council for each trade impacted*
3 *area in which one or more communities are certified under*
4 *section 271. Such Council shall—*

5 **(A)** *develop a proposal for an adjustment assistance*
6 *plan for the economic rejuvenation of certified communi-*
7 *ties in its trade impacted area, and*

8 **(B)** *coordinate community action under the adjust-*
9 *ment assistance plan, as approved by the Secretary.*

10 *If an appropriate entity for purposes of performing the*
11 *functions specified in subparagraphs (A) and (B) already*
12 *exists in such area, then the Secretary may designate such*
13 *entity as the Council for such area.*

14 **(2)** *Such Council shall include representatives of certi-*
15 *fied communities, industry, labor, and the general public*
16 *located in the trade impacted area covered by the Council.*

17 **(c)** *Upon application by a Council established under sub-*
18 *section (b), the Secretary is authorized to make grants to*
19 *such Council for maintaining an appropriate professional*
20 *and clerical staff. No grant shall be made to a Council to*
21 *maintain staff after the period which ends 2 years after the*
22 *date on which such Council is established or designated.*

23 **(d)** *A Council established under this section may file an*
24 *application with the Secretary for adjustment assistance*
25 *under this chapter. Such application shall include the*

1 *Council's proposal for an adjustment assistance plan for the*
2 *communities in its trade impacted area.*

3 **SEC. 273. PROGRAM BENEFITS.**

4 *(a) Adjustment assistance under this chapter consists*
5 *of—*

6 *(1) all forms of assistance, other than loan guaran-*
7 *tees, which are provided to a redevelopment area under*
8 *the Public Works and Economic Development Act of*
9 *1965, and*

10 *(2) the loan guarantee program described in sub-*
11 *section (d).*

12 *(b) No adjustment assistance may be extended to any*
13 *community or person in a trade impacted area under this*
14 *chapter unless the Secretary approves the adjustment assist-*
15 *ance plan submitted to him under section 272(d).*

16 *(c) For purposes of the Public Works and Economic*
17 *Development Act of 1965—*

18 *(1) a trade impacted area for which an adjustment*
19 *assistance plan has been approved under section 272(d)*
20 *shall be treated as a redevelopment area, except that—*

21 *(A) no loan guarantees may be made to any*
22 *person under such Act; and*

23 *(B) no loan or grant may be made to any re-*

1 *ipient in such an area after September 30, 1980,*
2 *and*

3 *(2) approval of an adjustment assistance plan sub-*
4 *mitted under section 272(d) shall be treated as approval*
5 *of an overall economic development program under sec-*
6 *tion 202(b)(10) of such Act.*

7 *(d) The Secretary is authorized to guarantee loans*
8 *for working capital made to private borrowers by private*
9 *lending institutions in connection with projects in trade im-*
10 *pacted areas subject to the same terms and conditions to*
11 *which loan guarantees are subject under section 202 of the*
12 *Public Works and Economic Development Act of 1965,*
13 *including record and audit requirements and penalties, except*
14 *that—*

15 *(1) no loan guarantee may be made unless the joint*
16 *liability requirement described in subsection (e) is met,*

17 *(2) no loan guarantee may be made to a corporation*
18 *unless the empolyee stock ownership requirement de-*
19 *scribed in subsection (f) is met,*

20 *(3) no new loan guarantee may be made under this*
21 *subsection after September 30, 1980,*

22 *(4) a loan guarantee may be made for the entire*
23 *amount of the outstanding unpaid balance of such loan,*
24 *and*

25 *(5) no more than 20 percent of the amount of loan*

1 *guarantees made under this subsection may be made in*
2 *one State.*

3 *(e)(1) No loan guarantee may be made under subsec-*
4 *tion (d) unless—*

5 *(A) the Governor of the State,*

6 *(B) the authorized representative of the community,*

7 *or*

8 *(C) the Governor of the State and the authorized*
9 *representative of the community*

10 *in which the applicant for such guarantee is located signs a*
11 *commitment to the Secretary pledging such portion of—*

12 *(i) the State government entitlement for one entitle-*
13 *ment period under section 107 of the State and Local*
14 *Fiscal Assistance Act of 1972 (31 U.S.C. 1226) (here-*
15 *inafter referred to in this subsection as the “1972 Act”),*

16 *(ii) the local government entitlement for one entitle-*
17 *ment period under section 108 of the 1972 Act (31*
18 *U.S.C. 1227), or*

19 *(iii) the State government and local government*
20 *entitlements for one entitlement period under sections 107*
21 *and 108 of the 1972 Act, allocated between the State and*
22 *local government entitlements in the manner such govern-*
23 *ments agree upon,*

24 *as is equal to one-half the amount of any liability which arises*
25 *on such loan guarantee.*

1 (2) *The total amount of all portions of entitlement under*
2 *the 1972 Act which a State or community may pledge for*
3 *loan guarantees under paragraph (1) which are outstanding*
4 *during any entitlement period may not exceed the amount to*
5 *which such State or community was entitled under such Act*
6 *during the previous entitlement period, unless the previous*
7 *entitlement period was 6 months long, in which case the total*
8 *amount of all such portions outstanding may not exceed twice*
9 *the amount to which such State or community was entitled*
10 *under such Act during such previous entitlement period.*

11 (3) *The requirement set forth in paragraph (1) shall*
12 *be considered to have been met if the State in which the appli-*
13 *cant for such guarantee is located has established by law a*
14 *program, which is approved by the Secretary for purposes of*
15 *this section, to pay one-half the amount of any liability which*
16 *arises on a loan guarantee made under subsection (d).*

17 (4) *Section 107 of the 1972 Act (relating to State*
18 *government entitlement) is amended by adding at the end*
19 *thereof the following new subsection:*

20 “(c) *REDUCTION IN ENTITLEMENT TO COVER LIA-*
21 *BILITY ON CERTAIN LOAN GUARANTEES.—*

22 “(1) *GENERAL RULE.—The entitlement of a State*
23 *government for an entitlement period beginning after*
24 *June 30, 1976, shall be reduced by an amount which is*
25 *equal to one-half the amount, if any, of the liability*

1 *which arose during the preceding entitlement period*
2 *on each community readjustment assistance loan guar-*
3 *antee for which the Governor of such State signed a com-*
4 *mitment to the Secretary of Commerce under section 273*
5 *of the Trade Reform Act of 1974. If the Governor*
6 *signed such a commitment jointly with the authorized*
7 *representative of a local government, then such State*
8 *government entitlement shall be reduced by the proportion*
9 *of one-half the amount of such liability which is specified*
10 *in such joint commitment. For purposes of subsection (b)*
11 *(1)(A), the amount of any reduction in the entitlement*
12 *of a State government under this subsection for an*
13 *entitlement period shall, for subsequent entitlement*
14 *periods, be treated as an amount transferred by the*
15 *State government (out of its own sources) during such*
16 *period to units of local government in such State.*

17 “(2) *REDUCTION IN ENTITLEMENT.*—*As soon as*
18 *is practical, the Secretary of Commerce shall notify the*
19 *Secretary as to the amount of liability which arises on*
20 *any loan guarantee for which the Governor of a State*
21 *signed a commitment under section 273 of the Trade*
22 *Reform Act of 1974. The Secretary shall—*

23 “(A) *determine the amount of reduction which*
24 *paragraph (1) requires in the entitlement of such*

1 *State government for the appropriate entitlement*
 2 *period,*

3 *“(B) shall notify the Governor of such State of*
 4 *such determination, and*

5 *“(C) shall withhold from subsequent payments*
 6 *to such State government under this subchapter an*
 7 *amount equal to such reduction.*

8 *“(3) TRANSFER TO GENERAL FUND.—An amount*
 9 *equal to the reduction in entitlement of any State govern-*
 10 *ment which results from the application of this subsec-*
 11 *tion (after any judicial review under section 143 of this*
 12 *title) shall be transferred from the Trust Fund to the*
 13 *general fund of the Treasury on the day on which such*
 14 *reduction becomes final.”*

15 *(4) Section 108(b)(7) (relating to local government*
 16 *entitlement) is amended by adding at the end thereof the fol-*
 17 *lowing new subparagraph:*

18 *“(D) REDUCTION IN ENTITLEMENT TO COVER*
 19 *LIABILITY ON CERTAIN LOAN GUARANTEES.—*

20 *“(i) The entitlement of a local government under*
 21 *subsection (b) for an entitlement period beginning*
 22 *after June 30, 1976, shall be reduced by an amount*
 23 *which is equal to one-half the amount, if any, of the*
 24 *liability which arose during the preceding entitlement*
 25 *period on each community readjustment assistance*

1 *loan guarantee for which the authorized representa-*
2 *tive of such local government signed a commitment*
3 *to the Secretary of Commerce under section 273 of*
4 *the Trade Reform Act of 1974. If the authorized*
5 *representative signed such a commitment jointly with*
6 *the Governor of the State, such local government*
7 *entitlement shall be reduced by the proportion of one-*
8 *half the amount of such liability which is specified in*
9 *such joint commitment.*

10 *“(ii) As soon as is practical, the Secretary of*
11 *Commerce shall notify the Secretary as to the amount*
12 *of liability which arises on any loan guarantee for*
13 *which the authorized representative of a local gov-*
14 *ernment sign a commitment under section 273 of the*
15 *Trade Reform Act of 1974. The Secretary shall de-*
16 *termine the amount of reduction which clause (i) re-*
17 *quires in the entitlement of such local government for*
18 *the appropriate entitlement period, notify such local*
19 *government of such determination, and withhold*
20 *from subsequent payments to such local government*
21 *under this subchapter an amount equal to such*
22 *reduction.*

23 *“(iii) An amount equal to the reduction in en-*
24 *titlement of any local government which results from*
25 *the application of this subparagraph (after any*

1 *judicial review under section 143 of this title) shall*
2 *be transferred from the Trust Fund to the general*
3 *fund of the Treasury on the day on which such*
4 *reduction becomes final.”.*

5 (5) *Section 143(a) of such Act is amended by—*

6 (A) *striking out “Any State” and inserting in lieu*
7 *thereof “Any State or unit of local government”, and*

8 (B) *inserting immediately after “107(b)” the fol-*
9 *lowing: “or (c) or section 108(b)”.*

10 (f) (1) *A loan to a corporation (hereinafter referred to*
11 *as the “recipient corporation”) may not be guaranteed under*
12 *subsection (d) unless—*

13 (A) *25 percent of the principal amount of the loan*
14 *is paid by the lender to a qualified trust established under*
15 *an employee stock ownership plan established and main-*
16 *tained by the recipient corporation, by a parent or sub-*
17 *sidary of such corporation, or by several corporations*
18 *including the recipient corporation,*

19 (B) *the employee stock ownership plan meets the*
20 *requirements of this subsection, and*

21 (C) *the agreement among the recipient corporation,*
22 *the lender, and the qualified trust relating to the loan*
23 *meets the requirements of this section.*

24 (2) *An employee stock ownership plan does not meet the*

1 requirements of this section unless the governing instrument
2 of the plan provides that—

3 (A) the amount of the loan paid under paragraph
4 (1)(A) to the qualified trust will be used to purchase
5 qualified employer securities,

6 (B) the qualified trust will repay to the lender the
7 amount of such loan, together with the interest thereon,
8 out of amounts contributed to the trust by the recipient
9 corporation, and

10 (C) from time to time, as the qualified trust repays
11 such amount, the trust will allocate qualified employer
12 securities among the individual accounts of participants
13 and their beneficiaries in accordance with the provisions
14 of paragraph (4).

15 (3) The agreement among the recipient corporation, the
16 lender, and the qualified trust does not meet the requirements
17 of this section unless—

18 (A) it is unconditionally enforceable by any party
19 against the others, jointly and severally,

20 (B) it provides that the liability of the qualified trust
21 to repay loan amounts paid to the qualified trust may not,
22 at any time, exceed an amount equal to the amount of
23 contributions required under paragraph (2)(B) which
24 are actually received by such trust,

1 (C) it provides that amounts received by the re-
2 recipient corporation from the qualified trust for qualified
3 employer securities purchased for the purpose of this sub-
4 section will be used exclusively by the recipient corpora-
5 tion for those purposes for which it may use that portion
6 of the loan paid directly to it by the lender,

7 (D) it provides that the recipient corporation may
8 not reduce the amount of its equity capital during the
9 one year period beginning on the date on which the
10 qualified trust purchases qualified employer securities for
11 purposes of this subsection, and

12 (E) it provides that the recipient corporation will
13 make contributions to the qualified trust of not less than
14 such amounts as are necessary for such trust to meet its
15 obligation to make repayments of principal and interest
16 on the amount of the loan received by the trust without
17 regard to whether such contributions are deductible by
18 the corporation under section 404 of the Internal
19 Revenue Code of 1954 and without regard to any other
20 amounts the recipient corporation is obligated under law
21 to contribute to or under the employee stock ownership
22 plan.

23 (4) At the close of each plan year, an employee stock
24 ownership plan shall allocate to the accounts of participating
25 employees that portion of the qualified employer securities

1 *the cost of which bears substantially the same ratio to the*
2 *cost of all the qualified employer securities purchased under*
3 *paragraph (2)(A) of this subsection as the amount of the*
4 *loan principal and interest repaid by the qualified trust dur-*
5 *ing that year bears to the total amount of the loan principal*
6 *and interest payable by such trust during the term of such*
7 *loan. Qualified employer securities allocated to the individual*
8 *account of a participant during one plan year must bear*
9 *substantially the same proportion to the amount of all such*
10 *securities allocated to all participants in the plan as the*
11 *amount of compensation paid to such participant bears to*
12 *the total amount of compensation paid to all such participants*
13 *during that year.*

14 (5) *For purposes of this subsection, the term—*

15 (A) *“employee stock ownership plan” means a plan*
16 *described in section 407(d)(6) of the Employee Retire-*
17 *ment Income Security Act of 1974, section 4975(e)(7)*
18 *of the Internal Revenue Code of 1954, and in section*
19 *102(5) of the Regional Rail Reorganization Act of*
20 *1973, which meets the requirements of title I of the Em-*
21 *ployee Retirement Income Security Act of 1974 and of*
22 *part I of subchapter D of chapter 1 of such Code,*

23 (B) *“qualified trust” means a trust established*
24 *under an employee stock ownership plan and meeting*
25 *the requirements of title I of the Employee Retirement*

1 *Income Security Act of 1974 and of part I of subchapter*
2 *D of chapter 1 of such Code,*

3 (C) “*qualified employer securities*” means common
4 *stock issued by the recipient corporation or by a parent*
5 *or subsidiary of such corporation with voting power and*
6 *dividend rights no less favorable than the voting power*
7 *and dividend rights on other common stock issued by the*
8 *issuing corporation and with voting power being exer-*
9 *cised by the participants in the employee stock ownership*
10 *plan after it is allocated to their plan accounts, and*

11 (D) “*equity capital*” means, with respect to the
12 *recipient corporation, the sum of its money and other*
13 *property (in an amount equal to the adjusted basis of*
14 *such property but disregarding adjustments made*
15 *on account of depreciation or amortization made during*
16 *the period described in paragraph (3)(D)), less the*
17 *amount of its indebtedness.*

18 (g)(1) *The Federal Government share of loan guaran-*
19 *tees made under subsection (d) on loans which are outstand-*
20 *ing at any time may not exceed \$500,000,000.*

21 (2) *For purposes of paragraph (1), the Federal Gov-*
22 *ernment share of a loan guarantee made under subsection*
23 (c) *is one-half the amount of such loan guarantee.*

1 **SEC. 274. COMMUNITY ADJUSTMENT ASSISTANCE FUND**
2 **AND AUTHORIZATION OF APPROPRIATIONS.**

3 *(a) There is established on the books of the Treasury of*
4 *the United States a revolving fund to be known as the Com-*
5 *munity Adjustment Assistance Fund. The fund shall consist*
6 *of such amounts as may be deposited in it pursuant to the*
7 *authorization in subsection (b) and any collections, repay-*
8 *ments of loans, or other receipts received under the program*
9 *established in section 273(a). Amounts in the fund may be*
10 *used only to carry out the provisions of sections 272 and*
11 *273(b), including administrative costs. Amounts appropri-*
12 *ated to the fund shall be available to the Secretary without*
13 *fiscal year limitation. Upon liquidation of all remaining obli-*
14 *gations, any balances remaining in the fund after Septem-*
15 *ber 30, 1980, shall be transferred to the general fund of*
16 *the Treasury.*

17 *(b) There are authorized to be appropriated to the Com-*
18 *munity Adjustment Assistance Fund, for the purpose of*
19 *carrying out the provisions of sections 272 and 273(a),*
20 *\$100,000,000 for the fiscal year ending June 30, 1975, and*
21 *such sums as may be necessary for the succeeding 5 fiscal*
22 *years.*

23 *(c) There are authorized to be appropriated to the Sec-*

1 retary such sums as may be necessary for carrying out the
2 loan guarantee program under section 273(d).

