

106TH CONGRESS
2D SESSION

H. R. 4026

To amend the Harmonized Tariff Schedule of the United States to provide duty-free treatment for certain foodstuffs originating in NAFTA countries.

IN THE HOUSE OF REPRESENTATIVES

MARCH 16, 2000

Mr. SHAW introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To amend the Harmonized Tariff Schedule of the United States to provide duty-free treatment for certain foodstuffs originating in NAFTA countries.

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

3 **SECTION 1. DUTY-FREE TREATMENT OF CERTAIN FOOD-**
4 **STUFFS ORIGINATING IN NAFTA COUNTRIES.**

5 (a) AMENDMENTS TO U.S. NOTES.—Subchapter II
6 of chapter 98 of the Harmonized Tariff Schedule of the
7 United States is amended by adding after U.S. note 6 the
8 following new note:

9 “7. Food preparations that are the product of Canada or
10 Mexico consisting of, or processed using, a material

1 exported from the United States.—The following pro-
2 visions apply only to subheading 9802.00.95:

3 “(a) Entry of any product described by subheading
4 9802.00.95:

5 “(i) shall not be subject to duty under the pro-
6 visions of subchapter IV of chapter 99; and

7 “(ii) if a tariff-rate quota provision would have
8 applied to such product but for subheading
9 9802.00.95, the quantity of the product
10 entered under that subheading shall not be
11 counted against the quantity specified as
12 the in-quota quantity for any such product.

13 “(b) The term ‘product of Canada or Mexico’ means
14 a good:

15 “(i) that is determined to be a product of Can-
16 ada or of Mexico under rules of origin pro-
17 mulgated by the Secretary of the Treasury
18 pursuant to Annex 311 of the North
19 American Free Trade Agreement, as im-
20 plemented under the North American Free
21 Trade Agreement Implementation Act; or

22 “(ii) that is processed, packaged, or otherwise
23 advanced in value or improved in condition
24 in Canada or Mexico (or both) and that is

1 determined to be a product of the United
2 States under such rules of origin.

3 “(c) The term ‘products of the United States’ means
4 goods or materials that are determined to be
5 products of the United States under rules of or-
6 igin promulgated by the Secretary of the Treas-
7 ury pursuant to Annex 311 of the North Amer-
8 ican Free Trade Agreement, as implemented
9 under the North American Free Trade Agree-
10 ment Implementation Act.

11 “(d) The term ‘manufactured or processed in Can-
12 ada or Mexico (or both) using a good or mate-
13 rial that was exported from the United States’
14 includes, but is not limited to:

15 “(i) processing in Canada or Mexico using a
16 good or material that previously was im-
17 ported into the United States; and

18 “(ii) processing in Canada or Mexico using a
19 good or material that was processed in a
20 country or countries other than Canada or
21 Mexico after exportation from the United
22 States, if such processing did not effect a
23 change in the country of origin of the good
24 as exported from the United States.”.

(b) DUTY-FREE TREATMENT.—Subchapter II of chapter 98 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

| | | | | | | |
|---|------------|--|---|--|--|----|
| “ | 9802.00.95 | Any good of chapter 4, 18, 19, or 21, of heading 1704, or of subheading 1517.90.50, 1517.90.60, 1701.91.44, 1701.91.48, 1701.91.54, 1701.91.58, 2202.90.24, or 2202.90.28, that is a product of Canada or Mexico and that was manufactured or processed in Canada or Mexico (or both) using a good or material exported from the United States, if the following conditions are met: (1) the good as imported into the United States is an originating good satisfying the requirements of General Note 12 of the tariff schedule; (2) any goods or materials of heading 0401, 0402, 0403, 0404, 0405, or 0406 and any goods or materials described in additional U.S. note 1 to chapter 4 that were used in the processing of the good in Canada or Mexico were products of the United States; (3) if the good as imported into the United States is described in any of headings 0401 through 0406, any good or material classified within any such heading that was used in the processing in Canada or in Mexico (or both) was a product of the United States, and such processing did not effect a change in the tariff classification of such good or material to another such heading; and (4) if the good as imported into the United States is described in additional U.S. note 2, 3, or 4 to chapter 17 or additional note 2 to chapter 19, such good does not contain more than 10 percent by dry weight of sugar derived from sugar cane or sugar beets grown in any foreign country or countries | Free (see U.S. note 7 of this subchapter) | | | ”. |
|---|------------|--|---|--|--|----|

(c) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall apply to goods entered, or withdrawn from warehouse for consumption on or after the 15th day after the date of the enactment of this Act.

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