**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the ''Trade Facilitation and Trade Enforcement Act of 2015''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is follows:

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—TRADE FACILITATION AND TRADE ENFORCEMENT

Sec. 101. Improving partnership programs.
Sec. 102. Report on effectiveness of trade enforcement activities.
Sec. 103. Priorities and performance standards for customs modernization, trade facilitation, and trade enforcement functions and programs.
Sec. 104. Educational seminars to improve efforts to classify and appraise imported articles, to improve trade enforcement efforts, and to otherwise facilitate legitimate international trade.
Sec. 105. Joint strategic plan.
Sec. 106. Automated Commercial Environment.
Sec. 107. International Trade Data System.
Sec. 108. Consultations with respect to mutual recognition arrangements.
Sec. 109. Commercial Customs Operations Advisory Committee.
Sec. 110. Centers of Excellence and Expertise.
Sec. 111. Commercial risk assessment targeting and trade alerts.
Sec. 112. Report on oversight of revenue protection and enforcement measures.
Sec. 113. Report on security and revenue measures with respect to merchandise transported in bond.
Sec. 114. Importer of record program.
Sec. 115. Establishment of importer risk assessment program.
Sec. 116. Customs broker identification of importers.
Sec. 117. Priority trade issues.
Sec. 118. Appropriate congressional committees defined.

TITLE II—IMPORT HEALTH AND SAFETY

Sec. 201. Interagency import safety working group.
Sec. 202. Joint import safety rapid response plan.
Sec. 203. Training.

TITLE III—IMPORT-RELATED PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

Sec. 301. Definition of intellectual property rights.
Sec. 302. Exchange of information related to trade enforcement.
Sec. 303. Seizure of circumvention devices.

Sec. 304. Enforcement by U.S. Customs and Border Protection of works for which copyright registration is pending.
Sec. 305. National Intellectual Property Rights Coordination Center.
Sec. 306. Joint strategic plan for the enforcement of intellectual property rights.
Sec. 307. Personnel dedicated to the enforcement of intellectual property rights.
Sec. 308. Training with respect to the enforcement of intellectual property rights.
Sec. 309. International cooperation and information sharing.
Sec. 310. Report on intellectual property rights enforcement.
Sec. 311. Information for travelers regarding violations of intellectual property rights.

TITLE IV—PREVENTION OF EVASION OF ANTIDUMPING AND COUNTERVAILING DUTY ORDERS

Sec. 401. Short title.
Sec. 402. Definitions.
Sec. 403. Application to Canada and Mexico.

Subtitle A—Actions Relating to Enforcement of Trade Remedy Laws

Sec. 411. Trade remedy law enforcement division.
Sec. 412. Collection of information on evasion of trade remedy laws.
Sec. 413. Access to information.
Sec. 414. Cooperation with foreign countries on preventing evasion of trade remedy laws.
Sec. 415. Trade negotiating objectives.

Subtitle B—Investigation of Evasion of Trade Remedy Laws

Sec. 421. Procedures for investigating claims of evasion of antidumping and countervailing duty orders.

Subtitle C—Other Matters

Sec. 431. Allocation and training of personnel.
Sec. 432. Annual report on prevention and investigation of evasion of antidumping and countervailing duty orders.
Sec. 433. Addressing circumvention by new shippers.

TITLE V—SMALL BUSINESS TRADE ISSUES AND STATE TRADE COORDINATION

Sec. 501. Short title.
Sec. 502. Outreach and input from small businesses to trade promotion authority.
Sec. 503. State Trade Expansion Program.
Sec. 504. State and Federal Export Promotion Coordination.
Sec. 505. State trade coordination.

TITLE VI—ADDITIONAL ENFORCEMENT PROVISIONS

Sec. 601. Trade enforcement priorities.
Sec. 602. Exercise of WTO authorization to suspend concessions or other obligations under trade agreements.
Sec. 603. Trade monitoring.

Sec. 604. Establishment of Interagency Center on Trade Implementation, Monitoring, and Enforcement.
Sec. 605. Inclusion of interest in certain distributions of antidumping duties and countervailing duties.
Sec. 606. Illicitly imported, exported, or trafficked cultural property, archaeological or ethnological materials, and fish, wildlife, and plants.
Sec. 607. Enforcement under title III of the Trade Act of 1974 with respect to certain acts, policies, and practices.
Sec. 608. Honey transshipment.
Sec. 609. Establishment of Chief Innovation and Intellectual Property Negotiator.
Sec. 610. Measures relating to countries that deny adequate protection for intellectual property rights.
Sec. 611. Trade Enforcement Trust Fund.

TITLE VII—ENGAGEMENT ON CURRENCY EXCHANGE RATE AND ECONOMIC POLICIES

Sec. 701. Enhancement of engagement on currency exchange rate and economic policies with certain major trading partners of the United States.
Sec. 702. Advisory Committee on International Exchange Rate Policy.

TITLE VIII—MATTERS RELATING TO U.S. CUSTOMS AND BORDER PROTECTION

Subtitle A—Establishment of U.S. Customs and Border Protection

Sec. 801. Short title.
Sec. 802. Establishment of U.S. Customs and Border Protection.