3 **CHAPTER 5—MISCELLANEOUS PROVISIONS**

4 **SEC. 280. GENERAL ACCOUNTING OFFICE REPORT.**

5 (a) *The Comptroller General of the United States shall*
6 *conduct a study of the adjustment assistance programs estab-*
7 *lished under chapters 2, 3, and 4 of this title and shall re-*
8 *port the results of such study to the Congress no later than*
9 *January 30, 1979. Such report shall include an evaluation*
10 *of—*

11 (1) *the effectiveness of such programs in aiding*
12 *workers, firms, and communities to adjust to changed*
13 *economic conditions resulting from changes in the pat-*
14 *terns of international trade; and*

15 (2) *the coordination of the administration of such*
16 *programs and other Government programs which provide*
17 *unemployment compensation and relief to depressed*
18 *areas.*

19 (b) *In carrying out his responsibilities under this sec-*
20 *tion, the Comptroller General shall, to the extent practical,*
21 *avail himself of the assistance of the Departments of Labor*
22 *and Commerce. The Secretaries of Labor and Commerce*
23 *shall make available to the Comptroller General any assist-*
24 *ance necessary for an effective evaluation of the adjustment*
25 *assistance programs established under this title.*

1 **SEC. 281. COORDINATION**

2 *There is established the Adjustment Assistance Coordi-*
3 *nating Committee to consist of a Deputy Special Trade Rep-*
4 *resentative as Chairman, and the officials charged with ad-*
5 *justment assistance responsibilities of the Departments of La-*
6 *bor and Commerce and the Small Business Administration.*
7 *It shall be the function of the Committee to coordinate the*
8 *adjustment assistance policies, studies, and programs of the*
9 *various agencies involved and to promote the efficient and*
10 *effective delivery of adjustment assistance benefits.*

11 **SEC. 282. TRADE STATISTICS MONITORING SYSTEM.**

12 *The Secretary of Commerce and the Secretary of Labor*
13 *shall establish and maintain a program to monitor imports*
14 *of articles into the United States which will reflect changes*
15 *in the volume of such imports, the relation of such imports*
16 *to changes in domestic production, changes in employment*
17 *within domestic industries producing articles like or directly*
18 *competitive with such imports, and the extent to which such*
19 *changes in production and employment are concentrated in*
20 *specific geographic regions of the United States. A summary*
21 *of the information collected by such program shall be pub-*
22 *lished regularly and shall be provided to the Adjustment As-*
23 *sistance Coordinating Committee.*

1 **SEC. 283. FIRMS RELOCATING IN FOREIGN COUNTRIES.**

2 *Before moving productive facilities from the United*
3 *States to a foreign country, every firm should—*

4 *(1) provide notice of the move to its employees who*
5 *are likely to be totally or partially separated as a result*
6 *of the move at least 60 days before the date of such move,*

7 *(2) provide notice of the move to the Secretary of*
8 *Labor and the Secretary of Commerce on the same day*
9 *it notifies employees under paragraph (1),*

10 *(3) apply for and use all adjustment assistance for*
11 *which it is eligible under this title,*

12 *(4) offer employment opportunities in the United*
13 *States, if any exist, to its employees who are totally or*
14 *partially separated workers as a result of the move, and*

15 *(5) assist in relocating employees to other locations*
16 *in the United States where employment opportunities*
17 *exist.*

18 **SEC. 284. EFFECTIVE DATE.**

19 *Chapters 2, 3, and 4 of this title shall become effective*
20 *on the 90th day following the date of enactment of this*
21 *Act and shall terminate on September 30, 1980.*

1 **TITLE III—RELIEF FROM UNFAIR**
2 **TRADE PRACTICES**

3 **CHAPTER 1—FOREIGN IMPORT RESTRIC-**
4 **TIONS AND EXPORT SUBSIDIES**

5 **SEC. 301. RESPONSES TO CERTAIN TRADE PRACTICES OF**
6 **FOREIGN GOVERNMENTS.**

7 (a) Whenever the President determines that a foreign
8 country or instrumentality—

9 (1) maintains unjustifiable or unreasonable tariff
10 or other import restrictions which impair the value of
11 trade commitments made to the United States or which
12 burden, restrict, or discriminate against United States
13 commerce,

14 (2) engages in discriminatory or other acts or
15 policies which are unjustifiable or unreasonable and
16 which burden or restrict United States commerce, or

17 (3) provides subsidies (or other incentives having
18 the effect of subsidies) on its exports of one or more
19 products to the United States or to other foreign mar-
20 kets which have the effect of substantially reducing sales
21 of the competitive United States product or products in

1 the United States or in those other foreign markets, or
2 *(4) imposes unjustifiable or unreasonable restrictions*
3 *on access to supplies of food, raw materials, or manu-*
4 *factured or semimanufactured products which burden or*
5 *restrict United States commerce,*

6 the President shall take all appropriate and feasible steps
7 within his power to obtain the elimination of such restric-
8 tions or subsidies, and he—

9 (A) may suspend, withdraw, or prevent the appli-
10 cation of, or may refrain from proclaiming, benefits of
11 trade agreement concessions to carry out a trade agree-
12 ment with such country or instrumentality; and

13 (B) may impose duties or other import restrictions
14 on the products of such foreign country or ~~instrumentality~~
15 *instrumentality, and may impose fees or restrictions on*
16 *the services of such foreign country or instrumentality,*
17 for such time as he deems appropriate.

18 *For purposes of this subsection, the term "commerce" in-*
19 *cludes services associated with the international trade.*

20 ~~(b) In determining what action to take under subsection~~
21 ~~(a), the President shall consider the relationship of such~~
22 ~~action to the international obligations of the United States~~
23 ~~and to the purposes stated in section 2. Any action taken~~
24 ~~under subsection (a) may be on a nondiscriminatory treat-~~
25 ~~ment basis or otherwise; except that, in the case of a restric-~~

1 tion, act, policy, or practice of any foreign country or instru-
2 mentality which is unreasonable but not unjustifiable, the
3 action taken under subsection (a) shall be taken only with
4 respect to such country or instrumentality.

5 (b) *In determining what action to take under subsection*
6 *(a), the President shall consider the relationship of such*
7 *action to the purposes of this Act. Action shall be taken under*
8 *subsection (a) against the foreign country or instrumentality*
9 *involved, except that, subject to the provisions of section 302,*
10 *any such action may be taken on a nondiscriminatory treat-*
11 *ment basis.*

12 (c) The President in making a determination under this
13 section, may take action under subsection (a) (3) with
14 respect to the exports of a product to the United States
15 by a foreign country or instrumentality if—

16 (1) the Secretary of the Treasury has found that
17 such country or instrumentality provides subsidies (or
18 other incentives having the effect of subsidies) on such
19 exports;

20 (2) the ~~Tariff~~ *International Trade* Commission has
21 found that such exports to the United States have the
22 effect of substantially reducing sales of the competitive
23 United States product or products in the United States;
24 and

25 (3) the President finds that the Antidumping

1 Act, 1921, and section 303 of the Tariff Act of 1930
2 are inadequate to deter such practices.

3 ~~(d)~~ The President shall provide an opportunity for the
4 presentation of views concerning the import restrictions,
5 acts, policies, or practices referred to in paragraph ~~(1)~~, ~~(2)~~,
6 or ~~(3)~~ of subsection ~~(a)~~. Upon request by any interested
7 person, the President shall provide for appropriate public
8 hearings with respect to such restrictions, acts, policies, or
9 practices after reasonable notice, and he shall provide for
10 the issuance of regulations concerning the conduct of hear-
11 ings under this subsection and subsection ~~(e)~~.

12 *(d)(1) The President shall provide an opportunity for*
13 *the presentation of views concerning the restrictions, acts,*
14 *policies, or practices referred to in paragraphs (1), (2),*
15 *(3), and (4) of subsection (a).*

16 *(2) Upon complaint filed by any interested party with*
17 *the Special Representative for Trade Negotiations alleging*
18 *any such restriction, act, policy, or practice, the Special*
19 *Representative shall conduct a review of the alleged restric-*
20 *tion, act, policy, or practice, and, at the request of the com-*
21 *plainant, shall conduct public hearings thereon. The Special*
22 *Representative shall have a copy of each complaint filed*
23 *under this paragraph published in the Federal Register. The*
24 *Special Representative shall issue regulations concerning the*
25 *filing of complaints and the conduct of reviews and hearings*

1 *under this paragraph and shall submit a report to the House*
2 *of Representatives and the Senate semi-annually summariz-*
3 *ing the reviews and hearings conducted by it under this*
4 *paragraph during the preceding 6-month period.*

5 ~~(e) Before the President takes any action under sub-~~
6 ~~section (a) with respect to the import treatment of any~~
7 ~~product—~~

8 ~~(1) he shall provide an opportunity for the pres-~~
9 ~~entation of views concerning the taking of action with~~
10 ~~respect to such product,~~

11 ~~(2) upon request by any interested person, he~~
12 ~~shall provide for appropriate public hearings with re-~~
13 ~~spect to the taking of action with respect to such prod-~~
14 ~~uct, and~~

15 ~~(3) he may request the Tariff Commission for its~~
16 ~~views as to the probable impact on the economy of the~~
17 ~~United States of the taking of action with respect to~~
18 ~~such product.~~

19 *(e) Before the President takes any action under sub-*
20 *section (a) with respect to the import treatment of any prod-*
21 *uct or the treatment of any service—*

22 *(1) he shall provide an opportunity for the presen-*
23 *tation of views concerning the taking of action with re-*
24 *spect to such product or service,*

25 *(2) upon request by any interested person, he shall*

1 *provide for appropriate public hearings with respect*
2 *to the taking of action with respect to such product or*
3 *service, and*

4 *(3) he may request the International Trade Com-*
5 *mission for its views as to the probable impact on the*
6 *economy of the United States of the taking of action*
7 *with respect to such product or service.*

8 *If the President determines that, because of the need for*
9 *expeditious action under subsection (a), compliance with*
10 *paragraphs (1) and (2) would be contrary to the national*
11 *interest, then such paragraphs shall not apply with respect*
12 *to such action, but he shall thereafter promptly provide an*
13 *opportunity for the presentation of views concerning the*
14 *action taken and, upon request by any interested person,*
15 *shall provide for appropriate public hearings with respect*
16 *to the action taken. The President shall provide for the*
17 *issuance of regulations concerning the filing of requests for,*
18 *and the conduct of, hearings under this subsection.*

19 **SEC. 302. PROCEDURE FOR CONGRESSIONAL DISAPPROVAL**
20 **OF CERTAIN ACTIONS TAKEN UNDER SEC-**
21 **TION 301.**

22 *(a) Whenever the President takes any action under*
23 *subparagraph (A) or (B) of section 301 (a) with respect to*
24 *any country or instrumentality other than the country or in-*
25 *strumentality whose restriction, act, policy, or practice was*
26 *the cause for taking such action, he shall promptly transmit*

1 to the House of Representatives and to the Senate a docu-
2 ment setting forth the action which he has so taken, together
3 with his reasons therefor.

4 ~~(b) If, before the close of the 90-day period beginning~~
5 ~~on the day on which the copy of the document referred to in~~
6 ~~subsection (a) is delivered to the House of Representatives~~
7 ~~and to the Senate, either the House of Representatives or the~~
8 ~~Senate adopts, by an affirmative vote of a majority of those~~
9 ~~present and voting in that House, a resolution of disapproval~~
10 ~~under the procedures set forth in section 151, then such~~
11 ~~action under section 301(a) shall have no force and effect~~
12 ~~beginning with the day after the date of the adoption of such~~
13 ~~resolution of disapproval.~~

14 *(b) If, before the close of the 90-day period beginning*
15 *on the day on which the document referred to in subsection*
16 *(a) is delivered to the House of Representatives and to the*
17 *Senate, the two Houses adopt, by an affirmative vote of a*
18 *majority of those present and voting in each House, a con-*
19 *current resolution of disapproval under the procedures set*
20 *forth in section 152, then such action under section 301(a)*
21 *shall have no force and effect beginning with the day after the*
22 *date of the adoption of such concurrent resolution of disap-*
23 *proval, except with respect to the country or instrumentality*
24 *whose restriction, act, policy, or practice was the cause for*
25 *taking such action.*

1 Register (unless the Secretary determines that the with-
2 holding should be made effective as of an earlier date not
3 more than one hundred and twenty days before the ques-
4 tion of dumping was raised by or presented to him or any
5 person to whom authority under this section has been
6 delegated, in which case the effective date of the with-
7 holding shall be such earlier date), until the further order
8 of the Secretary, or until the Secretary has made public
9 a finding as provided for in subsection (a) in regard to
10 such merchandise; or

11 ~~“(3) if his determination is negative (or if he~~
12 ~~tentatively determines that the investigation should be~~
13 ~~discontinued), publish notice of that fact in the Federal~~
14 ~~Register, but the Secretary may within three months~~
15 ~~thereafter order the withholding of appraisement if he~~
16 ~~then has reason to believe or suspect, from the invoice or~~
17 ~~other papers or from information presented to him or to~~
18 ~~any other person to whom authority under this section~~
19 ~~has been delegated, that the purchase price is less, or that~~
20 ~~the exporter’s sales price is less or likely to be less, than~~
21 ~~the foreign market value (or, in the absence of such~~
22 ~~value, than the constructed value) and such order of~~
23 ~~withholding of appraisement shall be subject to the pro-~~
24 ~~visions of paragraph (2). If no withholding of appraise-~~
25 ~~ment is ordered within such three-month period, the~~

1 Secretary shall, not later than the close of such period,
2 issue a determination terminating or discontinuing the
3 investigation.

4 For purposes of this subsection, the question of dumping shall
5 be deemed to have been raised or presented on the date on
6 which a notice is published in the Federal Register that
7 information relative to dumping has been received in accord-
8 ance with regulations prescribed by the Secretary."

9 ~~(b)~~ Section 201(e) of the Antidumping Act, 1921 (19
10 U.S.C. sec. 160(e)), is amended to read as follows:

11 ~~"(c)(1)~~ Before making any determination pursuant to
12 subsection (a) of this section, the Secretary or the Tariff
13 Commission, as the case may be, shall conduct a hearing at
14 which—

15 ~~"(A)~~ any foreign manufacturer or exporter or
16 domestic importer of the foreign merchandise in question
17 shall have the right to appear by counsel or in person;
18 and

19 ~~"(B)~~ any other person, firm, or corporation may
20 make application and, upon good cause shown, may be
21 allowed by the Secretary or the Tariff Commission, as
22 the case may be, to intervene and appear at such hearing
23 by counsel or in person.

24 ~~"(2)~~ The Secretary, upon determining whether for-
25 eign merchandise is being, or is likely to be, sold in the

1 United States at less than its fair value, and the Tariff
2 Commission, upon making its determination under subsec-
3 tion (a), shall publish in the Federal Register such deter-
4 mination, whether affirmative or negative, together with a
5 statement of findings and conclusions, and the reasons or
6 bases therefor, on all the material issues of fact or law pre-
7 sented.

8 “(3) The hearings provided for under this section shall
9 be exempt from sections 554, 555, 556, 557, and 702 of
10 title 5 of the United States Code. The transcript of any
11 hearing, together with all information developed in connec-
12 tion with the investigation (other than items to which confi-
13 dential treatment has been granted by the Secretary or the
14 Tariff Commission, as the case may be), shall be made
15 available in the manner and to the extent provided in section
16 552(b) of such title 5.”

17 (a) Section 201 of the Antidumping Act, 1921 (19
18 U.S.C. 160), is amended—

19 (1) by striking out “United States Tariff Commis-
20 sion” in subsection (a) and inserting in lieu thereof
21 “United States International Trade Commission (here-
22 inafter called the ‘Commission’)”, and by striking out
23 “said” each place it appears in such subsection; and

24 (2) by striking out subsections (b) and (c) and
25 inserting in lieu thereof the following:

1 “(b)(1) In the case of any imported merchandise of a
2 class or kind as to which the Secretary has not so made pub-
3 lic a finding, he shall, within six months after the publication
4 under subsection (c)(1) of a notice of initiation of an
5 investigation—

6 “(A) determine whether there is reason to believe
7 or suspect, from the invoice or other papers or from
8 information presented to him or to any other person to
9 whom authority under this section has been delegated,
10 that the purchase price is less, or that the exporter’s
11 sales price is less or likely to be less, than the foreign
12 market value (or, in the absence of such value, than the
13 constructed value); and

14 “(B) if his determination is affirmative, publish a
15 notice of that fact in the Federal Register, and require,
16 under such regulations as he may prescribe, the with-
17 holding of appraisement as to such merchandise entered,
18 or withdrawn from warehouse, for consumption on or
19 after the date of publication of that notice in the Federal
20 Register (or such earlier date, not more than one hundred
21 and twenty days before the date of publication under sub-
22 section (c)(1) of notice of initiation of the investigation,
23 as the Secretary may prescribe), until the further order
24 of the Secretary, or until the Secretary has made public

1 a finding as provided for in subsection (a) in regard
2 to such merchandise; or

3 “(C) if his determination is negative (or if he
4 tentatively determines that the investigation should be
5 discontinued), publish notice of that fact in the Federal
6 Register.

7 “(2) If in the course of an investigation under this
8 subsection the Secretary concludes that the determination
9 provided for in paragraph (1) cannot reasonably be made
10 within six months, he shall publish notice of this in the Fed-
11 eral Register, together with a statement of reasons therefor,
12 in which case the determination shall be made within nine
13 months after the publication in the Federal Register of the
14 notice of initiation of the investigation.

15 “(3) Within three months after publication in the Fed-
16 eral Register of a determination under paragraph (1), the
17 Secretary shall make a final determination whether the for-
18 eign merchandise in question is being or is likely to be sold
19 in the United States at less than its fair value (or a final
20 discontinuance of the investigation).

