

Public Law 85-686

AN ACT

To extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended, and for other purposes.

August 20, 1958
[H. R. 12591]

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Trade Agreements Extension Act of 1958".

Trade Agreements Extension Act of 1958.

SEC. 2. The period during which the President is authorized to enter into foreign trade agreements under section 350 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1351), is hereby extended from the close of June 30, 1958, until the close of June 30, 1962.

69 Stat. 162.

SEC. 3. (a) Subsection (a) of section 350 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1351 (a)), is amended as follows:

69 Stat. 163.

(1) Paragraph (2) (A) is amended to read as follows:

"(A) Increasing by more than 50 per centum any rate of duty existing on July 1, 1934; except that a specific rate of duty existing on July 1, 1934, may be converted to its ad valorem equivalent based on the value of imports of the article concerned during the calendar year 1934 (determined in the same manner as provided in subparagraph (D) (ii)) and the proclamation may provide an ad valorem rate of duty not in excess of 50 per centum above such ad valorem equivalent."

Duty increase. Authorization.

(2) Paragraph (2) (D) is amended by inserting "and before July 1, 1958," after "June 12, 1955,".

(3) The last sentence of paragraph (2) (D) (ii) is amended by striking out "section 402 of this Act (as in effect" and inserting in lieu thereof "section 402 or 402a of this Act (as in effect, with respect to the article concerned,".

46 Stat. 708; 70 Stat. 943.
19 U. S. C. 1402, 1401a.

(4) Paragraph (2) is amended by adding at the end thereof the following new subparagraph:

"(E) In order to carry out a foreign trade agreement entered into by the President on or after July 1, 1958, decreasing any rate of duty below the lowest of the rates provided for in paragraph (4) (A) of this subsection."

Reduction authority.

(5) Paragraph (3) (A) is amended (A) by striking out "of subparagraphs (B) and (C) of this paragraph," and by inserting in lieu thereof "of subparagraphs (B) and (C) of this paragraph and of subparagraph (B) of paragraph (4) of this subsection," and (B) by striking out "suspension under paragraph (4)" and by inserting in lieu thereof "suspension under paragraph (5)".

(6) Paragraph (3) (D) is amended by striking out "paragraph (2) (C) or (D)" and by inserting in lieu thereof "paragraph (2) (C) or (D) or paragraph (4) (A) or (B)".

(7) Paragraphs (4) and (5) are renumbered as paragraphs (5) and (6), respectively.

(8) Subsection (a) is amended by inserting after paragraph (3) the following new paragraph:

"(4) (A) No proclamation pursuant to paragraph (1) (B) of this subsection shall be made, in order to carry out a foreign trade agreement entered into by the President on or after July 1, 1958, decreasing any rate of duty below the lowest of the following rates:

Limitations.

"(i) The rate which would result from decreasing the rate existing on July 1, 1958, by 20 per centum of such rate.

"(ii) Subject to paragraph (2) (B) of this subsection, the rate 2 per centum ad valorem below the rate existing on July 1, 1958.

"(iii) The rate 50 per centum ad valorem or, in the case of any article subject to a specific rate of duty or to a combination

of rates including a specific rate, any rate (or combination of rates), however stated, the ad valorem equivalent of which has been determined as 50 per centum ad valorem.

The provisions of clauses (ii) and (iii) of this subparagraph and of subparagraph (B) (ii) of this paragraph shall, in the case of any article subject to a combination of ad valorem rates of duty, apply to the aggregate of such rates; and, in the case of any article subject to a specific rate of duty or to a combination of rates including a specific rate, such provisions shall apply on the basis of the ad valorem equivalent of such rate or rates, during a representative period (whether or not such period includes July 1, 1958), determined in the same manner as the ad valorem equivalent of rates not stated wholly in ad valorem terms is determined for the purpose of paragraph (2) (D) (ii) of this subsection.

“(B) (i) In the case of any decrease in duty to which clause (i) of subparagraph (A) of this paragraph applies, such decrease shall become initially effective in not more than four annual stages, and no amount of decrease becoming initially effective at one time shall exceed 10 per centum of the rate of duty existing on July 1, 1958, or, in any case in which the rate has been increased since that date, exceed such 10 per centum or one-third of the total amount of the decrease under the foreign trade agreement, whichever is the greater.

“(ii) In the case of any decrease in duty to which clause (ii) of subparagraph (A) of this paragraph applies, such decrease shall become initially effective in not more than four annual stages, and no amount of decrease becoming initially effective at one time shall exceed 1 per centum ad valorem or, in any case in which the rate has been increased since July 1, 1958, exceed such 1 per centum or one-third of the total amount of the decrease under the foreign trade agreement, whichever is the greater.