Subtitle B—Preclearance Operations

Sec. 811. Short title.
Sec. 812. Definitions.
Sec. 813. Establishment of preclearance operations.
Sec. 814. Notification and certification to Congress.
Sec. 815. Protocols.
Sec. 816. Lost and stolen passports.
Sec. 817. Recovery of initial U.S. Customs and Border Protection preclearance operations costs.
Sec. 818. Collection and disposition of funds collected for immigration inspection services and preclearance activities.
Sec. 819. Application to new and existing preclearance operations.

TITLE IX—MISCELLANEOUS PROVISIONS

Sec. 901. De minimis value.
Sec. 902. Consultation on trade and customs revenue functions.
Sec. 903. Penalties for customs brokers.
Sec. 904. Amendments to chapter 98 of the Harmonized Tariff Schedule of the United States.
Sec. 905. Exemption from duty of residue of bulk cargo contained in instruments of international traffic previously exported from the United States.
Sec. 906. Drawback and refunds.
Sec. 907. Report on certain U.S. Customs and Border Protection agreements.

Sec. 908. Charter flights.
Sec. 909. United States-Israel trade and commercial enhancement.
Sec. 910. Elimination of consumptive demand exception to prohibition on importation of goods made with convict labor, forced labor, or indentured labor; report.
Sec. 911. Voluntary reliquidations by U.S. Customs and Border Protection.
Sec. 912. Tariff classification of recreational performance outerwear.
Sec. 913. Modifications to duty treatment of protective active footwear.
Sec. 914. Amendments to Bipartisan Congressional Trade Priorities and Accountability Act of 2015.
Sec. 915. Trade preferences for Nepal.
Sec. 916. Agreement by Asia-Pacific Economic Cooperation members to reduce rates of duty on certain environmental goods.
Sec. 917. Amendment to Tariff Act of 1930 to require country of origin marking of certain castings.
Sec. 918. Inclusion of certain information in submission of nomination for appointment as Deputy United States Trade Representative.
Sec. 919. Sense of Congress on the need for a miscellaneous tariff bill process.
Sec. 920. Customs user fees.
Sec. 921. Increase in penalty for failure to file return of tax.
Sec. 922. Permanent moratorium on Internet access taxes and on multiple and discriminatory taxes on electronic commerce.

**SEC. 2. DEFINITIONS.**

In this Act:

(1) AUTOMATED COMMERCIAL ENVIRONMENT.—The term ''Automated Commercial Environment'' means the Automated Commercial Environment computer system authorized under section 13031(f)(4) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)(4)).

(2) COMMERCIAL OPERATIONS OF U.S. CUSTOMS AND BORDER PROTECTION.—The term ''commercial operations of U.S. Customs and Border Protection'' includes—

(A) administering any customs revenue function (as defined in section 415 of the

Homeland Security Act of 2002 (6 U.S.C. 215));

(B) coordinating efforts of the Department of Homeland Security with respect to trade facilitation and trade enforcement;

(C) coordinating with the Director of U.S. Immigration and Customs Enforcement with respect to—

(i) investigations relating to trade enforcement; and

(ii) the development and implementation of the joint strategic plan required by section 105;

(D) coordinating, on behalf of the Department of Homeland Security, efforts among Federal agencies to facilitate legitimate trade and to enforce the customs and trade laws of the United States, including representing the Department of Homeland Security in interagency fora addressing such efforts;

(E) coordinating with customs authorities of foreign countries to facilitate legitimate international trade and enforce the customs and trade laws of the United States and the customs and trade laws of foreign countries;

(F) collecting, assessing, and disseminating information as appropriate and in accordance with any law regarding cargo destined for the United States—

(i) to ensure that such cargo complies with the customs and trade laws of the United States; and

(ii) to facilitate the legitimate international trade of such cargo;

(G) soliciting and considering on a regular basis input from private sector entities, including the Commercial Customs Operations Advisory Committee established by section 109 and the Trade Support Network, with respect to, as appropriate—

(i) the implementation of changes to the customs and trade laws of the United States; and

(ii) the development, implementation, or revision of policies or regulations administered by U.S. Customs and Border Protection; and

(H) otherwise advising the Secretary of Homeland Security with respect to the development of policies associated with facilitating le-

gitimate trade and enforcing the customs and trade laws of the United States.

(3) COMMISSIONER.—The term ''Commissioner'' means the Commissioner of U.S. Customs and Border Protection, as described in section 411(b) of the Homeland Security Act of 2002, as amended by section 802(a) of this Act.

(4) CUSTOMS AND TRADE LAWS OF THE UNITED STATES.—The term ''customs and trade laws of the United States'' includes the following:

(A) The Tariff Act of 1930 (19 U.S.C. 1202 et seq.).

(B) Section 249 of the Revised Statutes (19 U.S.C. 3).

(C) Section 2 of the Act of March 4, 1923 (42 Stat. 1453, chapter 251; 19 U.S.C. 6).

(D) The Act of March 3, 1927 (44 Stat. 1381, chapter 348; 19 U.S.C. 2071 et seq.).

(E) Section 13031 of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c).

(F) Section 251 of the Revised Statutes (19 U.S.C. 66).

(G) Section 1 of the Act of June 26, 1930 (46 Stat. 817, chapter 617; 19 U.S.C. 68).