21 “(c)(1) The Secretary shall, within thirty days of the
22 receipt of information alleging that a particular class or kind
23 of merchandise is being or is likely to be sold in the United
24 States or elsewhere at less than its fair value and that an

1 *industry in the United States is being or is likely to be*
2 *injured, or is prevented from being established, by reason of*
3 *the importation of such merchandise into the United States,*
4 *determine whether to initiate an investigation into the question*
5 *of whether such merchandise in fact is being or is likely to*
6 *be sold in the United States or elsewhere at less than its fair*
7 *value. If his determination is affirmative he shall publish*
8 *notice of the initiation of such an investigation in the Federal*
9 *Register. If it is negative, the inquiry shall be closed.*

10 “(2) *If, in the course of making a determination under*
11 *paragraph (1), the Secretary concludes, from the informa-*
12 *tion available to him, that there is substantial doubt whether*
13 *an industry in the United States is being or is likely to be*
14 *injured, or is prevented from being established, by reason of*
15 *the importation of such merchandise into the United States,*
16 *he shall forward to the Commission the reasons for such sub-*
17 *stantial doubt and a preliminary indication, based upon*
18 *whatever price information is available, concerning possible*
19 *sales at less than fair value, including possible margins of*
20 *dumping and the volume of trade. If within thirty days after*
21 *receipt of such information from the Secretary, the Commis-*
22 *sion, after conducting such inquiry as it deems appropriate,*
23 *determines there is no reasonable indication that an industry*
24 *in the United States is being or is likely to be injured, or is*
25 *prevented from being established, by reason of the importa-*

1 *tion of such merchandise into the United States, it shall advise*
2 *the Secretary of its determination and any investigation*
3 *under subsection (b) then in progress shall be terminated.*

4 “(d)(1) *Before making any determination under sub-*
5 *section (a), the Secretary or the Commission, as the case may*
6 *be, shall, at the request of any foreign manufacturer or ex-*
7 *porter, or any domestic importer, of the foreign merchandise*
8 *in question, or of any domestic manufacturer, producer, or*
9 *wholesaler of merchandise of the same class or kind, conduct*
10 *a hearing at which—*

11 “(A) *any such person shall have the right to appear*
12 *by counsel or in person; and*

13 “(B) *any other person, firm, or corporation may*
14 *make application and, upon good cause shown, may be*
15 *allowed by the Secretary or the Commission, as the case*
16 *may be, to intervene and appear at such hearing by coun-*
17 *sel or in person.*

18 “(2) *The Secretary, upon determining whether foreign*
19 *merchandise is being, or is likely to be, sold in the United*
20 *States at less than its fair value, and the Commission, upon*
21 *making its determination under subsection (a), shall publish*
22 *in the Federal Register such determination, whether affirma-*
23 *tive or negative, together with a complete statement of findings*
24 *and conclusions, and the reasons or bases therefor, on all the*
25 *material issues of fact or law presented (consistent with con-*

1 import duties, incident to bringing the merchandise from the
2 place of shipment in the country of exportation to the place
3 of delivery in the United States; and less the amount, if in-
4 cluded in such price, of any export tax imposed by the coun-
5 try of exportation on the exportation of the merchandise to
6 the United States; and plus the amount of any import duties
7 imposed by the country of exportation which have been re-
8 bated, or which have not been collected, by reason of the
9 exportation of the merchandise to the United States; and
10 plus the amount of any taxes imposed in the country of ex-
11 portation directly upon the exported merchandise or compo-
12 nents thereof, which have been rebated, or which have not
13 been collected, by reason of the exportation of the merchan-
14 dise to the United States, but only to the extent that such
15 taxes are added to or included in the price of such or similar
16 merchandise when sold in the country of exportation; and
17 plus the amount of any taxes rebated or not collected, by
18 reason of the exportation of the merchandise to the United
19 States, which rebate or noncollection has been determined
20 by the Secretary to be a bounty or grant within the meaning
21 of section 303 of the Tariff Act of 1930.”

22 ~~(d)~~(c) Section 204 of the Antidumping Act, 1921 (19
23 U.S.C. sec. 163), is amended to read as follows:

1 "EXPORTER'S SALES PRICE

2 "SEC. 204. For the purposes of this title, the exporter's
3 sale price of imported merchandise shall be the price at which
4 such merchandise is sold or agreed to be sold in the United
5 States, before or after the time of importation, by or for the
6 account of the exporter, plus, when not included in such
7 price, the cost of all containers and coverings and all other
8 costs, charges, and expenses incident to placing the mer-
9 chandise in condition, packed ready for shipment to the
10 United States, less (1) the amount, if any, included in such
11 price, attributable to any additional costs, charges, and ex-
12 penses, and United States import duties, incident to bringing
13 the merchandise from the place of shipment in the country
14 of exportation to the place of delivery in the United States,
15 (2) the amount of the commissions, if any, for selling in the
16 United States the particular merchandise under considera-
17 tion, (3) an amount equal to the expenses, if any, generally
18 incurred by or for the account of the exporter in the United
19 States in selling identical or substantially identical merchan-
20 dise, (4) the amount of any export tax imposed by the
21 country of exportation on the exportation of the merchandise
22 to the United States, and (5) the amount of any increased
23 value, including additional material and labor, resulting from
24 a process of manufacture or assembly performed on the
25 imported merchandise after the importation of the mer-

1 chandise and before its sale to a person who is not the
2 exporter of the merchandise within the meaning of section
3 207; and plus the amount of any import duties imposed by
4 the country of exportation which have been rebated, or
5 which have not been collected, by reason of the exportation
6 of the merchandise to the United States; and plus the amount
7 of any taxes imposed in the country of exportation directly
8 upon the exported merchandise or components thereof, which
9 have been rebated, or which have not been collected, by
10 reason of the exportation of the merchandise to the United
11 States, but only to the extent that such taxes are added to
12 or included in the price of such or similar merchandise when
13 sold in the country of exportation; and plus the amount of
14 any taxes rebated, or not collected, by reason of the exporta-
15 tion of the merchandise to the United States, which rebate
16 or noncollection has been determined by the Secretary to be
17 a bounty or grant within the meaning of section 303 of the
18 Tariff Act of 1930.”

19 ~~(e)~~(d) Section 205 of the Antidumping Act, 1921 (19
20 U.S.C. sec. 164), is amended by adding “(a)” immediately
21 before the word “For”, and by adding at the end thereof the
22 following new subsections:

23 “(b) Whenever the Secretary has reasonable grounds
24 to believe or suspect that sales in the home market of the
25 country of exportation, or, as appropriate, to countries other

1 than the United States, have been made at prices which rep-
2 resent less than the cost of producing the merchandise in
3 question, he shall determine whether, in fact, such sales
4 were made at less than the cost of producing the merchandise.
5 If the Secretary determines that sales made at less than cost
6 of production (1) have been made over an extended period
7 of time and in substantial quantities, and (2) are not at prices
8 which permit recovery of all costs within a reasonable period
9 of time in the normal course of trade, such sales shall be dis-
10 regarded in the determination of foreign market value. When-
11 ever sales are disregarded by virtue of having been made at
12 less than the cost of production and the remaining sales, made
13 at not less than cost of production, are determined to be in-
14 adequate as a basis for the determination of foreign market
15 value, the Secretary shall determine that no foreign market
16 value exists and employ the constructed value of the mer-
17 chandise in question.

18 “(c) If available information indicates to the Secretary
19 that the economy of the country from which the merchandise
20 is exported is state-controlled to an extent that sales or
21 offers of sales of such or similar merchandise in that coun-
22 try or to countries other than the United States do not
23 permit a determination of foreign market value under sub-
24 section (a), the Secretary shall determine the foreign

1 market value of the merchandise on the basis of the normal
2 costs, expenses, and profits as reflected by either—

3 “(1) the prices, determined in accordance with sub-
4 section (a) and section 202, at which such or similar
5 merchandise of a non-state-controlled-economy country
6 or countries is sold either (A) for consumption in the
7 home market of that country or countries, or (B) to
8 other countries, including the United States; or

9 “(2) the constructed value of such or similar mer-
10 chandise in a non-state-controlled-economy country or
11 countries as determined under section ~~206.~~ 206.

12 “(d) *Whenever, in the course of an investigation under*
13 *this Act, the Secretary determines that—*

14 “(1) *merchandise exported to the United States is*
15 *being produced in facilities which are owned or con-*
16 *trolled, directly or indirectly, by a person, firm, or*
17 *corporation which also owns or controls, directly or*
18 *indirectly, other facilities for the production of such or*
19 *similar merchandise which are located in another coun-*
20 *try or countries;*

21 “(2) *the sales of such or similar merchandise by the*
22 *company concerned in the home market of the exporting*
23 *country are nonexistent or inadequate as a basis for*

1 *comparison with the sales of the merchandise to the United*
2 *States; and*

3 *“(3) the foreign market value of such or similar*
4 *merchandise produced in one or more of the facilities*
5 *outside the country of exportation is higher than the*
6 *foreign market value, or, if there is no foreign market*
7 *value, the constructed value, of such or similar merchan-*
8 *dise produced in the facilities located in the country of*
9 *exportation,*

10 *he may determine the foreign market value of such merchan-*
11 *dise by reference to the foreign market value at which such or*
12 *similar merchandise is sold in substantial quantities by one*
13 *or more facilities outside the country of exportation. The Sec-*
14 *retary in making any determination under this paragraph,*
15 *shall make adjustments for the difference between the costs of*
16 *production (including taxes, labor, materials, and overhead)*
17 *of such or similar merchandise produced in facilities outside*
18 *the country of exportation and costs of production of such or*
19 *similar merchandise produced in the facilities in the country*
20 *of exportation, if such differences are demonstrated to his*
21 *satisfaction. For the purpose of this subsection, in determining*
22 *foreign market value of such or similar merchandise produced*
23 *in a country outside of the country of exportation, the Secre-*
24 *tary shall determine its price at the time of exportation from*
25 *the country of exportation and shall make any adjustments*

1 *required by section 205(a) for the cost of all containers and*
 2 *coverings and all other costs, charges, and expenses incident*
 3 *to placing the merchandise in condition packed ready for*
 4 *shipment to the United States by reference to such costs in the*
 5 *country of exportation.”*

6 ~~(f)~~ (e) Section ~~212~~ 212 (3) of the Antidumping Act,
 7 1921 (19 U.S.C. sec. 170a (3)), is amended by striking out
 8 subparagraphs (B), (D), and (F), and by redesignating
 9 subparagraphs (C) and (E) as subparagraphs (B) and
 10 (C), respectively.

11 (f) Section 481 of the Tariff Act of 1930 (19 U.S.C.
 12 1481) is amended—

13 (1) by renumbering paragraph (10) of subsec-
 14 tion (a) as (11);

15 (2) by striking out paragraph (9) of subsection
 16 (a) and inserting in lieu thereof the following:

17 “(9) All rebates, drawbacks, bounties, and grants,
 18 separately itemized, allowed, paid, or bestowed on the
 19 exportation, manufacture, or production of the mer-
 20 chandise;

21 “(10) The unit price of each item at which such
 22 merchandise is being sold or offered for sale in the
 23 home market of the country of exportation; and” ; and

24 (3) by inserting before the period at the end of
 25 subsection (d) “, except that, with respect to any entry

1 for which an invoice is required, and which covers
2 merchandise other than articles (1) classifiable in sched-
3 ule 8 of the Tariff Schedules of the United States (19
4 U.S.C. 1202); (2) imported for personal use and not
5 for resale; or (3) having a purchase price or value
6 under \$1,000, the information specified in paragraphs
7 (5), (9), and (10) of subsection (a) must be furnished
8 unless the appropriate Customs officer determines that the
9 information required is currently available.”

10 (g) (1) Section 516 of the Tariff Act of 1930 (19
11 U.S.C. 1516) is amended by redesignating subsection (d),
12 (e), (f), and (g) as subsections (e), (f), (g), and (h),
13 respectively, and by inserting after subsection (c) the fol-
14 lowing new subsection:

15 “(d) Within 30 days after a determination by the Sec-
16 retary under section 201 of the Antidumping Act, 1921 (19
17 U.S.C. 160), that a class or kind of foreign merchandise
18 is not being, nor likely to be, sold in the United States at less
19 than its fair value, an American manufacturer, producer,
20 or wholesaler of merchandise of the same class or kind as that
21 described in such determination may file with the Secretary a
22 written notice of a desire to contest such determination. Upon
23 receipt of such notice the Secretary shall cause publication
24 to be made thereof and of such manufacturer’s, producer’s,
25 or wholesaler’s desire to contest the determination. Within

1 30 days after such publication, such manufacturer, producer,
2 or wholesaler may commence an action in the United States
3 Customs Court contesting such determination.”.

4 (2) Section 2631(b) of title 28, United States Code,
5 is amended by inserting before the period at the end thereof
6 “, or, in the case of an action under section 516(d) of such
7 Act, after the date of publication of a notice under such
8 section”.

9 (3) Section 2632 of title 28, United States Code, is
10 amended—

11 (A) by striking out the first sentence of subsection
12 (a) and inserting in lieu thereof the following: “A party
13 may contest (1) denial of a protest under section 515 of
14 the Tariff Act of 1930, as amended; (2) a decision of
15 the Secretary of the Treasury made under section 516 of
16 the Tariff Act of 1930, as amended; or (3) a determi-
17 nation by the Secretary of the Treasury under section
18 201 of the Antidumping Act, 1921, as amended, that a
19 class or kind of merchandise is not being, nor likely to be,
20 sold in the United States at less than its fair value; by
21 bringing a civil action in the Customs Court.”;

22 (B) by inserting after “designee” in subsection (f)
23 “in any action brought under subsection (a)(1) or (a)
24 (2)”;

1 (C) by adding at the end thereof the following new
2 subsection:

3 “(g) Upon service of the summons on the Secretary of
4 the Treasury or his designee in an action contesting the Sec-
5 retary’s determination under section 201 of the Antidumping
6 Act, 1921, as amended, that a class or kind of foreign mer-
7 chandise is not being, nor likely to be, sold in the United
8 States at less than its fair value, the Secretary or his designee
9 shall forthwith transmit to the United States Customs Court,
10 as the official record of the civil action, a certified copy of the
11 transcript of any hearing held by the Secretary in the par-
12 ticular antidumping proceeding pursuant to section 201(d)
13 (1) of the Antidumping Act, 1921, as amended, and certified
14 copies of all notices, determinations, or other matters which
15 the Secretary has caused to be published in the Federal
16 Register in connection with the particular antidumping
17 proceeding.”.

18 ~~(g)~~(h) (1) The amendments made by subsections ~~(a)~~
19 and ~~(b)~~ subsection (a) of this section shall apply with respect
20 to all questions of dumping raised or presented on or after
21 the date of the enactment of this Act.

22 (2) The amendments made by subsections ~~(e)~~ through
23 ~~(f)~~ (b) through (e) of this section shall apply with respect
24 to all merchandise which is not appraised on or before the
25 date of the enactment of this Act; except that such amend-

1 ments shall not apply with respect to any merchandise
2 which—

3 (A) was exported from the country of exportation
4 before such date of the enactment, and

5 (B) is subject to a finding under the Antidumping
6 Act, 1921, which (i) is outstanding on such date of
7 enactment, or (ii) was revoked on or before such date
8 of enactment but is still applicable to such merchandise.

9 (3) *The amendments made by subsection (f) shall apply*
10 *with respect to merchandise which is exported from the*
11 *country of exportation on or after the 90th day after the date*
12 *of the enactment of this Act.*

13 (4) *The amendments made by subsection (g) shall apply*
14 *with respect to determinations under section 201 of the*
15 *Antidumping Act, 1921, resulting from questions of dump-*
16 *ing raised or presented on or after the date of the enactment*
17 *of this Act.*

18 CHAPTER 3—COUNTERVAILING DUTIES

19 SEC. 331. AMENDMENTS TO SECTIONS 303 AND 516 OF THE 20 TARIFF ACT OF 1930.

21 (a) Section 303 of the Tariff Act of 1930 (19 U.S.C.
22 sec. 1303) is amended to read as follows:

23 “SEC. 303. COUNTERVAILING DUTIES.

24 “(a) LEVY OF COUNTERVAILING DUTIES.—(1) When-
25 ever any country, dependency, colony, province, or other

1 political subdivision of government, person, partnership, as-
2 sociation, cartel, or corporation, shall pay or bestow, directly
3 or indirectly, any bounty or grant upon the manufacture
4 or production or export of any article or merchandise manu-
5 factured or produced in such country, dependency, colony,
6 province, or other political subdivision of government, then
7 upon the importation of such article or merchandise into
8 the United States, whether the same shall be imported di-
9 rectly from the country of production or otherwise, and
10 whether such article or merchandise is imported in the same
11 condition as when exported from the country of production
12 or has been changed in condition by remanufacture or other-
13 wise, there shall be levied and paid, in all such cases, in
14 addition to any duties otherwise imposed, a duty equal to
15 the net amount of such bounty or grant, however the same
16 be paid or bestowed. The Secretary of the Treasury shall
17 determine within twelve months after the date on which the
18 question is presented to him whether any bounty or grant
19 is being paid or bestowed.

20 “(2) In the case of any imported article or merchandise
21 which is free of duty, duties may be imposed under this sec-
22 tion only if there is an affirmative determination by the Tariff
23 Commission under subsection (b)(1); except that such a
24 Tariff Commission determination shall be required only for

1 such time as a determination of injury is required by the
2 international obligations of the United States.

3 “(3) The Secretary of the Treasury shall from time to
4 time ascertain and determine, or estimate, the net amount
5 of each such bounty or grant, and shall declare the net
6 amount so determined or estimated.

7 “(4) Whenever, in the case of any imported article or
8 merchandise as to which the Secretary has not determined
9 whether a bounty or grant is being paid or bestowed, the
10 Secretary concludes, from information presented to him or
11 to any person to whom authority under this section has
12 been delegated, that a formal investigation into the question
13 of whether a bounty or grant is being paid or bestowed is
14 warranted, he shall forthwith publish notice of the initiation
15 of such an investigation in the Federal Register. The date
16 of publication of such notice shall be considered the date on
17 which the question is presented to the Secretary within the
18 meaning of subsection (a)(1).

