

114TH CONGRESS
1ST SESSION

S. 260

To require the United States International Trade Commission to recommend temporary duty suspensions and reductions to Congress, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JANUARY 27, 2015

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

A BILL

To require the United States International Trade Commission to recommend temporary duty suspensions and reductions to Congress, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Temporary Duty Sus-
5 pension Process Act of 2015”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) APPROPRIATE CONGRESSIONAL COMMIT-
9 TEES.—The term “appropriate congressional com-

1 mittees” means the Committee on Finance of the
 2 Senate and the Committee on Ways and Means of
 3 the House of Representatives.

4 (2) COMMISSION.—The term “Commission”
 5 means the United States International Trade Com-
 6 mission.

7 (3) DUTY SUSPENSION OR REDUCTION.—The
 8 term “duty suspension or reduction” means an
 9 amendment to subchapter II of chapter 99 of the
 10 Harmonized Tariff Schedule of the United States—

11 (A) extending an existing temporary sus-
 12 pension or reduction of duty on an article under
 13 that subchapter; or

14 (B) providing for a new temporary suspen-
 15 sion or reduction of duty on an article under
 16 that subchapter.

17 **SEC. 3. RECOMMENDATIONS BY UNITED STATES INTER-**
 18 **NATIONAL TRADE COMMISSION FOR DUTY**
 19 **SUSPENSIONS AND REDUCTIONS.**

20 (a) ESTABLISHMENT OF REVIEW PROCESS.—Not
 21 later than 90 days after the date of the enactment of this
 22 Act, the Commission shall complete all actions necessary
 23 to establish a process pursuant to which the Commission
 24 will—

1 (1) review each article with respect to which a
2 duty suspension or reduction may be made—

3 (A) at the initiative of the Commission; or

4 (B) pursuant to a petition submitted or re-
5 ferred to the Commission under subsection (b);
6 and

7 (2) submit a draft bill to the appropriate con-
8 gressional committees under subsection (d).

9 (b) PETITIONS.—

10 (1) IN GENERAL.—As part of the process estab-
11 lished under subsection (a), the Commission shall es-
12 tablish procedures under which a petition requesting
13 the Commission to review a duty suspension or re-
14 duction pursuant to that process may be—

15 (A) submitted to the Commission by a
16 member of the public; or

17 (B) referred to the Commission by a Mem-
18 ber of Congress.

19 (2) REQUIREMENTS.—A petition submitted or
20 referred to the Commission under paragraph (1)
21 shall be submitted or referred at such time and in
22 such manner and shall include such information as
23 the Commission may require.

24 (3) NO PREFERENTIAL TREATMENT FOR MEM-
25 BERS OF CONGRESS.—A petition referred to the

1 Commission by a Member of Congress under sub-
2 paragraph (B) of paragraph (1) shall receive treat-
3 ment no more favorable than the treatment received
4 by a petition submitted to the Commission by a
5 member of the public under subparagraph (A) of
6 that paragraph.

7 (c) PUBLIC COMMENTS.—As part of the process es-
8 tablished under subsection (a), the Commission shall es-
9 tablish procedures for—

10 (1) notifying the public when the Commission
11 initiates the process of reviewing articles with re-
12 spect to which duty suspensions or reductions may
13 be made and distributing information about the
14 process, including by posting information about the
15 process on the website of the Commission;

16 (2) except as provided in subsection (d)(4)(B),
17 notifying the public of the duty suspensions and re-
18 ductions the Commission is considering including in
19 the draft bill not later than 45 days before submit-
20 ting a draft bill to the appropriate congressional
21 committees under subsection (d); and

22 (3) providing the public with an opportunity to
23 submit comments with respect to any of those duty
24 suspensions or reductions.

25 (d) SUBMISSION OF DRAFT BILL.—

1 (1) IN GENERAL.—The Commission shall sub-
2 mit to the appropriate congressional committees a
3 draft bill that contains each duty suspension or re-
4 duction that the Commission determines, pursuant
5 to the process established under subsection (a) and
6 after conducting the consultations required by sub-
7 section (e), meets the requirements described in sub-
8 section (f), not later than—

9 (A) the date that is 120 days after the
10 date of the enactment of this Act;

11 (B) February 1, 2018; and

12 (C) February 1, 2021.

13 (2) EFFECTIVE PERIOD OF DUTY SUSPENSIONS
14 AND REDUCTIONS.—Duty suspensions and reduc-
15 tions included in a draft bill submitted under para-
16 graph (1) shall be effective for a period of not less
17 than 3 years.

18 (3) AUTHORITY TO MAKE CERTAIN MODIFICA-
19 TIONS.—In including a duty suspension or reduction
20 the Commission determines otherwise meets the re-
21 quirements of subsection (f) in a draft bill to be sub-
22 mitted under paragraph (1), the Commission may—

23 (A) modify the article description for the
24 duty suspension or reduction—

1 (i) to ensure that U.S. Customs and
 2 Border Protection can administer the duty
 3 suspension or reduction; or

4 (ii) to correct a technical deficiency in
 5 the article description;

6 (B) modify the duty rate for the duty sus-
 7 pension or reduction so that the estimated loss
 8 in revenue to the United States from the duty
 9 suspension or reduction does not exceed the
 10 amount specified in subsection (f)(1)(B); or

11 (C) consolidate the duty suspension or re-
 12 duction with other duplicative or overlapping
 13 duty suspensions or reductions.