(H) The Act of June 18, 1934 (48 Stat. 998, chapter 590; 19 U.S.C. 81a et seq.; commonly known as the ''Foreign Trade Zones Act'').

(I) Section 1 of the Act of March 2, 1911 (36 Stat. 965, chapter 191; 19 U.S.C. 198).

(J) The Trade Act of 1974 (19 U.S.C. 2101 et seq.).

(K) The Trade Agreements Act of 1979 (19 U.S.C. 2501 et seq.).

(L) The North American Free Trade Agreement Implementation Act (19 U.S.C. 3301 et seq.).

(M) The Uruguay Round Agreements Act (19 U.S.C. 3501 et seq.).

(N) The Caribbean Basin Economic Recovery Act (19 U.S.C. 2701 et seq.).

(O) The Andean Trade Preference Act (19 U.S.C. 3201 et seq.).

(P) The African Growth and Opportunity Act (19 U.S.C. 3701 et seq.).

(Q) The Customs Enforcement Act of 1986 (Public Law 99–570; 100 Stat. 3207–79).

(R) The Customs and Trade Act of 1990 (Public Law 101–382; 104 Stat. 629).

(S) The Customs Procedural Reform and Simplification Act of 1978 (Public Law 95–410; 92 Stat. 888).

(T) The Trade Act of 2002 (Public Law 107–210; 116 Stat. 933).

(U) The Convention on Cultural Property Implementation Act (19 U.S.C. 2601 et seq.).

(V) The Act of March 28, 1928 (45 Stat. 374, chapter 266; 19 U.S.C. 2077 et seq.).

(W) The Act of August 7, 1939 (53 Stat. 1262, chapter 566).

(X) The Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Public Law 114–26; 19 U.S.C. 4201 et seq.).

(Y) The Trade Preferences Extension Act of 2015 (Public Law 114–27; 129 Stat. 362).

(Z) Any other provision of law implementing a trade agreement.

(AA) Any other provision of law vesting customs revenue functions in the Secretary of the Treasury.

(BB) Any other provision of law relating to trade facilitation or trade enforcement that is administered by U.S. Customs and Border Protection on behalf of any Federal agency that is

required to participate in the International Trade Data System established under section 411(d) of the Tariff Act of 1930 (19 U.S.C. 1411(d)).

(CC) Any other provision of customs or trade law administered by U.S. Customs and Border Protection or U.S. Immigration and Customs Enforcement.

(5) PRIVATE SECTOR ENTITY.—The term ''private sector entity'' means—

(A) an importer;

(B) an exporter;

(C) a forwarder;

(D) an air, sea, or land carrier or shipper;

(E) a contract logistics provider;

(F) a customs broker; or

(G) any other person (other than an employee of a government) affected by the implementation of the customs and trade laws of the United States.

(6) TRADE ENFORCEMENT.—The term ''trade enforcement'' means the enforcement of the customs and trade laws of the United States.

(7) TRADE FACILITATION.—The term ''trade facilitation'' refers to policies and activities of U.S.

Customs and Border Protection with respect to facilitating the movement of merchandise into and out of the United States in a manner that complies with the customs and trade laws of the United States.

# TITLE I—TRADE FACILITATION AND TRADE ENFORCEMENT

**SEC. 101. IMPROVING PARTNERSHIP PROGRAMS.**

(a) IN GENERAL.—In order to advance the security, trade enforcement, and trade facilitation missions of U.S. Customs and Border Protection, the Commissioner shall ensure that partnership programs of U.S. Customs and Border Protection established before the date of the enactment of this Act, such as the Customs–Trade Partnership Against Terrorism established under subtitle B of title II of the Security and Accountability for Every Port Act of 2006 (6 U.S.C. 961 et seq.), and partnership programs of U.S. Customs and Border Protection established on or after such date of enactment, provide trade benefits to private sector entities that meet the requirements for participation in those programs established by the Commissioner under this section.

(b) ELEMENTS.—In developing and operating partnership programs under subsection (a), the Commissioner shall—

(1) consult with private sector entities, the public, and other Federal agencies when appropriate, to ensure that participants in those programs receive commercially significant and measurable trade benefits, including providing preclearance of merchandise for qualified persons that demonstrate the highest levels of compliance with the customs and trade laws of the United States, regulations of U.S. Customs and Border Protection, and other requirements the Commissioner determines to be necessary;

(2) ensure an integrated and transparent system of trade benefits and compliance requirements for all partnership programs of U.S. Customs and Border Protection;

(3) consider consolidating partnership programs in situations in which doing so would support the objectives of such programs, increase participation in such programs, enhance the trade benefits provided to participants in such programs, and enhance the allocation of the resources of U.S. Customs and Border Protection;

(4) coordinate with the Director of U.S. Immigration and Customs Enforcement, and other Federal agencies with authority to detain and release merchandise entering the United States—

(A) to ensure coordination in the release of such merchandise through the Automated Commercial Environment, or its predecessor, and the International Trade Data System established under section 411(d) of the Tariff Act of 1930 (19 U.S.C. 1411(d));

(B) to ensure that the partnership programs of those agencies are compatible with the partnership programs of U.S. Customs and Border Protection;

(C) to develop criteria for authorizing the release, on an expedited basis, of merchandise for which documentation is required from one or more of those agencies to clear or license the merchandise for entry into the United States; and

(D) to create pathways, within and among the appropriate Federal agencies, for qualified persons that demonstrate the highest levels of compliance with the customs and trade laws of the United States to receive immediate clearance absent information that a transaction may pose a national security or compliance threat; and

(5) ensure that trade benefits are provided to participants in partnership programs.