19 “(5) The Secretary of the Treasury shall make all
20 regulations he may deem necessary for the identification of
21 such articles and merchandise and for the assessment and
22 collection of the duties under this section. All determina-
23 tions by the Secretary under this section, and all determina-
24 tions by the Tariff Commission under subsection (b)(1)

1 ~~(whether affirmative or negative)~~, shall be published in the
2 Federal Register.

3 ~~“(b) INJURY DETERMINATIONS WITH RESPECT TO~~
4 ~~DUTY-FREE MERCHANDISE; SUSPENSION OF LIQUIDA-~~
5 ~~TION.—(1) Whenever the Secretary of the Treasury has~~
6 ~~determined under subsection (a) that a bounty or grant is~~
7 ~~being paid or bestowed with respect to any article or mer-~~
8 ~~chandise which is free of duty, he shall—~~

9 ~~“(A) so advise the United States Tariff Commis-~~
10 ~~sion, and the Commission shall determine within three~~
11 ~~months thereafter, and after such investigation as it~~
12 ~~deems necessary, whether an industry in the United~~
13 ~~States is being or is likely to be injured, or is prevented~~
14 ~~from being established, by reason of the importation of~~
15 ~~such article or merchandise into the United States; and~~
16 ~~the Commission shall notify the Secretary of its deter-~~
17 ~~mination; and~~

18 ~~“(B) require, under such regulations as he may~~
19 ~~prescribe, the suspension of liquidation as to such article~~
20 ~~or merchandise entered, or withdrawn from warehouse,~~
21 ~~for consumption, on or after the thirtieth day after the~~
22 ~~date of the publication in the Federal Register of his de-~~
23 ~~termination under subsection (a) (1); and such suspen-~~
24 ~~sion of liquidation shall continue until the further order~~

1 of the Secretary or until he has made public an order as
2 provided for in paragraph ~~(3)~~ of this subsection.

3 ~~“(2) For the purposes of this subsection, the Tariff~~
4 ~~Commission shall be deemed to have made an affirmative de-~~
5 ~~termination if the Commissioners of such Commission voting~~
6 ~~are evenly divided as to whether its determination should be~~
7 ~~in the affirmative or in the negative.~~

8 ~~“(3) If the determination of the Tariff Commission~~
9 ~~under paragraph ~~(1)~~(A) is in the affirmative, the Secre-~~
10 ~~tary shall make public an order directing the assessment and~~
11 ~~collection of duties in the amount of such bounty or grant as~~
12 ~~is from time to time ascertained and determined, or esti-~~
13 ~~mated, under subsection ~~(a)~~.~~

14 ~~“(c) APPLICATION OF AFFIRMATIVE DETERMINA-~~
15 ~~TION.—An affirmative determination by the Secretary of~~
16 ~~the Treasury under subsection ~~(a)~~(1) with respect to any~~
17 ~~imported article or merchandise shall apply with respect to~~
18 ~~articles entered, or withdrawn from warehouse, for con-~~
19 ~~sumption on or after the thirtieth day after the date of the~~
20 ~~publication in the Federal Register of such determination.~~
21 ~~In the case of any imported article or merchandise which~~
22 ~~is free of duty, so long as a finding of injury is required by~~
23 ~~the international obligations of the United States, the pre-~~
24 ~~ceding sentence shall apply only if the Tariff Commission~~

1 makes an affirmative determination of injury under subsec-
2 tion (b)(1).

3 “(d) ARTICLES SUBJECT TO QUANTITATIVE LIMITA-
4 TIONS.—Whenever the Secretary determines, after seeking
5 information and advice from such agencies as he may deem
6 appropriate, that any article is subject to a quantitative limi-
7 tation imposed by the United States on its importation into,
8 or subject to an effective quantitative limitation on its ex-
9 portation to, the United States and that such quantitative
10 limitation is an adequate substitute for the imposition of a
11 duty under this section, the imposition of an additional duty
12 under this section shall not be required.

13 “(e) TEMPORARY PROVISION WHILE NEGOTIATIONS
14 ARE IN PROCESS.—If, after seeking information and advice
15 from such agencies as he may deem appropriate, the Secre-
16 tary determines, at any time before the day which is four
17 years after the date of the enactment of this subsection, that
18 the imposition of an additional duty under this section with
19 respect to any article would be likely to seriously jeopardize
20 the satisfactory completion of the negotiations contem-
21 plated by sections 101 and 102 of the Trade Reform Act of
22 1973, the imposition of such additional duty under this sec-
23 tion with respect to such article shall not be required. In
24 the case of a question presented on or after the day which
25 is one year after the date of the enactment of this Act, this

1 subsection shall not apply with respect to any article which
2 is the product of facilities owned or controlled by a devel-
3 oped country if the investment in, or the operation of, such
4 facilities, is subsidized.”

5 “(2) In the case of any imported article or merchandise
6 which is free of duty, duties may be imposed under this
7 section only if there is an affirmative determination by the
8 Commission under subsection (b)(1); except that such a
9 determination shall not be required unless a determination
10 of injury is required by the international obligations of the
11 United States.

12 “(3) In the case of any imported article or merchandise
13 as to which the Secretary of the Treasury (hereafter in this
14 section referred to as the ‘Secretary’) has not determined
15 whether or not any bounty or grant is being paid or
16 bestowed—

17 “(A) upon the filing of a petition by any person
18 setting forth his belief that a bounty or grant is being
19 paid or bestowed, and the reasons therefor, or

20 “(B) whenever the Secretary concludes, from in-
21 formation presented to him or to any person to whom
22 authority under this section has been delegated, that a
23 formal investigation is warranted into the question of
24 whether a bounty or grant is being paid or bestowed,

1 the Secretary shall initiate a formal investigation to deter-
2 mine whether or not any bounty or grant is being paid or
3 bestowed and shall publish in the Federal Register notice of
4 the initiation of such investigation.

5 “(4) Within six months from the date on which a peti-
6 tion is filed under paragraph (3)(A) or on which notice is
7 published of an investigation initiated under paragraph (3)
8 (B), the Secretary shall make a preliminary determination,
9 and within twelve months from such date shall make a final
10 determination, as to whether or not any bounty or grant is
11 being paid or bestowed.

12 “(5) The Secretary shall from time to time ascertain
13 and determine, or estimate, the net amount of each such bounty
14 or grant, and shall declare the net amount so determined or
15 estimated.

16 “(6) The Secretary shall make all regulations he deems
17 necessary for the identification of articles and merchandise
18 subject to duties under this section and for the assessment and
19 collection of such duties. All determinations by the Secretary
20 under this section, and all determinations by the Commission
21 under subsection (b)(1), (whether affirmative or negative)
22 shall be published in the Federal Register.

23 “(b) INJURY DETERMINATIONS WITH RESPECT TO
24 DUTY-FREE MERCHANDISE; SUSPENSION OF LIQUIDA-
25 TION.—(1) Whenever the Secretary makes a final determi-

1 nation under subsection (a) that a bounty or grant is being
2 paid or bestowed with respect to any article or merchandise
3 which is free of duty and a determination by the Commission
4 is required under subsection (a)(2), he shall—

5 “(A) so advise the Commission, and the Commis-
6 sion shall determine within three months thereafter, and
7 after such investigation as it deems necessary, whether an
8 industry in the United States is being or is likely to be
9 injured, or is prevented from being established, by reason
10 of the importation of such article or merchandise into the
11 United States; and the Commission shall notify the Secre-
12 tary of its determination; and

13 “(B) require, under such regulations as he may
14 prescribe, the suspension of liquidation as to such article
15 or merchandise entered, or withdrawn from warehouse,
16 for consumption on or after the date of the publication
17 in the Federal Register of his final determination under
18 subsection (a), and such suspension of liquidation shall
19 continue until the further order of the Secretary or until
20 he has made public an order as provided for in para-
21 graph (3).

22 “(2) For the purposes of this subsection, the Commis-
23 sion shall be deemed to have made an affirmative determina-
24 tion if the commissioners voting are evenly divided as to

1 *whether its determination should be in the affirmative or in*
2 *the negative.*

3 “(3) *If the determination of the Commission under*
4 *paragraph (1)(A) is in the affirmative, the Secretary shall*
5 *make public an order directing the assessment and collection*
6 *of duties in the amount of such bounty or grant as is from*
7 *time to time ascertained and determined, or estimated, under*
8 *subsection (a).*

9 “(c) *APPLICATION OF AFFIRMATIVE DETERMINA-*
10 *TION.—An affirmative final determination by the Secretary*
11 *under subsection (a) with respect to any imported article*
12 *or merchandise shall apply with respect to articles entered, or*
13 *withdrawn from warehouse, for consumption on or after the*
14 *date of the publication in the Federal Register of such deter-*
15 *mination. In the case of any imported article or merchandise*
16 *which is free of duty, so long as a finding of injury is re-*
17 *quired by the international obligations of the United States,*
18 *the preceding sentence shall apply only if the Commission*
19 *makes an affirmative determination of injury under sub-*
20 *section (b)(1).*

21 “(d) *TEMPORARY PROVISION WHILE NEGOTIATIONS*
22 *ARE IN PROCESS.—(1) It is the sense of the Congress that*
23 *the President, to the extent practicable and consistent with*
24 *United States interests, seek through negotiations the establish-*
25 *ment of internationally agreed rules and procedures govern-*

1 *ing the use of subsidies (and other export incentives) and the*
2 *application of countervailing duties.*

3 “(2) *If, after seeking information and advice from such*
4 *agencies as he may deem appropriate, the Secretary of the*
5 *Treasury determines, at any time during the two-year period*
6 *beginning on the date of the enactment of the Trade Reform*
7 *Act of 1974, that—*

8 “(A) *adequate steps have been taken to reduce sub-*
9 *stantially or eliminate during such period the adverse*
10 *effect of a bounty or grant which he has determined is*
11 *being paid or bestowed with respect to any article or*
12 *merchandise;*

13 “(B) *there is a reasonable prospect that, under sec-*
14 *tion 102 of the Trade Reform Act of 1974, successful*
15 *trade agreements will be entered into with foreign coun-*
16 *tries or instrumentalities providing for the reduction or*
17 *elimination of barriers to or other distortions of interna-*
18 *tional trade; and*

19 “(C) *the imposition of the additional duty under*
20 *this section with respect to such article or merchandise*
21 *would be likely to seriously jeopardize the satisfactory*
22 *completion of such negotiations;*

23 *the imposition of the additional duty under this section with*
24 *respect to such article or merchandise shall not be required*
25 *during the remainder of such two-year period.*

1 “(3) *The determination of the Secretary under para-*
2 *graph (2) may be revoked by him, in his discretion, at any*
3 *time, and any determination made under such paragraph*
4 *shall be revoked whenever the basis supporting such deter-*
5 *mination no longer exists. The additional duty provided*
6 *under this section shall apply with respect to any affected*
7 *articles or merchandise entered, or withdrawn from ware-*
8 *house, for consumption on or after the date of publication*
9 *of any revocation under this subsection in the Federal*
10 *Register.*

11 “(e) *REPORTS TO CONGRESS.—(1) Whenever the*
12 *Secretary makes a determination under subsection (d)(2)*
13 *with respect to any article or merchandise, he shall promptly*
14 *transmit to the House of Representatives and the Senate a*
15 *document setting forth the determination, together with his*
16 *reasons therefor.*

17 “(2) *If, at any time after the document referred to in*
18 *paragraph (1) is delivered to the House of Representatives*
19 *and the Senate, either the House or the Senate adopts, by an*
20 *affirmative vote of a majority of those present and voting in*
21 *that House, a resolution of disapproval under the procedures*
22 *set forth in section 152, then such determination under sub-*
23 *section (d)(2) with respect to such article or merchandise*
24 *shall have no force or effect beginning with the day after the*
25 *date of the adoption of such resolution of disapproval, and*

1 *the additional duty provided under this section with respect*
2 *to such article or merchandise shall apply with respect to*
3 *articles or merchandise entered, or withdrawn from ware-*
4 *house, for consumption on or after such day.”.*

5 (b) ~~Section 516 of the Tariff Act of 1930 (19 U.S.C.~~
6 ~~see: 1516)~~ *So much of section 516 of the Tariff Act of 1930*
7 *(19 U.S.C. 1516) as precedes subsection (d) is amended to*
8 *read as follows:*

9 **“SEC. 516. PETITIONS BY AMERICAN MANUFACTURERS,**
10 **PRODUCERS, OR WHOLESALERS.**

11 “(a) The Secretary shall, upon written request by an
12 American manufacturer, producer, or wholesaler, furnish the
13 classification, the rate of duty, and the additional duty de-
14 scribed in section 303 of this Act (hereinafter in this section
15 referred to as ‘countervailing duties’), if any, imposed upon
16 designated imported merchandise of a class or kind manu-
17 factured, produced, or sold at wholesale by him. If such
18 manufacturer, producer, or wholesaler believes that the ap-
19 praised value is too low, that the classification is not correct,
20 that the proper rate of duty is not being assessed, or that
21 countervailing duties should be assessed, he may file a peti-
22 tion with the Secretary setting forth (1) a description of
23 the merchandise, (2) the appraised value, the classification,
24 or the rate or rates of duty that he believes proper, and (3)
25 the reasons for his belief including, in appropriate instances,

1 the reasons for his belief that countervailing duties should be
2 assessed.

3 “(b) If, after receipt and consideration of a petition
4 filed by an American manufacturer, producer, or whole-
5 saler, the Secretary decides that the appraised value of the
6 merchandise is too low, that the classification of the article
7 or rate of duty assessed thereon is not correct, or that coun-
8 tervailing duties should be assessed, he shall determine the
9 proper appraised value or classification, rate of duty, or
10 countervailing duties, and shall notify the petitioner of his
11 determination. Except for countervailing duty purposes, all
12 such merchandise entered for consumption or withdrawn
13 from warehouse for consumption more than thirty days after
14 the date such notice to the petitioner is published in the
15 weekly Customs Bulletin shall be appraised or classified
16 or assessed as to rate of duty in accordance with the Secre-
17 tary’s determination. For countervailing duty purposes, the
18 procedures set forth in section 303 shall apply.

19 “(c) If the Secretary decides that the appraised value
20 or classification of the articles or the rate of duty with
21 respect to which a petition was filed pursuant to subsection
22 (a) is correct, or that countervailing duties should not be
23 assessed, he shall so inform the petitioner. If dissatisfied with
24 the decision of the Secretary, the petitioner may file with
25 the Secretary, not later than thirty days after the date of

1 the decision, notice that he desires to contest the appraised
2 value or classification of, or rate of duty assessed upon or
3 the failure to assess countervailing duties upon, the merchan-
4 dise. Upon receipt of notice from the petitioner, the Secre-
5 tary shall cause publication to be made of his decision as to
6 the proper appraised value or classification or rate of duty
7 or that countervailing duties should not be assessed and of
8 the petitioner's desire to contest, and shall thereafter furnish
9 the petitioner with such information as to the entries and
10 consignees of such merchandise, entered after the publication
11 of the decision of the Secretary at such ports of entry desig-
12 nated by the petitioner in his notice of desire to contest, as
13 will enable the petitioner to contest the appraised value or
14 classification of, or rate of duty imposed upon or failure to
15 assess countervailing duties upon, such merchandise in the
16 liquidation of one such entry at such port. The Secretary
17 shall direct the appropriate customs officer at such ports to
18 notify the petitioner by mail immediately when the first of
19 such entries is liquidated."

20 *(c) Section 515(d) of the Tariff Act of 1930 (19*
21 *U.S.C. 1315(d)) is amended by inserting before the period*
22 *at the end thereof "or the imposition of countervailing duties*
23 *under section 303".*

24 ~~(c)(1) Except as provided in paragraph (2), the~~

1 amendments made by subsection ~~(a)~~ shall take effect on
2 the date of the enactment of this Act.

3 ~~(2)~~ The last sentence of section 303~~(a)~~~~(1)~~ of the
4 Tariff Act of 1930 ~~(as added by subsection (a) of this sec-~~
5 ~~tion)~~ shall apply only with respect to questions presented
6 on or after the date of the enactment of this Act.

7 *(d)(1) The amendments made by this section shall take*
8 *effect on the date of the enactment of this Act.*

9 *(2) For purposes of applying the provisions of section*
10 *303(a)(4) of the Tariff Act of 1930 (as amended by subsec-*
11 *tion (a)) with respect to any investigation which was initiated*
12 *before the date of the enactment of this Act under section 303*
13 *of such Act (as in effect before such date), such investigation*
14 *shall be treated as having been initiated on the day after such*
15 *date of enactment under section 303(a)(3)(B) of such*
16 *Act.*

17 (3) Any article which is entered or withdrawn from
18 warehouse free of duty as a result of action taken under title
19 V of this Act shall be considered a nondutiable article for
20 purposes of section 303 of the Tariff Act of 1930, as amended
21 (19 U.S.C. sec. 1303).