“(iii) In the case of any decrease in duty to which clause (iii) of subparagraph (A) of this paragraph applies, such decrease shall become initially effective in not more than four annual stages, and no amount of decrease becoming initially effective at one time shall exceed one-third of the total amount of the decrease under the foreign trade agreement.

“(C) In the case of any decrease in duty to which subparagraph (A) of this paragraph applies (i) no part of a decrease after the first part shall become initially effective until the immediately previous part shall have been in effect for a period or periods aggregating not less than one year, nor after the first part shall have been in effect for a period or periods aggregating more than three years, and (ii) no part of a decrease shall become initially effective after the expiration of the four-year period which begins on July 1, 1962. If any part of a decrease has become effective, then for the purposes of clauses (i) and (ii) of the preceding sentence any time thereafter during which such part of the decrease is not in effect by reason of legislation of the United States or action thereunder shall be excluded in determining when the three-year period or the four-year period, as the case may be, expires.”

(b) Subsection (b) of section 350 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1351 (b)), is amended (1) by striking out “exclusive” in the first sentence, and (2) by amending paragraph (2) to read as follows:

“(2) In order to carry out a foreign trade agreement entered into by the President on or after June 12, 1955, below the applicable alternative specified in subsection (a) (2) (C) or (D) or (4) (A) (subject to the applicable provisions of subsection (a) (3) (B), (C), and (D) and (4) (B) and (C)), each such alterna-

tive to be read for the purposes of this paragraph as relating to the rate of duty applicable to products of Cuba. With respect to products of Cuba, the limitation of subsection (a) (2) (D) (ii) or (4) (A) (iii) may be exceeded to such extent as may be required to maintain an absolute margin of preference to which such products are entitled."

(c) Paragraph (2) (A) of subsection (c) of section 350 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1351 (c) (2) (A)), is amended by striking out "existing on January 1, 1945" and "existing on January 1, 1955" and by inserting in lieu thereof "existing on July 1, 1934", "existing on January 1, 1945", "existing on January 1, 1955", and "existing on July 1, 1958".

Definition of duties.

(d) Paragraph (1) of subsection (e) of section 350 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1351 (e) (1)), is amended by inserting after "(including the incorporation therein of escape clauses)," the following: "the results of action taken to obtain removal of foreign trade restrictions (including discriminatory restrictions) against United States exports, remaining restrictions, and the measures available to seek their removal in accordance with the objectives of this section,".

Report to Congress.

(e) Section 350 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1351), is amended by adding at the end thereof the following new subsection:

"(f) It is hereby declared to be the sense of the Congress that the President, during the course of negotiating any foreign trade agreement under this section, should seek information and advice with respect to such agreement from representatives of industry, agriculture, and labor."

Information.

SEC. 4. (a) The third sentence of subsection (a) of section 3 of the Trade Agreements Extension Act of 1951, as amended (19 U. S. C., sec. 1360 (a)), is amended by striking out "120 days" and inserting in lieu thereof "six months". The last sentence of such subsection is amended by striking out "120-day" and inserting in lieu thereof "six-month".

Peril-point investigations.
65 Stat. 72.

(b) Subsection (b) of section 3 of the Trade Agreements Extension Act of 1951, as amended (19 U. S. C., sec. 1360 (b)), is amended by adding at the end thereof the following new sentence: "If in the course of any such investigation the Commission shall find with respect to any article on the list upon which a tariff concession has been granted that an increase in duty or additional import restriction is required to avoid serious injury to the domestic industry producing like or directly competitive articles, the Commission shall promptly institute an investigation with respect to that article pursuant to section 7 of this Act."

Escape-clause investigations.

(c) Such subsection (b) is further amended by inserting "(1)" after "(b)" and by adding at the end thereof the following:

19 USC 1364.

"(2) In each such investigation the Commission shall, to the extent practicable and without excluding other factors, ascertain for the last calendar year preceding the investigation the average invoice price on a country-of-origin basis (converted into currency of the United States in accordance with the provisions of section 522 of the Tariff Act of 1930, as amended) at which the foreign article was sold for export to the United States, and the average prices at which the like or directly competitive domestic articles were sold at wholesale in the principal markets of the United States. The Commission shall also, to the extent practicable, estimate for each article on the list the maximum increase in annual imports which may occur without causing serious injury to the domestic industry producing like or directly competitive articles. The Commission shall request the executive de-

46 Stat. 739.
31 USC 372.

partments and agencies for information in their possession concerning prices and other economic data from the principal supplier foreign country of each such article."

Applications.