(c) REPORT REQUIRED.—Not later than the date that is 180 days after the date of the enactment of this Act, and not later than December 31 of each calendar year thereafter, the Commissioner shall submit to the appropriate congressional committees a report that—

(1) identifies each partnership program referred to in subsection (a);

(2) for each such program, identifies—

(A) the requirements for participants in the program;

(B) the commercially significant and measurable trade benefits provided to participants in the program;

(C) the number of participants in the program; and

(D) in the case of a program that provides for participation at multiple tiers, the number of participants at each such tier;

(3) identifies the number of participants enrolled in more than one such partnership program;

(4) assesses the effectiveness of each such partnership program in advancing the security, trade enforcement, and trade facilitation missions of U.S.

Customs and Border Protection, based on historical developments, the level of participation in the program, and the evolution of benefits provided to participants in the program;

(5) summarizes the efforts of U.S. Customs and Border Protection to work with other Federal agencies with authority to detain and release merchandise entering the United States to ensure that partnership programs of those agencies are compatible with partnership programs of U.S. Customs and Border Protection;

(6) summarizes criteria developed with those agencies for authorizing the release, on an expedited basis, of merchandise for which documentation is required from one or more of those agencies to clear or license the merchandise for entry into the United States;

(7) summarizes the efforts of U.S. Customs and Border Protection to work with private sector entities and the public to develop and improve such partnership programs;

(8) describes measures taken by U.S. Customs and Border Protection to make private sector entities aware of the trade benefits available to participants in such partnership programs; and

(9) summarizes the plans, targets, and goals of U.S. Customs and Border Protection with respect to such partnership programs for the 2 years following the submission of the report.

**SEC. 102. REPORT ON EFFECTIVENESS OF TRADE ENFORCEMENT ACTIVITIES.**

(a) IN GENERAL.—Not later than one year after the date of the enactment of this Act, the Comptroller General of the United States shall submit to the appropriate congressional committees a report on the effectiveness of trade enforcement activities of U.S. Customs and Border Protection.

(b) CONTENTS.—The report required by subsection (a) shall include—

(1) a description of the use of resources, results of audits and verifications, targeting, organization, and training of personnel of U.S. Customs and Border Protection;

(2) a description of trade enforcement activities to address undervaluation, transshipment, legitimacy of entities making entry, protection of revenues, fraud prevention and detection, and penalties, including intentional misclassification, inadequate bonding, and other misrepresentations; and

(3) a description of trade enforcement activities with respect to the priority trade issues described in section 117, including—

(A) methodologies used in such enforcement activities, such as targeting;

(B) recommendations for improving such enforcement activities; and

(C) a description of the implementation of previous recommendations for improving such enforcement activities.

(c) FORM OF REPORT.—The report required by subsection (a) shall be submitted in unclassified form, but may include a classified annex.

**SEC. 103. PRIORITIES AND PERFORMANCE STANDARDS FOR CUSTOMS MODERNIZATION, TRADE FACILITATION, AND TRADE ENFORCEMENT FUNCTIONS AND PROGRAMS.**

(a) PRIORITIES AND PERFORMANCE STANDARDS.—

(1) IN GENERAL.—The Commissioner, in consultation with the appropriate congressional committees, shall establish priorities and performance standards to measure the development and levels of achievement of the customs modernization, trade facilitation, and trade enforcement functions and programs described in subsection (b).

(2) MINIMUM PRIORITIES AND STANDARDS.—Such priorities and performance standards shall, at a minimum, include priorities and standards relating to efficiency, outcome, output, and other types of applicable measures.

(b) FUNCTIONS AND PROGRAMS DESCRIBED.—The functions and programs referred to in subsection (a) are the following:

(1) The Automated Commercial Environment.

(2) Each of the priority trade issues described in section 117.

(3) The Centers of Excellence and Expertise described in section 110.

(4) Drawback for exported merchandise under section 313 of the Tariff Act of 1930 (19 U.S.C. 1313), as amended by section 906 of this Act.

(5) Transactions relating to imported merchandise in bond.

(6) Collection of countervailing duties assessed under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) and antidumping duties assessed under subtitle B of title VII of the Tariff Act of 1930 (19 U.S.C. 1673 et seq.).

(7) The expedited clearance of cargo.

(8) The issuance of regulations and rulings.

(9) The issuance of Regulatory Audit Reports.

(c) CONSULTATIONS AND NOTIFICATION.—

(1) CONSULTATIONS.—The consultations required by subsection (a)(1) shall occur, at a minimum, on an annual basis.

(2) NOTIFICATION.—The Commissioner shall notify the appropriate congressional committees of any changes to the priorities or performance standards referred to in subsection (a) not later than 30 days before such changes are to take effect.