1 **CHAPTER 4—UNFAIR IMPORT PRACTICES**2 **SEC. 341. AMENDMENTS TO SECTION 337 OF THE TARIFF**3 **ACT OF 1930.**

4 ~~(a)~~ Section 337 of the Tariff Act of 1930 (19 U.S.C.
5 ~~sec. 1337~~) is amended by redesignating subsection ~~(h)~~ as
6 subsection ~~(i)~~ and by inserting immediately after subsec-
7 tion ~~(g)~~ the following new subsection:

8 ~~“(h) UNITED STATES PATENTS.—~~The foregoing pro-
9 visions of subsections ~~(e)~~ through ~~(g)~~ do not apply with
10 respect to alleged unfair methods of competition and unfair
11 acts based upon the claims of United States letters patent.
12 Such alleged violations shall be dealt with by the commis-
13 sion as hereinafter provided:

14 ~~“(1) Whenever the commission has reason to be-~~
15 ~~lieve from the evidence in its possession that any article~~
16 ~~entered into the United States in violation of this section~~
17 ~~would, in the absence of exclusion, result in immediate~~
18 ~~and substantial harm, the Secretary of the Treasury~~
19 ~~shall, upon the commission’s order in writing, exclude~~
20 ~~such articles from entry until an investigation by the~~
21 ~~commission may be completed; except that such articles~~

1 shall be entitled to entry under bond prescribed by the
2 Secretary.

3 “(2) Whenever the existence of any such unfair
4 method or act shall be established to the satisfaction of
5 the commission, the commission shall order that the
6 articles concerned in such unfair methods or acts, im-
7 ported by any person violating the provisions of this
8 section, shall be excluded from entry into the United
9 States, and upon information of such action by the com-
10 mission, the Secretary of the Treasury shall, through
11 the proper officers, refuse such entry. The decision of the
12 commission shall be final.

13 “(3) Any refusal of entry under this section shall
14 continue in effect until the commission shall find and
15 instruct the Secretary of the Treasury that the conditions
16 which led to such refusal of entry no longer exist.

17 “(4) Any order entered pursuant to this subsection
18 shall be made on the record after opportunity for a full
19 hearing, including the opportunity to present legal de-
20 fenses. Any person adversely affected by an action of the
21 commission or refusal of the commission to act shall have
22 the right to seek judicial review in the United States
23 Court of Customs and Patent Appeals within such time
24 after said action is made and in such manner as appeals

1 “(b) *INVESTIGATIONS OF VIOLATIONS BY COMMIS-*
2 *SION; TIME LIMITS.—(1) The Commission shall investigate*
3 *any alleged violation of this section on complaint under*
4 *oath or upon its initiative. Upon commencing any such in-*
5 *vestigation, the Commission shall publish notice thereof in*
6 *the Federal Register. The Commission shall conclude any*
7 *such investigation, and make its determination under this*
8 *section, at the earliest practicable time, but not later than*
9 *one year (18 months in more complicated cases) after*
10 *the date of publication of notice of such investigation. The*
11 *Commission shall publish in the Federal Register its reasons*
12 *for designating any investigation as a more complicated*
13 *investigation. For purposes of the one-year and 18-*
14 *month periods prescribed by this subsection, there shall be*
15 *excluded any period of time during which such investigation*
16 *is suspended because of proceedings in a court or agency of*
17 *the United States involving similar questions concerning the*
18 *subject matter of such investigation.*

19 “(2) *During the course of each investigation under this*
20 *section, the Commission shall consult with, and seek advice*
21 *and information from, the Department of Health, Education,*
22 *and Welfare, the Department of Justice, the Federal Trade*
23 *Commission, and such other departments and agencies as it*
24 *considers appropriate.*

25 “(3) *Whenever, in the course of an investigation under*

1 *this section, the Commission has reason to believe, based on*
2 *information before it, that the matter may come within the*
3 *purview of section 303 or of the Antidumping Act, 1921, it*
4 *shall promptly notify the Secretary of the Treasury so that*
5 *such action may be taken as is otherwise authorized by such*
6 *section and such Act.*

7 “(c) *DETERMINATIONS; REVIEW.—The Commission*
8 *shall determine, with respect to each investigation conducted*
9 *by it under this section, whether or not there is a violation of*
10 *this section. Each determination under subsection (d) or (e)*
11 *shall be made on the record after notice and opportunity for*
12 *a hearing in conformity with the provisions of subchapter II*
13 *of chapter 5 of title 5, United States Code. All legal and*
14 *equitable defenses may be presented, and, in cases based on*
15 *claims of United States letters patent, defenses based on*
16 *claims of price gouging may be presented. Any person ad-*
17 *versely affected by a final determination of the Commission*
18 *under subsection (d) or (e) may appeal such determination*
19 *to the United States Court of Customs and Patent Appeals.*
20 *Such court shall have jurisdiction to review such determina-*
21 *tion in the same manner and subject to the same limitations*
22 *and conditions as in the case of appeals from decisions of the*
23 *United States Customs Court.*

24 “(d) *EXCLUSION OF ARTICLES FROM ENTRY.—If the*
25 *Commission determines, as a result of an investigation under*

1 *this section, that there is violation of this section, it shall direct*
2 *that the articles concerned, imported by any person violating*
3 *the provision of this section, be excluded from entry into the*
4 *United States, unless, after considering the effect of such*
5 *exclusion upon the public health and welfare, competitive con-*
6 *ditions in the United States economy, the production of like*
7 *or directly competitive articles in the United States, and*
8 *United States consumers, it finds that such articles should not*
9 *be excluded from entry. The Commission shall notify the Sec-*
10 *retary of the Treasury of its action under this subsection*
11 *directing such exclusion from entry, and upon receipt of such*
12 *notice, the Secretary shall, through the proper officers, refuse*
13 *such entry.*

14 “(e) *EXCLUSION OF ARTICLES FROM ENTRY DURING*
15 *INVESTIGATION EXCEPT UNDER BOND.—If, during the*
16 *course of an investigation under this section, the Commission*
17 *determines that there is reason to believe that there is a viola-*
18 *tion of this section, it may direct that the articles concerned,*
19 *imported by any person with respect to whom there is reason*
20 *to believe that such person is violating this section, be excluded*
21 *from entry into the United States, unless, after considering*
22 *the effect of such exclusion upon the public health and welfare,*
23 *competitive conditions in the United States economy, the pro-*
24 *duction of like or directly competitive articles in the United*
25 *States, and United States consumers, it finds that such articles*

1 should not be excluded from entry. The Commission shall
2 notify the Secretary of the Treasury of its action under this
3 subsection directing such exclusion from entry, and upon re-
4 ceipt of such notice, the Secretary shall, through the proper
5 officers, refuse such entry, except that such articles shall be
6 entitled to entry under bond determined by the Commission
7 and prescribed by the Secretary.

8 “(f) CEASE AND DESIST ORDERS.—In lieu of taking
9 action under subsection (d) or (e), the Commission may
10 issue and cause to be served on any person violating this
11 section, or believed to be violating this section, as the case
12 may be, an order directing such person to cease and desist
13 from engaging in the unfair methods or acts involved, unless
14 after considering the effect of such order upon the public
15 health and welfare, competitive conditions in the United
16 States economy, the production of like or directly competitive
17 articles in the United States, and United States consumers,
18 it finds that such order should not be issued. The Commis-
19 sion may at any time, upon such notice and in such manner
20 as it deems proper, modify or revoke any such order, and, in
21 the case of a revocation, may take action under subsection
22 (d) or (e), as the case may be.

23 “(g) REFERRAL TO THE PRESIDENT.—(1) If the
24 Commission determines that there is a violation of this sec-

1 *tion, or that, for purposes of subsection (e), there is reason*
2 *to believe that there is such a violation, it shall—*

3 *“(A) publish such determination in the Federal*
4 *Register, and*

5 *“(B) transmit to the President a copy of such de-*
6 *termination and the action taken under subsection (d),*
7 *(e), or (f), with respect thereto, together with the rec-*
8 *ord upon which such determination is based.*

9 *“(2) If, before the close of the 60-day period begin-*
10 *ning on the day after the day on which he receives a copy*
11 *of such determination, the President, for policy reasons, dis-*
12 *approves such determination and notifies the Commission*
13 *of his disapproval, then, effective on the date of such notice,*
14 *such determination and the action taken under subsection*
15 *(d), (e), or (f) with respect thereto shall have no force*
16 *or effect.*

17 *“(3) Subject to the provisions of paragraph (2), such*
18 *determination shall, except for purposes of subsection (c),*
19 *be effective upon publication thereof in the Federal Register,*
20 *and the action taken under subsection (d), (e), or (f) with*
21 *respect thereto shall be effective as provided in such subsec-*
22 *tions, except that articles directed to be excluded from entry*
23 *under subsection (d) or subject to a cease and desist order*
24 *under subsection (f) shall be entitled to entry under bond*

1 *determined by the Commission and prescribed by the*
2 *Secretary until such determination becomes final.*

3 “(4) *If the President does not disapprove such deter-*
4 *mination within such 60-day period, or if he notifies the*
5 *Commission before the close of such period that he approves*
6 *such determination, then, for purposes of paragraph (3)*
7 *and subsection (c) such determination shall become final on*
8 *the day after the close of such period or the day on which*
9 *the President notifies the Commission of his approval, as the*
10 *case may be.*

11 “(h) *PERIOD OF EFFECTIVENESS.—Except as pro-*
12 *vided in subsections (f) and (g), any exclusion from entry*
13 *or order under this section shall continue in effect until the*
14 *Commission finds, and in the case of exclusion from entry*
15 *notifies the Secretary of the Treasury, that the conditions*
16 *which led to such exclusion from entry or order no longer*
17 *exist.*

18 “(i) *IMPORTATIONS BY OR FOR THE UNITED*
19 *STATES.—Any exclusion from entry or order under sub-*
20 *section (d), (e), or (f), in cases based on claims of United*
21 *States letters patent, shall not apply to any articles imported*
22 *by and for the use of the United States, or imported for, and*
23 *to be used for, the United States with the authorization or*
24 *consent of the Government. Whenever any article would*
25 *have been excluded from entry or would not have been entered*

1 pursuant to the provisions of such subsections but for the oper-
2 ation of this subsection, a patent owner adversely affected
3 shall be entitled to reasonable and entire compensation in an
4 action before the Court of Claims pursuant to the procedures
5 of section 1498 of title 28, United States Code.

6 “(j) DEFINITION OF UNITED STATES.—For purposes
7 of this section and sections 338 and 340, the term ‘United
8 States’ means the customs territory of the United States as
9 defined in general headnote 2 of the Tariff Schedules of the
10 United States.”

11 (b) Section 332(g) of the Tariff Act of 1930 (19
12 U.S.C. 1332(g)) is amended by adding at the end thereof
13 the following new sentence: “Each such annual report shall
14 include a list of all complaints filed under section 337 during
15 the year for which such report is being made, the date on
16 which each such complaint was filed, and the action taken
17 thereon, and the status of all investigations conducted by the
18 commission under such section during such year and the date
19 on which each such investigation was commenced.”

20 (c) The amendments made by this section shall take
21 effect on the 90th day after the date of the enactment of this
22 Act, except that, for purposes of issuing regulations under
23 section 337 of the Tariff Act of 1930, such amendments shall
24 take effect on the date of the enactment of this Act. For pur-
25 poses of applying section 337(b) of the Tariff Act of 1930

1 *(as amended by subsection (a)) with respect to investigations*
 2 *being conducted by the International Trade Commission un-*
 3 *der section 337 of the Tariff Act on the day prior to the 90th*
 4 *day after the date of the enactment of this Act, such investiga-*
 5 *tions shall be considered as having been commenced on such*
 6 *90th day.*

7 **TITLE IV—TRADE RELATIONS WITH**
 8 **COUNTRIES NOT ~~ENJOYING~~**
 9 ***CURRENTLY RECEIVING NON-***
 10 ***DISCRIMINATORY TREATMENT***

11 **SEC. 401. EXCEPTION OF THE PRODUCTS OF CERTAIN**
 12 **COUNTRIES OR AREAS.**

13 Except as otherwise provided in this title, the President
 14 shall continue to deny nondiscriminatory treatment to the
 15 products of any country, the products of which were not
 16 eligible for ~~column 1 tariff treatment~~ *the rates set forth in*
 17 *rate column numbered 1 of the Tariff Schedules of the United*
 18 *States on the date of the enactment of this Act.*

19 **SEC. 402. FREEDOM OF EMIGRATION IN EAST-WEST**
 20 **TRADE.**

21 (a) To assure the continued dedication of the United
 22 States to fundamental human rights, and notwithstanding
 23 any other provision of law, on or after the date of the enact-
 24 ment of this Act, products from any nonmarket economy
 25 country shall not be eligible to receive nondiscriminatory

1 treatment (most-favored-nation treatment), such country
2 shall not participate in any program of the Government of
3 the United States which extends credits or credit guarantees
4 or investment guarantees, directly or indirectly, and the
5 President of the United States shall not conclude any com-
6 mercial agreement with any such country, during the period
7 beginning with the date on which the President determines
8 that such country—

9 (1) denies its citizens the right or opportunity to
10 emigrate;

11 (2) imposes more than a nominal tax on emigra-
12 tion or on the visas or other documents required for
13 emigration, for any purpose or cause whatsoever; or

14 (3) imposes more than a nominal tax, levy, fine,
15 fee, or other charge on any citizen as a consequence
16 of the desire of such citizen to emigrate to the country
17 of his choice,

18 and ending on the date on which the President determines
19 that such country is no longer in violation of paragraph (1),
20 (2), or (3).

21 (b) After the date of the enactment of this Act, (A)
22 products of a nonmarket economy country may be eligible
23 to receive nondiscriminatory treatment (most-favored-nation
24 treatment), (B) such country may participate in any pro-
25 gram of the Government of the United States which extends

1 credits or credit guarantees or investment guarantees,
2 and (C) the President may conclude a commercial
3 agreement with such country, only after the President
4 has submitted to the Congress a report indicating that such
5 country is not in violation of paragraph (1), (2), or (3)
6 of subsection (a). Such report with respect to such country
7 shall include information as to the nature and implementation
8 of emigration laws and policies and restrictions or discrim-
9 ination applied to or against persons wishing to emigrate.
10 The report required by this subsection shall be submitted
11 initially as provided herein and, with current information, on
12 or before each June 30 and December 31 thereafter so
13 long as such treatment is received, such credits or guarantees
14 are extended, or such agreement is in effect.

15 (c) This section shall not apply to any country the
16 products of which are eligible for ~~column 1 tariff treatment~~
17 *the rates set forth in rate column numbered 1 of the Tariff*
18 *Schedules of the United States* on the date of the enactment
19 of this Act.

20 **SEC. 403. UNITED STATES PERSONNEL MISSING IN AC-**

21 **TION IN SOUTHEAST ASIA.**

22 (a) *Notwithstanding any other provision of law, if the*
23 *President determines that a nonmarket economy country*
24 *is not cooperating with the United States—*

25 (1) *to achieve a complete accounting of all United*

1 *United States military and civilian personnel who are missing*
 2 *in action in Southeast Asia,*
 3 *(2) to repatriate such personnel who are alive, and*
 4 *(3) to return the remains of such personnel who*
 5 *are dead to the United States,*
 6 *then during the period beginning with the date of such deter-*
 7 *mination and ending on the date on which the President*
 8 *determines such country is cooperating with the United*
 9 *States—*
 10 *(A) the products of such country may not receive*
 11 *nondiscriminatory treatment,*
 12 *(B) such country may not participate, directly or*
 13 *indirectly, in any program under which the United*
 14 *States extends credit, credit guarantees, or investment*
 15 *guarantees, and*
 16 *(C) no commercial agreement entered into under*
 17 *this title between such country and the United States*
 18 *will take effect.*
 19 *(b) After the date of the enactment of this Act, (1) a*
 20 *nonmarket economy country may receive nondiscriminatory*
 21 *treatment, (2) such country may participate in a program*
 22 *under which the United States extends credit, credit guaran-*
 23 *tees, or investment guarantees, and (3) a commercial agree-*
 24 *ment between the United States and such country entered into*
 25 *under this title may take effect under the provisions of this*

1 title, only after the President has submitted to the Congress
 2 a report indicating that such country is cooperating with the
 3 United States as described in subsection (a). Such report
 4 shall include information as to the nature of the cooperation
 5 by such country with the United States in securing an account-
 6 ing for military and civilian personnel who are missing in
 7 action, the repatriation of those who are alive, and the recov-
 8 ery of the remains of those who are dead. The report re-
 9 quired by this subsection shall be submitted initially as pro-
 10 vided herein and, with current information, on or before each
 11 June 30 and December 31 thereafter so long as such treat-
 12 ment is received, such credits or guarantees are extended, or
 13 such agreement is in effect.

14 (c) This section shall not apply to any country the prod-
 15 ucts of which are eligible for the rates set forth in rate
 16 column numbered 1 of the Tariff Schedules of the United
 17 States on the date of the enactment of this Act.