14 (4) SPECIAL RULES FOR FIRST SUBMISSION.—
 15 For purposes of submitting the draft bill required to
 16 be submitted on the date specified in paragraph
 17 (1)(A), the Commission shall—

18 (A) be required to include only duty sus-
 19 pensions and reductions with respect to which
 20 the Commission has sufficient time to make a
 21 determination under paragraph (1) before the
 22 draft bill is required to be submitted; and

23 (B) notify the public of the duty suspen-
 24 sions and reductions the Commission is consid-

1 ering including in the draft bill not later than
2 30 days before submitting the draft bill.

3 (e) CONSULTATIONS.—In determining whether a
4 duty suspension or reduction meets the requirements de-
5 scribed in subsection (f), the Commission shall, not later
6 than 30 days before submitting a draft bill to the appro-
7 priate congressional committees under subsection (d), con-
8 duct consultations with the Commissioner responsible for
9 U.S. Customs and Border Protection, the Secretary of
10 Commerce, the United States Trade Representative, and
11 the heads of other relevant Federal agencies.

12 (f) REQUIREMENTS FOR DUTY SUSPENSIONS AND
13 REDUCTIONS.—

14 (1) IN GENERAL.—A duty suspension or reduc-
15 tion meets the requirements described in this sub-
16 section if—

17 (A) the duty suspension or reduction can
18 be administered by U.S. Customs and Border
19 Protection;

20 (B) the estimated loss in revenue to the
21 United States from the duty suspension or re-
22 duction does not exceed \$500,000 in a calendar
23 year during which the duty suspension or re-
24 duction would be in effect; and

1 (C) on the date on which the Commission
2 submits a draft bill to the appropriate congressional committees under subsection (d) that includes the duty suspension or reduction, the article to which the duty suspension or reduction
3 would apply is not produced in the United
4 States and is not expected to be produced in
5 the United States during the subsequent 12-
6 month period.
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8 (2) CONSIDERATION OF RELEVANT INFORMATION.—In determining whether a duty suspension or
9 reduction meets the requirements described in paragraph (1), the Commission may consider any information the Commission considers relevant to the determination.
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11 (3) JUDICIAL REVIEW PRECLUDED.—A determination of the Commission with respect to whether
12 or not a duty suspension or reduction meets the requirements described in paragraph (1) shall not be
13 subject to judicial review.
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15 (g) REPORTS REQUIRED.—

16 (1) IN GENERAL.—Each time the Commission
17 submits a draft bill under subsection (d), the Commission shall submit to the appropriate congressional committees a report that includes—
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1 (A) the views of the head of each agency
2 consulted under subsection (e) with respect to
3 the duty suspensions and reductions contained
4 in the draft bill; and

5 (B) any objections received by the Com-
6 mission during consultations conducted under
7 subsection (e) or through public comments sub-
8 mitted under subsection (c), including—

9 (i) objections with respect to duty sus-
10 pensions or reductions the Commission in-
11 cluded in the draft bill; and

12 (ii) objections that led to the Commis-
13 sion to determine not to include a duty
14 suspension or reduction in the draft bill.

15 (2) INITIAL REPORT ON PROCESS.—Not later
16 than one year after the date of the enactment of this
17 Act, the Commission shall submit to the appropriate
18 congressional committees a report that includes—

19 (A) an assessment of the effectiveness of
20 the process established under subsection (a)
21 and the requirements of this section;

22 (B) to the extent practicable, a description
23 of the effects of duty suspensions and reduc-
24 tions recommended pursuant to that process on
25 the United States economy that includes—

1 (i) a broad assessment of the eco-
2 nomic effects of such duty suspensions and
3 reductions on producers, purchasers, and
4 consumers in the United States; and

5 (ii) case studies describing such ef-
6 fects by industry or by type of articles, as
7 available data permits;

8 (C) to the extent practicable, a comparison
9 of the actual loss in revenue to the United
10 States resulting from duty suspensions and re-
11 ductions recommended pursuant to that process
12 to the loss in such revenue estimated during
13 that process, based on data available at the
14 time of the submission of the report;

15 (D) to the extent practicable, information
16 on how broadly or narrowly duty suspensions
17 and reductions recommended pursuant to that
18 process were used by importers; and

19 (E) any recommendations of the Commis-
20 sion for improving that process and the require-
21 ments of this section.

22 (h) FORM OF DRAFT BILL AND REPORTS.—Each
23 draft bill submitted under subsection (d) and each report
24 required by subsection (g) shall be—

1 (1) submitted to the appropriate congressional
2 committees in electronic form; and

3 (2) made available to the public on the website
4 of the Commission.

5 **SEC. 4. REPORTS ON BENEFITS OF DUTY SUSPENSIONS OR**
6 **REDUCTIONS TO SECTORS OF THE UNITED**
7 **STATES ECONOMY.**

8 Not later than January 1, 2016, and annually there-
9 after, the Commission shall submit to the appropriate con-
10 gressional committees a report that—

11 (1) makes recommendations with respect to sec-
12 tors of the United States economy that could benefit
13 from duty suspensions or reductions without causing
14 harm to other domestic interests; and

15 (2) assesses the feasibility and advisability of
16 suspending or reducing duties on a sectoral basis
17 rather than on individual articles.

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