SEC. 5. (a) The first paragraph of subsection (a) of section 7 of the Trade Agreements Extension Act of 1951, as amended (19 U. S. C., sec. 1364 (a)), is amended by striking out "any interested party" and inserting in lieu thereof "any interested party (including any organization or group of employees)".

(b) (1) The first paragraph of section 7 (a) of such Act is amended by striking out "nine months" and inserting in lieu thereof "six months".

(2) The amendment made by paragraph (1) shall apply only with respect to applications made after the date of the enactment of this Act.

**Free-list articles.
Authority for duty.**

(c) Section 7 of the Trade Agreements Extension Act of 1951, as amended (19 U. S. C., sec. 1364), is amended by adding at the end thereof the following new subsection:

19 USC 1351.

"(f) In carrying out the provisions of this section the President may, notwithstanding section 350 (a) (2) of the Tariff Act of 1930, as amended, impose a duty not in excess of 50 per centum ad valorem on any article not otherwise subject to duty."

SEC. 6. Subsection (c) of section 7 of the Trade Agreements Extension Act of 1951, as amended (19 U. S. C., sec. 1364 (c)), is amended by inserting "(1)" after "(c)" at the beginning thereof, and by adding at the end thereof the following:

Actions to prevent or remedy injury.

"(2) The action so found and reported by the Commission to be necessary shall take effect (as provided in the first sentence of paragraph (1) or in paragraph (3), as the case may be)—

"(A) if approved by the President, or

"(B) if disapproved by the President in whole or in part, upon the adoption by both Houses of the Congress (within the 60-day period following the date on which the report referred to in the second sentence of paragraph (1) is submitted to such committees), by the yeas and nays by a two-thirds vote of each House, of a concurrent resolution stating in effect that the Senate and House of Representatives approve the action so found and reported by the Commission to be necessary.

For the purposes of subparagraph (B), in the computation of the 60-day period there shall be excluded the days on which either House is not in session because of an adjournment of more than 3 days to a day certain or an adjournment of the Congress sine die.

"(3) In any case in which the contingency set forth in paragraph (2) (B) occurs, the President shall (within 15 days after the adoption of such resolution) take such action as may be necessary to make the adjustments, impose the quotas, or make such other modifications as were found and reported by the Commission to be necessary."

Congressional procedure regarding resolutions.

SEC. 7. (a) The following subsections of this section are enacted by the Congress:

(1) As an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, respectively, but applicable only with respect to the procedure to be followed in such House in the case of resolutions (as defined in subsection (b)); and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) With full recognition of the constitutional right of either House to change such rules (so far as relating to the procedure in such House) at any time, in the same manner and to the same extent as in the case of any other rule of such House.

(b) As used in this section, the term "resolution" means only a concurrent resolution of the two Houses of Congress, the matter after the resolving clause of which is as follows: "That the Senate and House of Representatives approve the action—

"Resolution."

Resolving
clause.

"(1) found and reported by the United States Tariff Commission to be necessary to prevent or remedy serious injury to the respective domestic industry, in its report to the President dated , 19 , on its escape-clause investigation numbered under the provisions of section 7 of the Trade Agreements Extension Act of 1951, as amended (19 U. S. C., sec. 1364), and

"(2) disapproved by the President in whole or in part in his report (dated , 19) pursuant to the second sentence of paragraph (1) of section 7 (c) of such Act.",
the blank spaces therein being appropriately filled; and does not include a concurrent resolution which specifies more than one such investigation.

(c) A resolution with respect to an investigation shall be referred to the Committee on Finance of the Senate or to the Committee on Ways and Means of the House of Representatives by the President of the Senate or the Speaker of the House of Representatives, as the case may be.

(d) (1) If the committee to which has been referred a resolution with respect to an investigation has not reported it before the expiration of ten calendar days after its introduction (or, in the case of a resolution received from the other House, ten calendar days after its receipt), it shall then (but not before) be in order to move either to discharge the committee from further consideration of such resolution, or to discharge the committee from further consideration of any other resolution with respect to such investigation which has been referred to the committee.

(2) Such motion may be made only by a person favoring the resolution, shall be highly privileged (except that it may not be made after the committee has reported a resolution with respect to the same investigation), and debate thereon shall be limited to not to exceed one hour, to be equally divided between those favoring and those opposing the resolution. No amendment to such motion shall be in order, and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(3) If the motion to discharge is agreed to or disagreed to, such motion may not be renewed, nor may another motion to discharge the committee be made with respect to any other resolution with respect to the same investigation.

