

113TH CONGRESS
1ST SESSION

S. _____

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

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

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 2013”.

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)(C),
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)(1); 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 60 days after the date
10 of the enactment of this Act;

11 (B) February 1, 2015; and

12 (C) February 1, 2018.

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—

18 (A) may use the evaluations conducted by
19 the Commission of bills providing for duty sus-
20 pensions or reductions introduced in the Senate
21 or the House of Representatives during the
22 112th Congress;

23 (B) shall be required to include only duty
24 suspensions and reductions with respect to
25 which the Commission has sufficient time to

1 make a determination under paragraph (1) be-
2 fore the draft bill is required to be submitted;
3 and

4 (C) shall notify the public of the duty sus-
5 pensions and reductions the Commission is con-
6 sidering including in the draft bill not later
7 than 30 days before submitting the draft bill.

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

17 (f) REQUIREMENTS FOR DUTY SUSPENSIONS AND
18 REDUCTIONS.—

19 (1) IN GENERAL.—A duty suspension or reduc-
20 tion meets the requirements described in this sub-
21 section if—

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

1 (B) the estimated loss in revenue to the
2 United States from the duty suspension or re-
3 duction does not exceed \$500,000 in a calendar
4 year during which the duty suspension or re-
5 duction would be in effect; and

6 (C) on the date on which the Commission
7 submits a draft bill to the appropriate congres-
8 sional committees under subsection (d) that in-
9 cludes the duty suspension or reduction, the ar-
10 ticle to which the duty suspension or reduction
11 would apply is not produced in the United
12 States and is not expected to be produced in
13 the United States during the subsequent 12-
14 month period.

15 (2) CONSIDERATION OF RELEVANT INFORMA-
16 TION.—In determining whether a duty suspension or
17 reduction meets the requirements described in para-
18 graph (1), the Commission may consider any infor-
19 mation the Commission considers relevant to the de-
20 termination.

21 (3) JUDICIAL REVIEW PRECLUDED.—A deter-
22 mination of the Commission with respect to whether
23 or not a duty suspension or reduction meets the re-
24 quirements described in paragraph (1) shall not be
25 subject to judicial review.

1 (g) REPORTS REQUIRED.—

2 (1) IN GENERAL.—Each time the Commission
3 submits a draft bill under subsection (d), the Com-
4 mission shall submit to the appropriate congress-
5 sional committees a report on the duty suspensions
6 and reductions contained in the draft bill that in-
7 cludes—

8 (A) the views of the head of each agency
9 consulted under subsection (e); and

10 (B) any objections received by the Com-
11 mission during consultations conducted under
12 subsection (e) or through public comments sub-
13 mitted under subsection (c), including—

14 (i) objections with respect to duty sus-
15 pensions or reductions the Commission in-
16 cluded in the draft bill; and

17 (ii) objections that led to the Commis-
18 sion to determine not to include a duty
19 suspension or reduction in the draft bill.

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

1 (A) an assessment of the effectiveness of
2 the process established under subsection (a)
3 and the requirements of this section;

4 (B) to the extent practicable, a description
5 of the effects of duty suspensions and reduc-
6 tions recommended pursuant to that process on
7 the United States economy that includes—

8 (i) a broad assessment of the eco-
9 nomic effects of such duty suspensions and
10 reductions on producers, purchasers, and
11 consumers in the United States; and

12 (ii) case studies describing such ef-
13 fects by industry or by type of articles, as
14 available data permits;

15 (C) to the extent practicable, a comparison
16 of the actual loss in revenue to the United
17 States resulting from duty suspensions and re-
18 ductions recommended pursuant to that process
19 to the loss in such revenue estimated during
20 that process, based on data available at the
21 time of the submission of the report;

22 (D) to the extent practicable, information
23 on how broadly or narrowly duty suspensions
24 and reductions recommended pursuant to that
25 process were used by importers; and

1 (E) any recommendations of the Commis-
2 sion for improving that process and the require-
3 ments of this section.

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

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

9 (2) made available to the public on the website
10 of the Commission.

11 **SEC. 4. REPORTS ON BENEFITS OF DUTY SUSPENSIONS OR**
12 **REDUCTIONS TO SECTORS OF THE UNITED**
13 **STATES ECONOMY.**

14 Not later than January 1, 2014, and annually there-
15 after, the Commission shall submit to the appropriate con-
16 gressional committees a report that—

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

21 (2) assesses the feasibility and advisability of
22 suspending or reducing duties on a sectoral basis
23 rather than on individual articles.