**SEC. 104. EDUCATIONAL SEMINARS TO IMPROVE EFFORTS TO CLASSIFY AND APPRAISE IMPORTED ARTICLES, TO IMPROVE TRADE ENFORCEMENT EFFORTS, AND TO OTHERWISE FACILITATE LEGITIMATE INTERNATIONAL TRADE.**

(a) ESTABLISHMENT.—The Commissioner and the Director shall establish and carry out on a fiscal year basis educational seminars to—

(1) improve the ability of personnel of U.S. Customs and Border Protection to classify and appraise articles imported into the United States in accordance with the customs and trade laws of the United States;

(2) improve the trade enforcement efforts of personnel of U.S. Customs and Border Protection

and personnel of U.S. Immigration and Customs Enforcement; and

(3) otherwise improve the ability and effectiveness of personnel of U.S. Customs and Border Protection and personnel of U.S. Immigration and Customs Enforcement to facilitate legitimate international trade.

(b) CONTENT.—

(1) CLASSIFYING AND APPRAISING IMPORTED ARTICLES.—In carrying out subsection (a)(1), the Commissioner, the Director, and interested parties in the private sector selected under subsection (c) shall provide instruction and related instructional materials at each educational seminar carried out under this section to personnel of U.S. Customs and Border Protection and, as appropriate, to personnel of U.S. Immigration and Customs Enforcement on the following:

(A) Conducting a physical inspection of an article imported into the United States, including testing of samples of the article, to determine if the article is mislabeled in the manifest or other accompanying documentation.

(B) Reviewing the manifest and other accompanying documentation of an article im-

ported into the United States to determine if the country of origin of the article listed in the manifest or other accompanying documentation is accurate.

(C) Customs valuation.

(D) Industry supply chains and other related matters as determined to be appropriate by the Commissioner.

(2) TRADE ENFORCEMENT EFFORTS.—In carrying out subsection (a)(2), the Commissioner, the Director, and interested parties in the private sector selected under subsection (c) shall provide instruction and related instructional materials at each educational seminar carried out under this section to personnel of U.S. Customs and Border Protection and, as appropriate, to personnel of U.S. Immigration and Customs Enforcement to identify opportunities to enhance enforcement of the following:

(A) Collection of countervailing duties assessed under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) and antidumping duties assessed under subtitle B of title VII of the Tariff Act of 1930 (19 U.S.C. 1673 et seq.).

(B) Addressing evasion of duties on imports of textiles.

(C) Protection of intellectual property rights.

(D) Enforcement of child labor laws.

(3) APPROVAL OF COMMISSIONER AND DIRECTOR.—The instruction and related instructional materials at each educational seminar carried out under this section shall be subject to the approval of the Commissioner and the Director.

(c) SELECTION PROCESS.—

(1) IN GENERAL.—The Commissioner shall establish a process to solicit, evaluate, and select interested parties in the private sector for purposes of assisting in providing instruction and related instructional materials described in subsection (b) at each educational seminar carried out under this section.

(2) CRITERIA.—The Commissioner shall evaluate and select interested parties in the private sector under the process established under paragraph (1) based on—

(A) availability and usefulness;

(B) the volume, value, and incidence of mislabeling or misidentification of origin of imported articles; and

(C) other appropriate criteria established by the Commissioner.

(3) PUBLIC AVAILABILITY.—The Commissioner and the Director shall publish in the Federal Register a detailed description of the process established under paragraph (1) and the criteria established under paragraph (2).

(d) SPECIAL RULE FOR ANTIDUMPING AND COUNTERVAILING DUTY ORDERS.—

(1) IN GENERAL.—The Commissioner shall give due consideration to carrying out an educational seminar under this section in whole or in part to improve the ability of personnel of U.S. Customs and Border Protection to enforce a countervailing or antidumping duty order issued under section 706 or 736 of the Tariff Act of 1930 (19 U.S.C. 1671e or 1673e) upon the request of a petitioner in an action underlying such countervailing or antidumping duty order.

(2) INTERESTED PARTY.—A petitioner described in paragraph (1) shall be treated as an interested party in the private sector for purposes of the requirements of this section.

(e) PERFORMANCE STANDARDS.—The Commissioner and the Director shall establish performance standards to

measure the development and level of achievement of educational seminars carried out under this section.

(f) REPORTING.—Not later than September 30, 2016, and annually thereafter, the Commissioner and the Director shall submit to the appropriate congressional committees a report on the effectiveness of educational seminars carried out under this section.

(g) DEFINITIONS.—In this section:

(1) DIRECTOR.—The term ''Director'' means the Director of U.S. Immigration and Customs Enforcement.

(2) UNITED STATES.—The term ''United States'' means the customs territory of the United States, as defined in General Note 2 to the Harmonized Tariff Schedule of the United States.

(3) U.S. CUSTOMS AND BORDER PROTECTION PERSONNEL.—The term ''U.S. Customs and Border Protection personnel'' means import specialists, auditors, and other appropriate employees of the U.S. Customs and Border Protection.

(4) U.S. IMMIGRATION AND CUSTOMS ENFORCEMENT PERSONNEL.—The term ''U.S. Immigration and Customs Enforcement personnel'' means Homeland Security Investigations Directorate personnel

and other appropriate employees of U.S. Immigration and Customs Enforcement.

**SEC. 105. JOINT STRATEGIC PLAN.**

(a) IN GENERAL.—Not later than one year after the date of the enactment of this Act, and every 2 years thereafter, the Commissioner and the Director of U.S. Immigration and Customs Enforcement shall jointly develop and submit to the appropriate congressional committees a joint strategic plan.