(e) (1) When the committee has reported, or has been discharged from further consideration of, a resolution with respect to an investigation it shall at any time thereafter be in order (even though a previous motion to the same effect has been disagreed to) to move to proceed to the consideration of such resolution. Such motion shall be highly privileged and shall not be debatable. No amendment to such motion shall be in order and it shall not be in order to move to reconsider the vote by which such motion is agreed to or disagreed to.

(2) Debate on the resolution shall be limited to not to exceed ten hours, which shall be equally divided between those favoring and those opposing the resolution. A motion further to limit debate shall not be debatable. No amendment to, or motion to recommit, the resolution shall be in order, and it shall not be in order to move to reconsider the vote by which the resolution is agreed to or disagreed to.

(f) (1) All motions to postpone, made with respect to the discharge from committee, or the consideration of, a resolution with respect to an investigation, and all motions to proceed to the consideration of other business, shall be decided without debate.

(2) All appeals from the decisions of the Chair relating to the application of the rules of the Senate or the House of Representatives, as the case may be, to the procedure relating to a resolution with respect to an investigation shall be decided without debate.

(g) If, prior to the passage by one House of a resolution of that House with respect to an investigation, such House receives from the other House a resolution with respect to the same investigation, then—

(1) If no resolution of the first House with respect to such investigation has been referred to committee, no other resolution with respect to the same investigation may be reported or (despite the provisions of subsection (d) (1)) be made the subject of a motion to discharge.

(2) If a resolution of the first House with respect to such investigation has been referred to committee—

(A) the procedure with respect to that or other resolutions of such House with respect to such investigation which have been referred to committee shall be the same as if no resolution from the other House with respect to such investigation had been received; but

(B) on any vote on final passage of a resolution of the first House with respect to such investigation the resolution from the other House with respect to such investigation shall be automatically substituted for the resolution of the first House.

Trade agreement
negotiation.
68 Stat. 360; 69
Stat. 166.

SEC. 8. (a) Section 2 of the Act entitled "An Act to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended", approved July 1, 1954, as amended by section 7 of the Trade Agreements Extension Act of 1955 (19 U. S. C., sec. 1352a), is amended to read as follows:

"SEC. 2. (a) No action shall be taken pursuant to section 350 of the Tariff Act of 1930, as amended (19 U. S. C., sec. 1351), to decrease the duty on any article if the President finds that such reduction would threaten to impair the national security.

Investigation and
reports on imports
impairing national
security.

"(b) Upon request of the head of any Department or Agency, upon application of an interested party, or upon his own motion, the Director of the Office of Defense and Civilian Mobilization (hereinafter in this section referred to as the 'Director') shall immediately make an appropriate investigation, in the course of which he shall seek information and advice from other appropriate Departments and Agencies, to determine the effects on the national security of imports of the article which is the subject of such request, application, or motion. If, as a result of such investigation, the Director is of the opinion that the said article is being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security, he shall promptly so advise the President, and, unless the President determines that the article is not being imported into the United States in such quantities or under such circumstances as to threaten to impair the national security as set forth in this section, he shall take such action, and for such time, as he deems necessary to adjust the imports of such article and its derivatives so that such imports will not so threaten to impair the national security.

"(c) For the purposes of this section, the Director and the President shall, in the light of the requirements of national security and without excluding other relevant factors, give consideration to domestic production needed for projected national defense requirements, the capacity of domestic industries to meet such requirements, existing and anticipated availabilities of the human resources, products, raw materials, and other supplies and services essential to the national de-

fense, the requirements of growth of such industries and such supplies and services including the investment, exploration, and development necessary to assure such growth, and the importation of goods in terms of their quantities, availabilities, character, and use as those affect such industries and the capacity of the United States to meet national security requirements. In the administration of this section, the Director and the President shall further recognize the close relation of the economic welfare of the Nation to our national security, and shall take into consideration the impact of foreign competition on the economic welfare of individual domestic industries; and any substantial unemployment, decrease in revenues of government, loss of skills or investment, or other serious effects resulting from the displacement of any domestic products by excessive imports shall be considered, without excluding other factors, in determining whether such weakening of our internal economy may impair the national security.

"(d) A report shall be made and published upon the disposition of each request, application, or motion under subsection (b). The Director shall publish procedural regulations to give effect to the authority conferred on him by subsection (b).

Publication of reports.

"(e) The Director, with the advice and consultation of other appropriate Departments and Agencies and with the approval of the President, shall by February 1, 1959, submit to the Congress a report on the administration of this section. In preparing such a report, an analysis should be made of the nature of projected national defense requirements, the character of emergencies that may give rise to such requirements, the manner in which the capacity of the economy to satisfy such requirements can be judged, the alternative means of assuring such capacity and related matters."