18 **SEC. 403. 404. EXTENSION OF NONDISCRIMINATORY TREAT-**
 19 **MENT.**

20 ~~(a) The President may by proclamation extend nondis-~~
 21 ~~criminatory treatment to the products of a foreign country~~
 22 ~~which—~~

23 (1) has entered into a bilateral commercial agree-
 24 ment referred to in section 404, or

25 (2) has become a party to an appropriate multi-

1 ~~lateral trade agreement to which the United States is~~
2 ~~also a party.~~

3 ~~No such proclamation may take effect before the close of the~~
4 ~~applicable 90-day period referred to in section 406(c).~~

5 *(a) Subject to the provisions of section 405(c), the Pres-*
6 *ident may by proclamation extend nondiscriminatory treat-*
7 *ment to the products of a foreign country which has entered*
8 *into a bilateral commercial agreement referred to in section*
9 *405.*

10 *(b) The application of nondiscriminatory treatment*
11 *shall be limited to the period of effectiveness of the obliga-*
12 *tions of the United States to such country under such bilateral*
13 *commercial agreement ~~or multilateral agreement.~~ In addition,*
14 *in the case of any foreign country receiving nondiscrimina-*
15 *tory treatment pursuant to this title which has entered into*
16 *an agreement with the United States regarding the settle-*
17 *ment of lend-lease reciprocal aid and claims, the application*
18 *of such nondiscriminatory treatment shall be limited to pe-*
19 *riods during which such country is not in arrears on its obli-*
20 *gations under such agreement.*

21 *(c) The President may at any time suspend or with-*
22 *draw any extension of nondiscriminatory treatment to any*
23 *country pursuant to subsection (a), and thereby cause all*
24 *products of such country to be dutiable at the ~~column 2~~ rate*

1 *rates set forth in rate column numbered 2 of the Tariff*
2 *Schedules of the United States.*

3 **SEC. 404. 405. AUTHORITY TO ENTER INTO COMMERCIAL**
4 **AGREEMENTS.**

5 (a) Subject to the provisions of subsections (b) and
6 ~~(d)~~ (c) of this section, the President may authorize the
7 entry into force of bilateral commercial agreements providing
8 nondiscriminatory treatment to the products of countries
9 heretofore denied such treatment whenever he determines
10 that such agreements with such countries will promote the
11 purposes of this Act and are in the national interest.

12 (b) Any such bilateral commercial agreement shall—
13 (1) be limited to an initial period specified in the
14 agreement which shall be no more than 3 years from the
15 date the agreement enters into force; except that it may
16 be renewable for additional periods, each not to exceed
17 3 years; if—

18 (A) a satisfactory balance of ~~trade concessions~~
19 *concessions in trade and services* has been main-
20 tained during the life of ~~each~~ *such* agreement, and

21 (B) the President determines that actual or
22 foreseeable reductions in United States tariffs and
23 nontariff barriers to trade resulting from multilat-

1 eral negotiations are satisfactorily reciprocated by
2 the other party to the bilateral agreement;

3 (2) provide that it is subject to suspension or termi-
4 nation at any time for national security reasons, or that
5 the other provisions of such agreement shall not limit the
6 rights of any party to take any action for the protection
7 of its security interests;

8 ~~(3) provide safeguard arrangements necessary to~~
9 ~~prevent disruption of domestic markets;~~

10 ~~(4) if the other party to the bilateral agreement is~~
11 ~~not a party to the Paris Convention for the Protection of~~
12 ~~Industrial Property, provide rights for United States na-~~
13 ~~tionals with respect to patents in such country not less~~
14 ~~than the rights specified in such convention;~~

15 ~~(5) provide arrangements for the settlement of com-~~
16 ~~mercial differences and disputes; and~~

17 ~~(6) provide for consultations for the purpose of re-~~
18 ~~viewing the operation of the agreement and relevant as-~~
19 ~~pects of relations between the United States and the~~
20 ~~other party.~~

21 ~~(c) Bilateral commercial agreements referred to in~~
22 ~~subsection (a) may, in addition, include provisions~~
23 ~~concerning—~~

24 ~~(1) arrangements for the protection of industrial~~
25 ~~rights and processes, trademarks, and copyrights;~~

1 ~~(2)~~ arrangements for the promotion of trade, in-
2 cluding those for the establishment or expansion of
3 trade and tourist promotion offices, for facilitation of
4 activities of governmental commercial officers, partic-
5 ipation in trade fairs and exhibits and the sending of
6 trade missions, and for facilitation of entry, establish-
7 ment, and travel of commercial representatives; and

8 ~~(3)~~ such other arrangements of a commercial
9 nature as will promote the purposes stated in section 2.

10 ~~(d)~~ An agreement referred to in subsection ~~(a)~~, and a
11 proclamation referred to in section 403 ~~(a)~~, shall take effect
12 only if, during the 90-day period referred to in section 406
13 ~~(e)~~, a disapproval resolution referred to in section 151 is
14 not adopted.

15 (3) include safeguard arrangements (A) providing
16 for prompt consultations whenever either actual or pro-
17 spective imports cause or threaten to cause, or significant-
18 ly contribute to, market disruption and (B) authorizing
19 the imposition of such import restrictions as may be ap-
20 propriate to prevent such market disruption;

21 (4) if the other party to the bilateral agreement is
22 not a party to the Paris Convention for the Protection
23 of Industrial Property, provide rights for United States
24 nationals with respect to patents and trademarks in such

1 country not less than the rights specified in such con-
2 vention;

3 (5) if the other party to the bilateral agreement is
4 not a party to the Universal Copyright Convention, pro-
5 vide rights for United States nationals with respect to
6 copyrights in such country not less than the rights speci-
7 fied in such convention;

8 (6) in the case of an agreement entered into or
9 renewed after the date of the enactment of this Act, pro-
10 vide arrangements for the protection of industrial rights
11 and processes;

12 (7) provide arrangements for the settlement of
13 commercial differences and disputes;

14 (8) in the case of an agreement entered into or re-
15 newed after the date of the enactment of this Act, pro-
16 vide arrangements for the promotion of trade, which
17 may include those for the establishment or expansion of
18 trade and tourist promotion offices, for facilitation of ac-
19 tivities of governmental commercial officers, participation
20 in trade fairs and exhibits, and the sending of trade
21 missions, and for facilitation of entry, establishment,
22 and travel of commercial representatives;

23 (9) provide for consultations for the purpose of re-
24 viewing the operation of the agreement and relevant

1 *aspects of relations between the United States and the*
2 *other party; and*

3 (10) *provide such other arrangements of a commer-*
4 *cial nature as will promote the purposes of this Act.*

5 (c) *An agreement referred to in subsection (a), and a*
6 *proclamation referred to in section 404(a) implementing*
7 *such agreement, shall take effect only if (1) approved by*
8 *the Congress by the adoption of a concurrent resolution*
9 *referred to in section 151, or (2) in the case of an agree-*
10 *ment entered into before the date of the enactment of this*
11 *Act and a proclamation implementing such agreement, a reso-*
12 *lution of disapproval referred to in section 152 is not adopted*
13 *during the 90-day period specified by section 407(c)(2).*

14 **SEC. 405. 406. MARKET DISRUPTION.**

15 ~~(a) A petition may be filed, or a Tariff Commission~~
16 ~~investigation otherwise initiated, under section 201 of this Act~~
17 ~~in respect of imports of an article manufactured or produced~~
18 ~~in a country, the products of which are receiving nondis-~~
19 ~~criminatory treatment pursuant to this title, in which case~~
20 ~~the Tariff Commission shall determine (in lieu of the deter-~~
21 ~~mination described in section 201 (b) of this Act) whether~~
22 ~~imports of such article produced in such country are causing~~
23 ~~or are likely to cause market disruption and material injury~~
24 ~~to a domestic industry producing like or directly competitive~~
25 ~~articles.~~

1 ~~(b)~~ For purposes of sections 202 and 203, an affirma-
2 tive determination of the Tariff Commission pursuant to
3 subsection ~~(a)~~ of this section shall be treated as an affirma-
4 tive determination of the Tariff Commission pursuant to sec-
5 tion 201~~(b)~~ of this Act; except that the President, in taking
6 action pursuant to section 203~~(b)~~, may adjust imports of
7 the article from the country in question without taking ac-
8 tion in respect of imports from other countries.

9 ~~(c)~~ For purposes of this section, market disruption
10 exists whenever imports of a like or directly competitive
11 article are substantial, are increasing rapidly both absolutely
12 and as a proportion of total domestic consumption, and are
13 offered at prices substantially below those of comparable
14 domestic articles.

15 ~~(a)~~(1) Upon the filing of a petition by an entity de-
16 scribed in section 201~~(a)~~(1), upon request of the President
17 or the Special Representative for Trade Negotiations, upon
18 resolution of either the Committee on Ways and Means of
19 the House of Representatives or the Committee on Finance
20 of the Senate, or on its own motion, the International Trade
21 Commission (hereafter in this section referred to as the "Com-
22 mission") shall promptly make an investigation to determine,
23 with respect to imports of an article which is the product of
24 a Communist country, whether market disruption exists with
25 respect to an article produced by a domestic industry.

1 (2) *The provisions of subsections (a) (2), (b) (3), and*
2 *(c) of section 201 shall apply with respect to investigations*
3 *by the Commission under paragraph (1).*

4 (3) *The Commission shall report to the President its*
5 *determination with respect to each investigation under para-*
6 *graph (1) and the basis therefor and shall include in each*
7 *report any dissenting or separate views. If the Commission*
8 *finds, as a result of its investigation, that market disruption*
9 *exists with respect to an article produced by a domestic in-*
10 *dustry, it shall find the amount of the increase in, or imposi-*
11 *tion of, any duty or other import restriction on such article*
12 *which is necessary to prevent or remedy such market disrup-*
13 *tion and shall include such finding in its report to the*
14 *President. The Commission shall furnish to the President*
15 *a transcript of the hearings and any briefs which may have*
16 *been submitted in connection with each investigation.*

17 (4) *The report of the Commission of its determination*
18 *with respect to an investigation under paragraph (1) shall be*
19 *made at the earliest practicable time, but not later than 3*
20 *months after the date on which the petition is filed (or the*
21 *date on which the request or resolution is received or the*
22 *motion is adopted, as the case may be). Upon making such*
23 *report to the President, the Commission shall also promptly*
24 *make public such report (with the exception of information*

1 *which the Commission determines to be confidential) and*
2 *shall cause a summary thereof to be published in the Federal*
3 *Register.*

4 *(b) For purposes of sections 202 and 203, an affirma-*
5 *tive determination of the Commission under subsection (a)*
6 *shall be treated as an affirmative determination under sec-*
7 *tion 201(b), except that—*

8 *(1) the President may take action under sections*
9 *202 and 203 only with respect to imports from the*
10 *country or countries involved of the article with respect*
11 *to which the affirmative determination was made, and*

12 *(2) if such action consists of, or includes, an*
13 *orderly marketing agreement, such agreement shall be*
14 *entered into within 60 days after the import relief*
15 *determination date.*

16 *(c) If, at any time, the President finds that there are*
17 *reasonable grounds to believe, with respect to imports of an*
18 *article which is the product of a Communist country, that*
19 *market disruption exists with respect to an article produced*
20 *by a domestic industry, he shall request the Commission to*
21 *initiate an investigation under subsection (a). If the Presi-*
22 *dent further finds that emergency action is necessary, he*
23 *may take action under sections 202 and 203 as if an*
24 *affirmative determination of the Commission had been made*
25 *under subsection (a). Any action taken by the President*

1 under the preceding sentence shall cease to apply (1) if a
2 negative determination is made by the Commission under
3 subsection (a) with respect to imports of such article, on the
4 day on which the Commission's report of such determination
5 is submitted to the President, or (2) if an affirmative deter-
6 mination is made by the Commission under subsection (a)
7 with respect to imports of such article, on the day on which
8 the action taken by the President pursuant to such determi-
9 nation becomes effective.

10 (d) (1) A petition may be filed with the Special Repre-
11 sentative for Trade Negotiations by an entity described in
12 section 201(a)(1) requesting the Special Representative to
13 initiate consultations provided for by the safeguard arrange-
14 ments of any agreement entered into under section 405 with
15 respect to imports of an article which is the product of the
16 country which is the other party to such agreement.

17 (2) If the Special Representative determines that there
18 are reasonable grounds to believe, with respect to imports of
19 such article, that market disruption exists with respect to an
20 article produced by a domestic industry, he shall initiate
21 consultations with such country with respect to such imports.

22 (e) For purposes of this section—

23 (1) The term "Communist country" means any
24 country dominated or controlled by communism.

25 (2) Market disruption exists within a domestic

1 *industry whenever an article is being, or is likely to be,*
 2 *imported into the United States in such increased quan-*
 3 *tities as to be a significant cause of material injury, or*
 4 *the threat thereof, to such domestic industry.*

5 **SEC. 406. 407. PROCEDURE FOR CONGRESSIONAL DISAP-**
 6 **PROVAL OF EXTENSION OR CONTINUANCE**
 7 **OF NONDISCRIMINATORY TREATMENT AP-**
 8 **PROVAL OR DISAPPROVAL OF EXTENSION**
 9 **OF NONDISCRIMINATORY TREATMENT**
 10 **AND PRESIDENTIAL REPORTS.**

11 (a) Whenever the President issues a proclamation
 12 under section ~~403~~ 404 extending nondiscriminatory treat-
 13 ment to the products of any foreign country, he shall
 14 promptly transmit to the House of Representatives and to
 15 the Senate a document setting forth the proclamation and
 16 the agreement the proclamation proposes to implement,
 17 together with his reasons therefor.

18 ~~(b) On or before December 31 of each year, the Presi-~~
 19 ~~dent shall transmit to the Congress, with respect to each~~
 20 ~~foreign country the products of which are receiving nondis-~~
 21 ~~criminatory treatment under this title, a document containing~~
 22 ~~the report required by section 402(b) to be submitted on or~~
 23 ~~before December 31.~~

24 (b) *The President shall transmit to the House of Repre-*

1 *sentatives and the Senate a document containing the initial*
2 *report submitted by him under section 402(b) or 403(b) with*
3 *respect to a nonmarket economy country. On or before Decem-*
4 *ber 31 of each year, the President shall transmit to the House*
5 *of Representatives and the Senate, a document containing the*
6 *report required by section 402(b) or 403(b), as the case may*
7 *be, to be submitted on or before such December 31.*

8 ~~(c) If, before the close of the 90 day period beginning~~
9 ~~on the day on which the copy of the document referred to~~
10 ~~in subsection (a) or (b) is delivered to the House of Rep-~~
11 ~~resentatives and to the Senate, either the House of Repre-~~
12 ~~sentatives or the Senate adopts, by an affirmative vote of a~~
13 ~~majority of those present and voting in that House, a reso-~~
14 ~~lution of disapproval (under the procedures set forth in sec-~~
15 ~~tion 151) of the extension of nondiscriminatory treatment to~~
16 ~~the products of such country or for the continuing in effect~~
17 ~~of nondiscriminatory treatment with respect to such products,~~
18 ~~as the case may be, then, beginning with the day after the~~
19 ~~date of the adoption of such resolution of disapproval, non-~~
20 ~~discriminatory treatment shall not be in force with respect~~
21 ~~to the products of such country, and the products of such~~
22 ~~country shall be dutiable at the column 2 rate.~~

23 *(c) (1) In the case of a document referred to in subsec-*
24 *tion (a) (other than a document to which paragraph (2) ap-*
25 *plies), the proclamation set forth therein may become effective* ✓

1 and the agreement set forth therein may enter into force and
2 effect only if the House of Representatives and the Senate
3 adopt, by an affirmative vote of a majority of those present
4 and voting in each House, a concurrent resolution of approval
5 (under the procedures set forth in section 151) of the exten-
6 sion of nondiscriminatory treatment to the products of the
7 country concerned.

8 (2) In the case of a document referred to in subsection
9 (a) which sets forth an agreement entered into before the
10 date of the enactment of this Act and a proclamation imple-
11 menting such agreement, such proclamation may become ef-
12 fective and such agreement may enter into force and effect
13 after the close of the 90-day period beginning on the day on
14 which such document is delivered to the House of Representa-
15 tives and to the Senate, unless during such 90-day period
16 either the House of Representatives or the Senate adopts,
17 by an affirmative vote of a majority of those present and
18 voting in that House, a resolution of disapproval (under the
19 procedures set forth in section 152) of the extension of non-
20 discriminatory treatment to the products of the country
21 concerned.

22 (3) In the case of a document referred to in subsection
23 (b) which contains a report submitted by the President under
24 section 402(b) or 403(b) with respect to a nonmarket
25 economy country, if, before the close of the 90-day period

1 *beginning on the day on which such document is delivered*
2 *to the House of Representatives and to the Senate, either the*
3 *House of Representatives or the Senate adopts, by an affirma-*
4 *tive vote of a majority of those present and voting in that*
5 *House, a resolution of disapproval (under the procedures*
6 *set forth in section 152) of the report submitted by the Presi-*
7 *dent with respect to such country, then, beginning with the*
8 *day after the date of the adoption of such resolution of dis-*
9 *approval, (A) nondiscriminatory treatment shall not be in*
10 *force with respect to the products of such country, and the*
11 *products of such country shall be dutiable at the rates set*
12 *forth in rate column numbered 2 of the Tariff Schedules of*
13 *the United States, (B) such country may not participate in*
14 *any program of the Government of the United States which*
15 *extends credit or credit guarantees or investment guarantees,*
16 *and (C) no commercial agreement may thereafter be con-*
17 *cluded with such country under this title.*

18 **SEC. 407. EFFECTS OF OTHER LAWS.**

19 **The President shall from time to time reflect in general**
20 **headnote 3-(c) of the Tariff Schedules of the United States**
21 **the provisions of this title and proclamations issued there-**
22 **under, as appropriate.**

1 **SEC. 408. PAYMENT BY CZECHOSLOVAKIA OF AMOUNTS**
2 **OWED UNITED STATES CITIZENS AND NA-**
3 **TIONALS.**

4 *Notwithstanding any other provision of law, Czechoslo-*
5 *vakia shall not be eligible to receive most-favored-nation*
6 *treatment or to participate in any program of the Govern-*
7 *ment of the United States which extends credits or credit*
8 *guarantees or investment guarantees, directly or indirectly,*
9 *and the Government of the United States shall not consent to*
10 *the release to Czechoslovakia of any gold belonging to that*
11 *nation and controlled directly or indirectly by the United*
12 *States pursuant to the provisions of the Paris Reparations*
13 *Agreement of January 24, 1946, or otherwise, until the Gov-*
14 *ernment of Czechoslovakia first pays all principal amounts*
15 *it owes to citizens or nationals of the United States on awards*
16 *heretofore rendered against that nation by the Foreign Claims*
17 *Settlement Commission of the United States under the provi-*
18 *sions of Public Law 85-604 (22 U.S.C. 1642 et seq.).*

19 **TITLE V—GENERALIZED SYSTEM OF**
20 **PREFERENCES**

21 **SEC. 501. AUTHORITY TO EXTEND PREFERENCES.**

22 The President may provide duty-free treatment for any
23 eligible article from any beneficiary developing country in
24 accordance with the provisions of this title. In taking any
25 such action, the President shall have due regard for—

1 (1) the effect such action will have on furthering
2 the economic development of developing countries;

3 (2) the extent to which other major developed
4 countries are undertaking a comparable effort to assist
5 developing countries by granting generalized preferences
6 with respect to imports of products of such countries; and

7 (3) the anticipated impact of such action on United
8 States producers of like or directly competitive products.