(b) CONTENTS.—The joint strategic plan required under this section shall be comprised of a comprehensive multiyear plan for trade enforcement and trade facilitation, and shall include—

(1) a summary of actions taken during the 2-year period preceding the submission of the plan to improve trade enforcement and trade facilitation, including a description and analysis of specific performance measures to evaluate the progress of U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement in meeting each such responsibility;

(2) a statement of objectives and plans for further improving trade enforcement and trade facilitation;

(3) a specific identification of the priority trade issues described in section 117 that can be addressed in order to enhance trade enforcement and trade facilitation, and a description of strategies and plans for addressing each such issue, including—

(A) a description of the targeting methodologies used for enforcement activities with respect to each such issue;

(B) recommendations for improving such enforcement activities; and

(C) a description of the implementation of previous recommendations for improving such enforcement activities;

(4) a description of efforts made to improve consultation and coordination among and within Federal agencies, and in particular between U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement, regarding trade enforcement and trade facilitation;

(5) a description of the training that has occurred to date within U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement to improve trade enforcement and trade facilitation, including training at educational seminars carried out under section 104;

(6) a description of efforts to work with the World Customs Organization and other international organizations, in consultation with other Federal agencies as appropriate, with respect to enhancing trade enforcement and trade facilitation;

(7) a description of U.S. Custom and Border Protection organizational benchmarks for optimizing staffing and wait times at ports of entry;

(8) a specific identification of any domestic or international best practices that may further improve trade enforcement and trade facilitation;

(9) any legislative recommendations to further improve trade enforcement and trade facilitation; and

(10) a description of efforts made to improve consultation and coordination with the private sector to enhance trade enforcement and trade facilitation.

(c) CONSULTATIONS.—

(1) IN GENERAL.—In developing the joint strategic plan required under this section, the Commissioner and the Director of U.S. Immigration and Customs Enforcement shall consult with—

(A) appropriate officials from relevant Federal agencies, including—

(i) the Department of the Treasury;

(ii) the Department of Agriculture;

(iii) the Department of Commerce;

(iv) the Department of Justice;

(v) the Department of the Interior;

(vi) the Department of Health and Human Services;

(vii) the Food and Drug Administration;

(viii) the Consumer Product Safety Commission; and

(ix) the Office of the United States Trade Representative; and

(B) the Commercial Customs Operations Advisory Committee established by section 109.

(2) OTHER CONSULTATIONS.—In developing the joint strategic plan required under this section, the Commissioner and the Director shall seek to consult with—

(A) appropriate officials from relevant foreign law enforcement agencies and international organizations, including the World Customs Organization; and

(B) interested parties in the private sector.

(d) FORM OF PLAN.—The joint strategic plan required under this section shall be submitted in unclassified form, but may include a classified annex.

**SEC. 106. AUTOMATED COMMERCIAL ENVIRONMENT.**

(a) FUNDING.—Section 13031(f)(4)(B) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)(4)(B)) is amended—

(1) by striking ''2003 through 2005'' and inserting ''2016 through 2018'';

(2) by striking ''such amounts as are available in that Account'' and inserting ''not less than $153,736,000''; and

(3) by striking ''for the development'' and inserting ''to complete the development and implementation''.

(b) REPORT.—

(1) IN GENERAL.—Not later than December 31, 2016, the Commissioner shall submit to the Committee on Appropriations and the Committee on Finance of the Senate and the Committee on Appropriations and the Committee on Ways and Means of the House of Representatives a report detailing—

(A) U.S. Customs and Border Protection's incorporation of all core trade processing capabilities, including cargo release, entry summary,

cargo manifest, cargo financial data, and export data elements, into the Automated Commercial Environment not later than September 30, 2016, to conform with the admissibility criteria of agencies participating in the International Trade Data System identified pursuant to paragraph (4)(A)(iii) of section 411(d) of the Tariff Act of 1930 (19 U.S.C. 1411(d)), as added by section 107 of this Act;

(B) U.S. Customs and Border Protection's remaining priorities for processing entry summary data elements, cargo manifest data elements, cargo financial data elements, and export elements in the Automated Commercial Environment, and the objectives and plans for implementing these remaining priorities;

(C) the components of the National Customs Automation Program specified in section 411(a)(2) of the Tariff Act of 1930 that have not been implemented; and

(D) any additional components of the National Customs Automation Program initiated by the Commissioner to complete the development, establishment, and implementation of the Automated Commercial Environment.

(2) UPDATE OF REPORTS.—Not later than September 30, 2017, the Commissioner shall submit to the Committee on Appropriations and the Committee on Finance of the Senate and the Committee on Appropriations and the Committee on Ways and Means of the House of Representatives an updated report addressing each of the matters referred to in paragraph (1), and—

(A) evaluating the effectiveness of the implementation of the Automated Commercial Environment; and

(B) detailing the percentage of trade processed in the Automated Commercial Environment every month since September 30, 2016.

(3) REPEAL.—Section 311(b) of the Customs Border Security Act of 2002 (19 U.S.C. 2075 note) is amended by striking paragraph (3).