Report to Congress.

(b) The amendment made by subsection (a) shall not affect any action taken or determinations made before the date of the enactment of this Act.

SEC. 9. (a) Subsection (a) of section 333 of the Tariff Act of 1930 (19 U. S. C., sec. 1333 (a)) is amended to read as follows:

Subpena powers.
46 Stat. 699.

"(a) **AUTHORITY TO OBTAIN INFORMATION.**—For the purposes of carrying out its functions and duties in connection with any investigation authorized by law, the commission or its duly authorized agent or agents (1) shall have access to and the right to copy any document, paper, or record, pertinent to the subject matter under investigation, in the possession of any person, firm, copartnership, corporation, or association engaged in the production, importation, or distribution of any article under investigation, (2) may summon witnesses, take testimony, and administer oaths, (3) may require any person, firm, copartnership, corporation, or association to produce books or papers relating to any matter pertaining to such investigation, and (4) may require any person, firm, copartnership, corporation, or association to furnish in writing, in such detail and in such form as the commission may prescribe, information in their possession pertaining to such investigation. Any member of the commission may sign subpoenas, and members and agents of the commission, when authorized by the commission, may administer oaths and affirmations, examine witnesses, take testimony, and receive evidence."

(b) Subsection (d) of section 333 of the Tariff Act of 1930 (19 U. S. C., sec. 1333 (d)) is amended by striking out "under Part II of this title" and inserting in lieu thereof "before the commission".

46 Stat. 699.

(c) (1) Subsection (a) of section 336 of the Tariff Act of 1930 (19 U. S. C., sec. 1336 (a)) is amended by striking out the third sentence thereof. The first sentence of subsection (c) of section 337 of the Tariff Act of 1930 (19 U. S. C., sec. 1337 (c)) is amended by striking out "under and in accordance with such rules as it may promulgate".

46 Stat. 701.

Hearings.
46 Stat. 703.

(2) Part II of title III of the Tariff Act of 1930 (19 U. S. C., sec. 1330, et seq.) is amended by inserting after section 334 the following new section:

"SEC. 335. RULES AND REGULATIONS.

"The commission is authorized to adopt such reasonable procedures and rules and regulations as it deems necessary to carry out its functions and duties."

SEC. 10. The enactment of this Act shall not be construed to determine or indicate the approval or disapproval by the Congress of the executive agreement known as the General Agreement on Tariffs and Trade.

Approved August 20, 1958.

Public Law 85-687

AN ACT

August 20, 1958
[H.R. 11800]

To authorize the Secretary of Agriculture to convey a certain parcel of land and buildings thereon to the city of Clifton, New Jersey.

Clifton, N.J.
Conveyance.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Secretary of Agriculture is authorized and directed to convey by quitclaim deed to the city of Clifton, New Jersey, all of the rights, title, and interest of the United States in and to seven acres, more or less, of the land of the United States Animal Quarantine Station, Clifton, New Jersey, more particularly described as a parcel of land comprising the westerly portion of the United States Animal Quarantine Station, Clifton, New Jersey, lying along the southerly side of Colfax Avenue, together with all buildings, facilities, and improvements thereon, upon payment by said city of 75 per centum of the appraised fair market value of such land, buildings, facilities, and improvements as determined by the Secretary of Agriculture: *Provided*, That in addition the city of Clifton shall deposit at time of conveyance \$30,000 to the Treasury of the United States into a special account for the use of the Secretary of Agriculture in making alterations of buildings, facilities, and improvements situated upon the remaining portion of said quarantine station. The conveyance hereunder shall be subject to the reservations, conditions, and restrictions contained in this Act. The cost of any survey required in connection with the conveyance of this property shall be at the expense of the city of Clifton.

Mineral rights.

SEC. 2. Said quitclaim deed shall also contain a reservation to the United States of all gas, oil, coal and all source materials essential to the production of fissionable material and all other mineral deposits and the right to the use of the land for extracting and removing same.

Reversion of title.

SEC. 3. The city of Clifton shall, prior to the actual use of the tract of land conveyed to such city by the first section of this Act and prior to the alteration or removal of any fences now upon such tract of land, provide a suitable fence on the boundary line between such parcel of land and the remaining land of the United States animal quarantine station. If the city of Clifton fails to provide such fence prior to the actual use of such tract of land and prior to the alteration or removal of the existing fences, or if the city of Clifton uses or conveys any part of such land for other than public purposes, all the right, title, and interest in and to the land conveyed by the first section of this Act shall revert to, and become the property of, the United States, which shall have the immediate right of entry thereon.

Approved August 20, 1958.