9 **SEC. 502. BENEFICIARY DEVELOPING COUNTRY.**

10 (a) (1) For purposes of this title, the term "beneficiary
11 developing country" means any country with respect to
12 ~~which, as of the date of entry or withdrawal from warehouse~~
13 ~~for consumption,~~ *which* there is in effect an Executive order
14 by the President of the United States designating such coun-
15 try as a beneficiary developing country for purposes of this
16 title. Before the President designates any country as a bene-
17 ficiary developing country for purposes of this title, he shall
18 notify the House of Representatives and the Senate of his in-
19 tention to make such designation, together with the con-
20 siderations entering into such decision.

21 (2) If the President has designated any country as a
22 beneficiary developing country for purposes of this title, he
23 shall not terminate such designation (either by issuing an
24 Executive order for that purpose or by issuing an Executive
25 order which has the effect of terminating such designation)

1 unless, at least ~~30~~ 60 days before such termination, he has
 2 notified the House of Representatives and the Senate *and*
 3 *has notified such country* of his intention to terminate such
 4 designation, together with the considerations entering into
 5 such decision.

6 ~~(3)~~ For purposes of this title, the term "country" means
 7 any foreign country, any overseas dependent territory or
 8 possession of a foreign country, any insular possession of the
 9 United States, or the Trust Territory of the Pacific Islands.
 10 In the case of any association of countries for trade purposes
 11 no member of which is barred from designation under sub-
 12 section (b), the President may by Executive order provide
 13 that all members of such association shall be treated as one
 14 country for purposes of this title.

15 (3) For purposes of this title, the term "country" means
 16 any foreign country, any overseas dependent territory or
 17 possession of a foreign country, or the Trust Territory of
 18 the Pacific Islands. In the case of an association of countries
 19 which is a free trade area or customs union, the President
 20 may by Executive order provide that all members of such
 21 association other than members which are barred from
 22 designation under subsection (b) shall be treated as one
 23 country for purposes of this title.

24 (b) No designation shall be made under this section
 25 with respect to any of the following:

1	Australia	Japan
2	Austria	Monaco
3	Canada	New Zealand
4	Czechoslovakia	Norway
5	European Economic Com-	Poland
6	munity member states	Republic of South Africa
7	Finland	Sweden
8	Germany (East)	Switzerland
9	Hungary	Union of Soviet Socialist
10	Iceland	Republics

11 In addition, the President shall not designate any country a
12 beneficiary developing country under this section—

13 ~~(1) if the products of such country do not receive~~
14 ~~nondiscriminatory treatment by reason of general head-~~
15 ~~note 3(c) to the Tariff Schedules of the United States;~~
16 ~~or~~

17 ~~(2) if such country affords preferential treatment~~
18 ~~to the products of a developed country other than the~~
19 ~~United States, unless the President has received assur-~~
20 ~~ances satisfactory to him that such preferential treatment~~
21 ~~will be eliminated before January 1, 1976.~~

22 *(1) if such country is dominated or controlled by*
23 *communism;*

24 *(2) if such country is a member of the Organiza-*
25 *tion of Petroleum Exporting Countries;*

1 (3) if such country is a party to any arrangement
2 with other foreign countries, the effect of which is to
3 withhold supplies of vital commodity resources from in-
4 ternational trade or to raise the price of such commodi-
5 ties to an unreasonable level which causes serious dis-
6 ruption of the world economy;

7 (4) if such country affords preferential treatment
8 to the products of a developed country, other than the
9 United States, which has, or is likely to have, a signifi-
10 cant adverse effect on United States commerce, unless
11 the President has received assurances satisfactory to him
12 that such preferential treatment will be eliminated before
13 January 1, 1976, or that action will be taken before
14 January 1, 1976, to assure that there will be no such
15 significant adverse effect, and he reports those assur-
16 ances to the Congress;

17 (5) if such country—

18 (A) has nationalized, expropriated, or other-
19 wise seized ownership or control of property owned
20 by a United States citizen or by a corporation, part-
21 nership, or association which is 50 percent or more
22 beneficially owned by United States citizens,

23 (B) has taken steps to repudiate or nullify an
24 existing contract or agreement with a United States
25 citizen or a corporation, partnership, or association

1 *which is 50 percent or more beneficially owned by*
2 *United States citizens, the effect of which is to na-*
3 *tionalize, expropriate, or otherwise seize ownership*
4 *or control of property so owned, or*

5 *(C) has imposed or enforced taxes or other*
6 *exactions, restrictive maintenance or operational*
7 *conditions, or other measures with respect to prop-*
8 *erty so owned, the effect of which is to nationalize,*
9 *expropriate, or otherwise seize ownership or control*
10 *of such property,*

11 *unless—*

12 *(D) the President determines that—*

13 *(i) prompt, adequate, and effective com-*
14 *ensation has been or is being made to such*
15 *citizen, corporation, partnership, or associa-*
16 *tion,*

17 *(ii) good faith negotiations to provide*
18 *prompt, adequate, and effective compensation*
19 *under the applicable provisions of international*
20 *law are in progress, or such country is other-*
21 *wise taking steps to discharge its obligations*
22 *under international law with respect to such*
23 *citizen, corporation, partnership, or association,*
24 *or*

25 *(iii) a dispute involving such citizen, cor-*

1 *poration, partnership, or association over com-*
2 *ensation for such a seizure has been submitted*
3 *to arbitration under the provisions of the Con-*
4 *vention for the Settlement of Investment Dis-*
5 *putes, or in another mutually agreed upon*
6 *forum, and*

7 *promptly furnishes a copy of such determination to the*
8 *Senate and House of Representatives; and*

9 (6) *if such country does not take adequate steps to*
10 *prevent narcotic drugs and other controlled substances*
11 *(as listed in the schedules in section 202 of the Compre-*
12 *hensive Drug Abuse Prevention and Control Act of 1970*
13 *(21 U.S.C. 812)) produced, processed, or transported*
14 *in such country from entering the United States unlaw-*
15 *fully.*

16 (c) In determining whether to designate any country
17 a beneficiary developing country under this section, the
18 President shall take into account—

19 (1) an expression by such country of its desire
20 to be so designated;

21 (2) the level of economic development of such
22 country, including its per capita gross national product,
23 the living standards of its inhabitants, and any other
24 economic factors which he deems appropriate;

25 (3) whether or not the other major developed

1 countries are extending generalized preferential tariff
2 treatment to such country; and

3 ~~(4) whether or not such country has nationalized,~~
4 ~~expropriated, or seized ownership or control of prop-~~
5 ~~erty owned by a United States citizen, or by any cor-~~
6 ~~poration, partnership, or association not less than 50~~
7 ~~percent beneficially owned by citizens of the United~~
8 ~~States, without provision for the payment of prompt,~~
9 ~~adequate, and effective compensation.~~

10 *(4) the extent to which such country has assured the*
11 *United States it will provide equitable and reasonable*
12 *access to the markets and basic commodity resources of*
13 *such country.*

14 *(d) General headnote 3(a) to the Tariff Schedules of*
15 *the United States (19 U.S.C. 1202) (relating to products*
16 *of insular possessions) is amended by adding at the end*
17 *thereof the following new paragraph:*

18 *“(iii) Subject to the limitations imposed under sec-*
19 *tions 503(b) and 504(c) of the Trade Reform Act of*
20 *1974, articles designated eligible articles under section*
21 *503 of such Act which are imported from an insular*
22 *possession of the United States shall receive duty treat-*
23 *ment no less favorable than the treatment afforded such*
24 *articles imported from a beneficiary developing country*
25 *under title V of such Act.”*

1 (e) *The President may exempt from the application of*
2 *paragraphs (2) and (3) of subsection (b) any country dur-*
3 *ing the period during which such country (A) is a party to*
4 *a bilateral or multilateral trade agreement to which the*
5 *United States is also a party if such agreement fulfills the*
6 *negotiating objectives set forth in section 108 of assuring the*
7 *United States fair and equitable access at reasonable prices*
8 *to supplies of articles of commerce important to the economic*
9 *requirements of the United States and (B) is not in violation*
10 *of such agreement by action denying the United States such*
11 *fair and equitable access.*

12 **SEC. 503. ELIGIBLE ARTICLES.**

13 ~~(a) The President shall, from time to time, publish~~
14 ~~and furnish the Tariff Commission with lists of articles which~~
15 ~~may be considered for designation as eligible articles for~~
16 ~~purposes of this title. Before any such list is furnished to the~~
17 ~~Tariff Commission, there shall be in effect an Executive order~~
18 ~~under section 502 designating beneficiary developing coun-~~
19 ~~tries. Before any action is taken under section 501 to provide~~
20 ~~duty free treatment for any article, the provisions of sections~~
21 ~~131, 132, 133, and 134 of this Act shall be complied with as~~
22 ~~though action under section 501 were action under section~~
23 ~~101 of this Act to carry out a trade agreement entered into~~
24 ~~under section 101.~~

1 ~~(b)~~ The duty-free treatment provided under section 501
2 with respect to any eligible article shall apply only—

3 ~~(1)~~ to an article which is imported directly from
4 a beneficiary developing country into the customs terri-
5 tory of the United States; and

6 ~~(2)~~ if the sum of ~~(A)~~ the cost or value of the
7 materials produced in the beneficiary developing country
8 plus ~~(B)~~ the direct costs of processing operations per-
9 formed in the beneficiary developing country equal or
10 exceed the prescribed percentage of the appraised value
11 of the article at the time of its entry into the customs ter-
12 ritory of the United States.

13 ~~(c)~~ ~~(1)~~ For purposes of subsection ~~(b)~~ ~~(2)~~, the pre-
14 scribed percentage shall be that percentage, not less than 35
15 percent and not more than 50 percent of the appraised value,
16 prescribed by the Secretary of the Treasury by regulations.
17 Such percentage, which may be modified from time to time,
18 shall apply uniformly to all articles from all beneficiary de-
19 veloping countries.

20 ~~(2)~~ The Secretary of the Treasury shall prescribe such
21 regulations as may be necessary to carry out this subsection
22 and subsection ~~(b)~~.

23 ~~(d)~~ No article shall be an eligible article for purposes
24 of this title for any period during which such article is the

1 ~~subject of any action proclaimed pursuant to section 203 of~~
2 ~~this Act or section 351 of the Trade Expansion Act of 1962.~~

3 (a) *The President shall, from time to time, publish*
4 *and furnish the International Trade Commission with lists*
5 *of articles which may be considered for designation as eligi-*
6 *ble articles for purposes of this title. Before any such list*
7 *is furnished to the Commission, there shall be in effect an*
8 *Executive order under section 502 designating beneficiary*
9 *developing countries. The provisions of sections 131, 132,*
10 *133, and 134 of this Act shall be complied with as though*
11 *action under section 501 were action under section 101 of*
12 *this Act to carry out a trade agreement entered into under*
13 *section 101. After receiving the advice of the Commission*
14 *with respect to the listed articles, the President shall desig-*
15 *nate those articles he considers appropriate to be eligible*
16 *articles for purposes of this title by Executive order.*

17 (b) *The duty-free treatment provided under section 501*
18 *with respect to any eligible article shall apply only—*

19 (1) *to an article which is imported directly from*
20 *a beneficiary developing country into the customs ter-*
21 *ritory of the United States; and*

22 (2)(A) *if the sum of (i) the cost or value of the*
23 *materials produced in the beneficiary developing country*
24 *plus (ii) the direct costs of processing operations per-*
25 *formed in such beneficiary developing country is not less*

1 *than 35 percent of the appraised value of such article at*
2 *the time of its entry into the customs territory of the*
3 *United States; or*

4 *(B) if the sum of (i) the cost or value of the*
5 *materials produced in 2 or more countries which are*
6 *members of the same association of countries which is*
7 *treated as one country under section 502(a)(3), plus*
8 *(ii) the direct costs of processing operations performed in*
9 *such countries is not less than 50 percent of the appraised*
10 *value of such article at the time of its entry into the*
11 *customs territory of the United States.*

12 *For purposes of paragraph (2)(A), the term "country"*
13 *does not include an association of countries which is treated*
14 *as one country under section 502(a)(3) but does include*
15 *a country which is a member of any such association. The*
16 *Secretary of the Treasury shall prescribe such regulations*
17 *as may be necessary to carry out this subsection.*

18 *(c) No article shall be an eligible article for purposes*
19 *of this title for any period during which such article is the*
20 *subject of any action proclaimed pursuant to section 203*
21 *of this Act or section 232 or 351 of the Trade Expansion Act*
22 *of 1962.*

23 **SEC. 504. LIMITATIONS ON PREFERENTIAL TREATMENT.**

24 (a) The President may withdraw, suspend, or limit the
25 application of the duty-free treatment accorded under section

1 501 with respect to any article or with respect to any coun-
2 try; except that no rate of duty may be established in re-
3 spect of any article pursuant to this section other than the
4 rate which would apply but for this title. In taking any ac-
5 tion under this subsection, the President shall consider the
6 factors set forth in sections 501 and 502 (c).

7 ~~(b) The President shall withdraw or suspend the desig-~~
8 ~~nation of any country as a beneficiary developing country if,~~
9 ~~after such designation—~~

10 ~~(1) the products of such country are excluded from~~
11 ~~the benefit of nondiscriminatory treatment by reason of~~
12 ~~general headnote 3(e) to the Tariff Schedules of the~~
13 ~~United States; or~~

14 ~~(2) he determines that such country has not elim-~~
15 ~~inated or will not eliminate preferential treatment ac-~~
16 ~~corded by it to the products of a developed country other~~
17 ~~than the United States before January 1, 1976.~~

18 ~~(c) Whenever the President determines that any coun-~~
19 ~~try—~~

20 ~~(1) has exported (directly or indirectly) to the~~
21 ~~United States a quantity of such article having an ap-~~
22 ~~praised value of more than \$25,000,000 during any cal-~~
23 ~~endar year; or~~

24 ~~(2) has exported (either directly or indirectly) to~~
25 ~~the United States a quantity of any article equal to or~~

1 exceeding 50 percent of the value of the total imports
2 of such article into the United States during any calendar
3 year,
4 then, not later than 60 days after the close of such calendar
5 year, such country shall not be treated as a beneficiary de-
6 veloping country with respect to such article unless, on or
7 before such 60th day, the President determines and publishes
8 that it is in the national interest to designate, or to continue
9 the designation of, such country as a beneficiary developing
10 country with respect to such article.

11 *(b) The President shall, after complying with the re-*
12 *quirements of section 502(a)(2), withdraw or suspend the*
13 *designation of any country as a beneficiary developing coun-*
14 *try if, after such designation, he determines that as the result*
15 *of changed circumstances such country would be barred from*
16 *designation as a beneficiary developing country under section*
17 *502(b). Such country shall cease to be a beneficiary devel-*
18 *oping country on the day on which the President issues an*
19 *Executive order revoking his designation of such country*
20 *under section 502.*

21 *(c)(1) Whenever the President determines that any*
22 *country—*

23 *(A) has exported (directly or indirectly) to the*
24 *United States during a calendar year a quantity of an*
25 *eligible article having an appraised value in excess of*

1 *an amount which bears the same ratio to \$25,000,000 as*
2 *the gross national product of the United States for the*
3 *preceding calendar year, as determined by the Depart-*
4 *ment of Commerce, bears to the gross national product*
5 *of the United States for calendar year 1974, or*

6 *(B) except as provided in subsection (d), has*
7 *exported (either directly or indirectly) to the United*
8 *States a quantity of any eligible article equal to or ex-*
9 *ceeding 50 percent of the appraised value of the total*
10 *imports of such article into the United States during any*
11 *calendar year,*

12 *then, not later than 60 days after the close of such calendar*
13 *year, such country shall not be treated as a beneficiary de-*
14 *veloping country with respect to such article, except that, if*
15 *before such 60th day, the President determines and publishes*
16 *in the Federal Register that, with respect to such country—*

17 *(i) there has been an historical preferential trade*
18 *relationship between the United States and such country,*

19 *(ii) there is a treaty or trade agreement in force*
20 *covering economic relations between such country and*
21 *the United States, and*

22 *(iii) such country does not discriminate against,*
23 *or impose unjustifiable or unreasonable barriers to,*
24 *United States commerce,*

25 *then he may designate, or continue the designation of, such*

1 *country as a beneficiary developing country with respect to*
2 *such article.*

3 *(2) A country which is no longer treated as a beneficiary*
4 *developing country with respect to an eligible article by reason*
5 *of this subsection may be redesignated, subject to the provi-*
6 *sions of section 502, a beneficiary developing country with*
7 *respect to such article if imports of such article from such*
8 *country did not exceed the limitations in paragraph (1) of*
9 *this subsection during the preceding calendar year.*

10 *(d) Subsection (c)(1)(B) does not apply with respect to*
11 *any eligible article if a like or directly competitive article is*
12 *not produced in the United States.*

13 ~~(d)~~ *(e) No action pursuant to section 501 may affect*
14 *any tariff duty imposed by the Legislature of Puerto Rico*
15 *pursuant to section 319 of the Tariff Act of 1930 (19 U.S.C.*
16 *sec. 1319) on coffee imported into Puerto Rico.*

17 **SEC. 505. TIME LIMIT ON TITLE; COMPREHENSIVE RE-**
18 **VIEW.**

19 *(a) No duty-free treatment under this title shall remain*
20 *in effect after the date which is 10 years after the date of*
21 *the enactment of this Act.*

22 *(b) On or before the date which is 5 years after the*
23 *date of the enactment of this Act, the President shall submit*
24 *to the Congress a full and complete report of the operation*
25 *of this title.*

1 TITLE VI—GENERAL PROVISIONS

2 SEC. 601. DEFINITIONS.

3 For purposes of this Act—

4 (1) The term “duty” includes the rate and form
5 of any import duty, including but not limited to tariff-
6 rate quotas.