(c) GOVERNMENT ACCOUNTABILITY OFFICE REPORT.—Not later than December 31, 2017, the Comptroller General of the United States shall submit to the Committee on Appropriations and the Committee on Finance of the Senate and the Committee on Appropriations and the Committee on Ways and Means of the House of Representatives a report—

(1) assessing the progress of other Federal agencies in accessing and utilizing the Automated Commercial Environment; and

(2) assessing the potential cost savings to the United States Government and importers and exporters and the potential benefits to enforcement of the customs and trade laws of the United States if the elements identified in subparagraphs (A) through (D) of subsection (b)(1) are implemented.

**SEC. 107. INTERNATIONAL TRADE DATA SYSTEM.**

Section 411(d) of the Tariff Act of 1930 (19 U.S.C. 1411(d)) is amended—

(1) by redesignating paragraphs (4) through (7) as paragraphs (5) through (8), respectively;

(2) by inserting after paragraph (3) the following:

''(4) INFORMATION TECHNOLOGY INFRASTRUCTURE.—

''(A) IN GENERAL.—The Secretary shall work with the head of each agency participating in the ITDS and the Interagency Steering Committee to ensure that each agency—

''(i) develops and maintains the necessary information technology infrastructure to support the operation of the ITDS

and to submit all data to the ITDS electronically;

''(ii) enters into a memorandum of understanding, or takes such other action as is necessary, to provide for the information sharing between the agency and U.S. Customs and Border Protection necessary for the operation and maintenance of the ITDS;

''(iii) not later than June 30, 2016, identifies and transmits to the Commissioner of U.S. Customs and Border Protection the admissibility criteria and data elements required by the agency to authorize the release of cargo by U.S. Customs and Border Protection for incorporation into the operational functionality of the Automated Commercial Environment computer system authorized under section 13031(f)(4) of the Consolidated Omnibus Budget and Reconciliation Act of 1985 (19 U.S.C. 58c(f)(4)); and

''(iv) not later than December 31, 2016, utilizes the ITDS as the primary means of receiving from users the standard

set of data and other relevant documentation, exclusive of applications for permits, licenses, or certifications required for the release of imported cargo and clearance of cargo for export.

''(B) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to require any action to be taken that would compromise an ongoing law enforcement investigation or would compromise national security.''; and

(3) in paragraph (8), as redesignated, by striking ''section 9503(c) of the Omnibus Budget Reconciliation Act of 1987 (19 U.S.C. 2071 note)'' and inserting ''section 109 of the Trade Facilitation and Trade Enforcement Act of 2015''.

**SEC. 108. CONSULTATIONS WITH RESPECT TO MUTUAL RECOGNITION ARRANGEMENTS.**

(a) CONSULTATIONS.—The Secretary of Homeland Security, with respect to any proposed mutual recognition arrangement or similar agreement between the United States and a foreign government providing for mutual recognition of supply chain security programs and customs revenue functions, shall consult with the appropriate congressional committees—

(1) not later than 30 days before initiating negotiations to enter into any such arrangement or similar agreement; and

(2) not later than 30 days before entering into any such arrangement or similar agreement.

(b) NEGOTIATING OBJECTIVE.—It shall be a negotiating objective of the United States in any negotiation for a mutual recognition arrangement or similar agreement with a foreign country on partnership programs, such as the Customs–Trade Partnership Against Terrorism established under subtitle B of title II of the Security and Accountability for Every Port Act of 2006 (6 U.S.C. 961 et seq.), to seek to ensure the compatibility of the partnership programs of that country with the partnership programs of U.S. Customs and Border Protection to enhance security, trade facilitation, and trade enforcement.

**SEC. 109. COMMERCIAL CUSTOMS OPERATIONS ADVISORY COMMITTEE.**

(a) ESTABLISHMENT.—Not later than the date that is 60 days after the date of the enactment of this Act, the Secretary of the Treasury and the Secretary of Homeland Security shall jointly establish a Commercial Customs Operations Advisory Committee (in this section referred to as the ''Advisory Committee'').

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Advisory Committee shall be comprised of—

(A) 20 individuals appointed under paragraph (2);

(B) the Assistant Secretary for Tax Policy of the Department of the Treasury and the Commissioner, who shall jointly co-chair meetings of the Advisory Committee; and

(C) the Assistant Secretary for Policy and the Director of U.S. Immigration and Customs Enforcement, who shall serve as deputy co-chairs of meetings of the Advisory Committee.

(2) APPOINTMENT.—

(A) IN GENERAL.—The Secretary of the Treasury and the Secretary of Homeland Security shall jointly appoint 20 individuals from the private sector to the Advisory Committee.

(B) REQUIREMENTS.—In making appointments under subparagraph (A), the Secretary of the Treasury and the Secretary of Homeland Security shall appoint members—

(i) to ensure that the membership of the Advisory Committee is representative of the individuals and firms affected by the

commercial operations of U.S. Customs and Border Protection; and

(ii) without regard to political affiliation.

(C) TERMS.—Each individual appointed to the Advisory Committee under this paragraph shall be appointed for a term of not more than 3 years, and may be reappointed to subsequent terms, but may not serve more than 2 terms sequentially.

(3) TRANSFER OF MEMBERSHIP.—The Secretary of the Treasury and the Secretary of Homeland Security may transfer members serving on the Advisory Committee on Commercial Operations of the United States Customs Service established under section 9503(c) of the Omnibus Budget Reconciliation Act of 1987 (19 U.S.C. 2071 note) on the day before the date of the enactment of this Act to the Advisory Committee established under subsection (a).