7 (2) The term “other import restriction” includes a
8 limitation, prohibition, charge, and exaction other than
9 duty, imposed on importation or imposed for the regu-
10 lation of importation. The term does not include any
11 orderly marketing agreement.

12 (3) The term “ad valorem” includes ad valorem
13 equivalent. Whenever any limitation on the amount by
14 which or to which any rate of duty may be decreased
15 or increased pursuant to a trade agreement is expressed
16 in terms of an ad valorem percentage, the ad valorem
17 amount taken into account for purposes of such limita-
18 tion shall be determined by the President on the basis
19 of the value of imports of the articles concerned during
20 the most recent ~~period, before the date on which the~~
21 ~~trade agreement is entered into, determined by him to~~
22 ~~be representative~~ *representative period.*

23 (4) The term “ad valorem equivalent” means the
24 ad valorem equivalent of a specific rate or, in the case
25 of a combination of rates including a specific rate, the

1 sum of the ad valorem equivalent of the specific rate
2 and of the ad valorem rate. The ad valorem equivalent
3 shall be determined by the President on the basis of the
4 value of imports of the article concerned during the most
5 recent ~~period determined by him to be representative~~
6 *representative period*. In determining the value of im-
7 ports, the President shall utilize, to the maximum extent
8 practicable, the standards of valuation contained in sec-
9 tion 402 or 402a of the Tariff Act of 1930 (19 U.S.C.
10 sec. 1401a or 1402) applicable to the article concerned
11 during such representative period.

12 (5) An imported article is "directly competitive
13 with" a domestic article at an earlier or later stage of
14 processing, and a domestic article is "directly competi-
15 tive with" an imported article at an earlier or later stage
16 of processing, if the importation of the article has an
17 economic effect on producers of the domestic article
18 comparable to the effect of importation of articles in the
19 same stage of processing as the domestic article. For
20 purposes of this paragraph, the unprocessed article is at
21 an earlier stage of processing.

22 (6) The term "modification", as applied to any
23 duty or other import restriction, includes the elimination
24 of any duty or other import restriction.

25 ~~(7) The term "existing" without the specification~~

1 of any date, when used with respect to any matter relat-
2 ing to entering into or carrying out a trade agreement
3 or other action authorized by this Act, means existing
4 on the day on which such trade agreement is entered
5 into or such other action is taken; and, when referring
6 to a rate of duty, refers to the nonpreferential rate of
7 duty ~~(however established, and even though tempo-~~
8 ~~rarily suspended by Act of Congress or otherwise)~~ exist-
9 ing in column 1 of the Tariff Schedules of the United
10 States on such day.

11 (7) The term "existing" means (A) when used,
12 without the specification of any date, with respect to any
13 matter relating to entering into or carrying out a trade
14 agreement or other action authorized by this Act, existing
15 on the day on which such trade agreement is entered into
16 or such other action is taken; and (B) when used with
17 respect to a rate of duty, the nonpreferential rate of duty
18 (however established, and even though temporarily sus-
19 pended by Act of Congress or otherwise) set forth in rate
20 column numbered 1 of schedules 1 through 7 of the Tariff
21 Schedules of the United States on the date specified or
22 (if no date is specified) on the day referred to in clause
23 (A).

24 (8) A product of a country or area is an article

1 which is the growth, produce, or manufacture of such
2 country or area.

3 (9) The term "nondiscriminatory treatment"
4 means most-favored-nation treatment.

5 (10) *The term "commerce" includes services associ-*
6 *ated with international trade.*

7 **SEC. 602. RELATION TO OTHER LAWS.**

8 (a) The second and third sentences of section 2 (a) of
9 the Act entitled "An Act to amend the Tariff Act of 1930,"
10 approved June 12, 1934, as amended (19 U.S.C. sec. 1352
11 (a)), are each amended by striking out "this Act or the
12 Trade Expansion Act of 1962" and inserting in lieu thereof
13 "this Act or the Trade Expansion Act of 1962 or the Trade
14 Reform Act of ~~1973~~ 1974".

15 (b) Section 242 of the Trade Expansion Act of 1962
16 is amended as follows:

17 (1) by striking out "351 and 352" in subsection
18 (a) and inserting in lieu thereof "201, 202, and 203 of
19 the Trade Reform Act of ~~1973~~ 1974";

20 (2) by striking out "with respect to tariff adjust-
21 ment" in subsection (b) (2) ;

22 (3) by striking out "301 (e) " in subsection (b)
23 (2) and inserting in lieu thereof "201 (d) of the Trade
24 Reform Act of ~~1973~~ 1974";

1 (4) by striking out “concerning foreign import re-
2 strictions” in subsection (b) (3) ; and

3 (5) by striking out “section 252 (d)” each place it
4 appears and inserting in lieu thereof “subsections (c)
5 and (d) of section 301 of the Trade Reform Act of
6 ~~1973~~ 1974”.

7 (c) Section 351 (c) (1) (B) of the Trade Expansion
8 Act of 1962 is amended by striking out “unless extended
9 under paragraph (2),” *and inserting in lieu thereof the*
10 *following: “unless extended under section 203 of the Trade*
11 *Reform Act of 1974,”.*

12 (d) Sections 202, 211, 212, 213, 221, 222, 223, 224,
13 225, 226, 231, 241, 243, 252, 253, 254, 255 (a), 256, so
14 much of 301 and 302 as is not repealed by subsection ~~(d)~~
15 (e), 311 through 315, 317 (a), 351 (c) (2) and (d) (3),
16 361, 401, 402, 403, 404, and 405 (1), (3), (4), and (5)
17 of the Trade Expansion Act of 1962 are repealed.

18 (e) Sections 301 (a) (2) and (3), (c) (2) and (3),
19 (d) (2), (f) (1) and (3), 302 (b) (2), (d) and (e), 321
20 through 338 of the Trade Expansion Act of 1962 are re-
21 pealed on the 90th day following the date of the enactment
22 of this Act.

23 (f) All provisions of law (other than this Act, the
24 Trade Expansion Act of 1962, and the Trade Agreements

1 Extension Act of 1951) in effect after the date of enactment
2 of this Act, referring to section 350 of the Tariff Act of
3 1930, to that section as amended, to the Act entitled "An
4 Act to amend the Tariff Act of 1930," approved June 12,
5 1934, to that Act as amended or to the Trade Expansion
6 Act of 1962, or to agreements entered into, or proclamations
7 issued, or actions taken under any of such provisions, shall
8 be construed, unless clearly precluded by the context, to
9 refer also to this Act, or to agreements entered into or pro-
10 clamations or orders issued, pursuant to this Act.

11 **SEC. 603. ~~TARIFF~~ INTERNATIONAL TRADE COMMISSION.**

12 (a) In order to expedite the performance of its func-
13 tions under this Act, the ~~Tariff~~ *International Trade Com-*
14 *mission* may conduct preliminary investigations, determine
15 the scope and manner of its proceedings, and consolidate
16 proceedings before it.

17 (b) In performing its functions under this Act, the
18 ~~Tariff~~ Commission may exercise any authority granted to it
19 under any other Act.

20 (c) The ~~Tariff~~ Commission shall at all times keep in-
21 formed concerning the operation and effect of provisions re-
22 lating to duties or other import restrictions of the United
23 States contained in trade agreements entered into under the
24 trade agreements program.

1 SEC. 604. CONSEQUENTIAL CHANGES IN THE TARIFF
2 SCHEDULES.

3 The President shall from time to time, as appropriate,
4 embody in the Tariff Schedules of the United States the sub-
5 stance of the relevant provisions of this Act, and of other
6 Acts affecting import treatment, and actions thereunder,
7 including modification, continuance, or imposition of any rate
8 of duty or other import restriction.

9 SEC. 605. SEPARABILITY.

10 If any provision of this Act or the application of any
11 provision to any circumstances or persons shall be held
12 invalid, the validity of the remainder of this Act, and of
13 the application of such provision to other circumstances or
14 persons, shall not be affected thereby.

15 SEC. 606. INTERNATIONAL DRUG CONTROL.

16 It is the sense of the Congress that effective international
17 cooperation is necessary to put an end to the illicit produc-
18 tion, smuggling, trafficking in, and abuse of dangerous drugs.
19 In order to promote such cooperation, the President shall
20 embargo trade and investment, public and private, with any
21 nation when the President determines that the government
22 of such country has failed to take adequate steps to prevent
23 narcotic drugs and other controlled substances (as defined
24 by the Comprehensive Drug Abuse Prevention and Control
25 Act of 1970 (21 U.S.C. sec. 801 et seq.)) produced or proe-

1 essed, in whole or in part, in such country, or transported
2 through such country, from entering the United States
3 unlawfully. Such suspension shall continue until the Presi-
4 dent determines that the government of such country has
5 taken adequate steps to carry out the purposes of this
6 section.

7 *The President shall submit a report to Congress at least*
8 *once each calendar year listing those foreign countries in*
9 *which narcotic drugs and other controlled substances (as*
10 *listed under section 202 of the Comprehensive Drug Abuse*
11 *Prevention and Control Act of 1970 (21 U.S.C. 812)) are*
12 *produced, processed, or transported for unlawful entry into*
13 *the United States. Such report shall include a description of*
14 *the measures such countries are taking to prevent such pro-*
15 *duction, processing, or transport.*

16 **SEC. 607. VOLUNTARY LIMITATIONS ON EXPORTS OF**
17 **STEEL TO THE UNITED STATES.**

18 *No person shall be liable for damages, penalties, or other*
19 *sanctions under the Federal Trade Commission Act (15*
20 *U.S.C. 41-77) or the Antitrust Acts (as defined in section 4*
21 *of the Federal Trade Commission Act (15 U.S.C. 44)), or*
22 *under any similar State law, on account of his negotiating,*
23 *entering into, participating in, or implementing an arrange-*
24 *ment providing for the voluntary limitation on exports of steel*
25 *and steel products to the United States, or any modification*

1 *or renewal of such an arrangement, if such arrangement or*
2 *such modification or renewal—*

3 *(1) was undertaken prior to the date of the enact-*
4 *ment of this Act at the request of the Secretary of State*
5 *or his delegate, and*

6 *(2) ceases to be effective not later than January 1,*
7 *1975.*

8 **SEC. 608. UNIFORM STATISTICAL DATA ON IMPORTS,**
9 **EXPORTS, AND PRODUCTION.**

10 *(a) Section 484(e) of the Tariff Act of 1930 (19*
11 *U.S.C. 1484(e)) is amended to read as follows:*

12 *“(e) STATISTICAL ENUMERATION.—The Secretary of*
13 *the Treasury, the Secretary of Commerce, and the United*
14 *States International Trade Commission are authorized and*
15 *directed to establish from time to time for statistical purposes*
16 *an enumeration of articles in such detail as in their judgment*
17 *may be necessary, comprehending all merchandise imported*
18 *into the United States and exported from the United States,*
19 *and shall seek, in conjunction with statistical programs for*
20 *domestic production, to establish the comparability thereof*
21 *with such enumeration of articles. All import entries and*
22 *export declarations shall include or have attached thereto an*
23 *accurate statement specifying, in terms of such detailed*
24 *enumeration, the kinds and quantities of all merchandise*

1 *imported and exported and the value of the total quantity*
2 *of each kind of article.”.*

3 *(b) The amendment made by subsection (a) insofar as it*
4 *relates to export declarations shall take effect on January 1,*
5 *1976.*

6 **SEC. 609. SUBMISSION OF STATISTICAL DATA ON IM-**
7 **PORTS AND EXPORTS.**

8 *(a) Section 301 of title 13, United States Code, is*
9 *amended—*

10 *(1) by inserting “(a)” before “The Secretary”;*
11 *and*

12 *(2) by adding at the end thereof the following new*
13 *subsections:*

14 *“(b) The Secretary shall submit to the Committee on*
15 *Ways and Means of the House of Representatives and the*
16 *Committee on Finance of the Senate, on current monthly*
17 *and cumulative bases, statistics on United States imports*
18 *for consumption and United States exports by country and*
19 *by product. Statistics on United States imports shall be sub-*
20 *mitted in accordance with the Tariff Schedules of the United*
21 *States Annotated and general statistical headnote 1 thereof,*
22 *in detail as follows:*

23 *“(1) net quantity;*

24 *“(2) United States customs value;*

1 “(3) purchase price or its equivalent;

2 “(4) equivalent of arm's length value;

3 “(5) aggregate cost from port of exportation to
4 United States port of entry;

5 “(6) a United States port of entry value comprised
6 of (5) plus (4), if applicable, or, if not applicable, (5)
7 plus (3); and

8 “(7) for transactions where (3) and (4) are equal,
9 the total value of such transactions.

10 The data for paragraphs (1), (2), (3), (5), and (6) shall
11 be reported separately for nonrelated and related party
12 transactions, and shall also be reported as a total of all
13 transactions.

14 “(c) In submitting any information under subsection
15 (b) with respect to exports, the Secretary shall state sepa-
16 rately from the total value of all exports—

17 “(1)(A) the value of agricultural commodities ex-
18 ported under the Agricultural Trade Development and
19 Assistance Act of 1954, as amended; and

20 “(B) the total amount of all export subsidies paid
21 to exporters by the United States under such Act for the
22 exportation of such commodities; and

23 “(2) the value of goods exported under the Foreign
24 Assistance Act of 1961.

1 “(d) To assist the Secretary to carry out the provisions
2 of subsections (b) and (c)—

3 “(1) the Secretary of Agriculture shall furnish
4 information to the Secretary concerning the value of
5 agricultural commodities exported under provisions of
6 the Agricultural Trade Development and Assistance Act
7 of 1954, as amended, and the total amounts of all export
8 subsidies paid to exporters by the United States under
9 such Act for the exportation of such commodities; and

10 “(2) the Secretary of State shall furnish informa-
11 tion to the Secretary concerning the value of goods
12 exported under the provisions of the Foreign Assistance
13 Act of 1961, as amended.”

14 (b) The amendments made by subsection (a) shall take
15 effect on January 1, 1975.

16 **SEC. 610. GIFTS SENT FROM INSULAR POSSESSIONS.**

17 (a) Section 321(a)(2)(A) of the Tariff Act of 1930
18 (19 U.S.C. 1321(a)(2)(A)) is amended by inserting after
19 “United States” the following: “(\$20, in the case of articles
20 sent as bona fide gifts from persons in the Virgin Islands,
21 Guam, and American Samoa)”.

22 (b) The amendment made by subsection (a) shall apply
23 with respect to articles entered, or withdrawn from ware-

1 *house, for consumption after the date of the enactment of*
2 *this Act.*

3 **SEC. 611. REVIEW OF PROTESTS IN IMPORT SUR-**
4 **CHARGE CASES.**

5 *Notwithstanding the provisions of section 515(a) of the*
6 *Tariff Act of 1930 (19 U.S.C. 1515(a)), in the case of any*
7 *protest under section 514 of such Act involving the imposition*
8 *of an import surcharge in the form of a supplemental duty*
9 *pursuant to Presidential Proclamation 4074, dated Au-*
10 *gust 17, 1971, the time for review and allowing or denying*
11 *the protest shall not expire until five years from the date*
12 *the protest was filed in accordance with such section 514.*

13 **SEC. 612. TRADE RELATIONS WITH CANADA.**

14 *It is the sense of the Congress that the United States*
15 *should enter into a trade agreement with Canada which will*
16 *guarantee continued stability to the economies of the United*
17 *States and Canada. In order to promote such economic*
18 *stability, the President may initiate negotiations for a trade*
19 *agreement with Canada to establish a free trade area cover-*
20 *ing the United States and Canada. Nothing in this section*
21 *shall be construed as prior approval of any legislation which*
22 *may be necessary to implement such a trade agreement.*

Amend the title so as to read: "An Act to promote the development of an open, nondiscriminatory, and fair world economic system, to stimulate fair and free competition between the United States and foreign nations, to foster the economic growth of, and full employment in, the United States, and for other purposes."

Passed the House of Representatives December 11, 1973.

Attest:

W. PAT JENNINGS,

Clerk.

Calendar No. 1231

93^D CONGRESS
2^D SESSION

H. R. 10710

[Report No. 93-1298]

AN ACT

To promote the development of an open, non-discriminatory, and fair world economic system, to stimulate the economic growth of the United States, and for other purposes.

DECEMBER 12, 1973

Read twice and referred to the Committee on Finance

NOVEMBER 26, 1974

Reported with amendments