(c) DUTIES.—The Advisory Committee established under subsection (a) shall—

(1) advise the Secretary of the Treasury and the Secretary of Homeland Security on all matters involving the commercial operations of U.S. Customs

and Border Protection, including advising with respect to significant changes that are proposed with respect to regulations, policies, or practices of U.S. Customs and Border Protection;

(2) provide recommendations to the Secretary of the Treasury and the Secretary of Homeland Security on improvements to the commercial operations of U.S. Customs and Border Protection;

(3) collaborate in developing the agenda for Advisory Committee meetings; and

(4) perform such other functions relating to the commercial operations of U.S. Customs and Border Protection as prescribed by law or as the Secretary of the Treasury and the Secretary of Homeland Security jointly direct.

(d) MEETINGS.—Notwithstanding section 10(f) of the Federal Advisory Committee Act (5 U.S.C. App.), the Advisory Committee shall meet at the call of the Secretary of the Treasury and the Secretary of Homeland Security, or at the call of not less than ⅔ of the membership of the Advisory Committee. The Advisory Committee shall meet at least 4 times each calendar year.

(e) ANNUAL REPORT.—Not later than December 31, 2016, and annually thereafter, the Advisory Committee shall submit to the Committee on Finance of the Senate

and the Committee on Ways and Means of the House of Representatives a report that—

(1) describes the activities of the Advisory Committee during the preceding fiscal year; and

(2) sets forth any recommendations of the Advisory Committee regarding the commercial operations of U.S. Customs and Border Protection.

(f) TERMINATION.—Section 14(a)(2) of the Federal Advisory Committee Act (5 U.S.C. App.; relating to the termination of advisory committees) shall not apply to the Advisory Committee.

(g) CONFORMING AMENDMENT.—

(1) IN GENERAL.—Effective on the date on which the Advisory Committee is established under subsection (a), section 9503(c) of the Omnibus Budget Reconciliation Act of 1987 (19 U.S.C. 2071 note) is repealed.

(2) REFERENCE.—Any reference in law to the Advisory Committee on Commercial Operations of the United States Customs Service established under section 9503(c) of the Omnibus Budget Reconciliation Act of 1987 (19 U.S.C. 2071 note) made on or after the date on which the Advisory Committee is established under subsection (a), shall be deemed a reference to the Commercial Customs Operations

Advisory Committee established under subsection (a).

**SEC. 110. CENTERS OF EXCELLENCE AND EXPERTISE.**

(a) IN GENERAL.—The Commissioner shall, in consultation with the appropriate congressional committees and the Commercial Customs Operations Advisory Committee established under section 109, develop and implement Centers of Excellence and Expertise throughout U.S. Customs and Border Protection that—

(1) enhance the economic competitiveness of the United States by consistently enforcing the laws and regulations of the United States at all ports of entry of the United States and by facilitating the flow of legitimate trade through increasing industry-based knowledge;

(2) improve enforcement efforts, including enforcement of priority trade issues described in section 117, in specific industry sectors through the application of targeting information from the National Targeting Center under section 111 and from other means of verification;

(3) build upon the expertise of U.S. Customs and Border Protection in particular industry operations, supply chains, and compliance requirements;

(4) promote the uniform implementation at each port of entry of the United States of policies and regulations relating to imports;

(5) centralize the trade enforcement and trade facilitation efforts of U.S. Customs and Border Protection;

(6) formalize an account-based approach to apply, as the Commissioner determines appropriate, to the importation of merchandise into the United States;

(7) foster partnerships though the expansion of trade programs and other trusted partner programs;

(8) develop applicable performance measurements to meet internal efficiency and effectiveness goals; and

(9) whenever feasible, facilitate a more efficient flow of information between Federal agencies.

(b) REPORT.—Not later than December 31, 2016, the Commissioner shall submit to the appropriate congressional committees a report describing—

(1) the scope, functions, and structure of each Center of Excellence and Expertise developed and implemented under subsection (a);

(2) the effectiveness of each such Center of Excellence and Expertise in improving enforcement ef-

forts, including enforcement of priority trade issues described in section 117, and facilitating legitimate trade;

(3) the quantitative and qualitative benefits of each such Center of Excellence and Expertise to the trade community, including through fostering partnerships through the expansion of trade programs such as the Importer Self Assessment program and other trusted partner programs;

(4) all applicable performance measurements with respect to each such Center of Excellence and Expertise, including performance measures with respect to meeting internal efficiency and effectiveness goals;

(5) the performance of each such Center of Excellence and Expertise in increasing the accuracy and completeness of data with respect to international trade and facilitating a more efficient flow of information between Federal agencies; and

(6) any planned changes in the number, scope, functions, or any other aspect of the Centers of Excellence and Expertise developed and implemented under subsection (a).

**SEC. 111. COMMERCIAL RISK ASSESSMENT TARGETING AND TRADE ALERTS.**

(a) COMMERCIAL RISK ASSESSMENT TARGETING.—In carrying out its duties under section 411(g)(4) of the Homeland Security Act of 2002, as added by section 802(a) of this Act, the National Targeting Center, in coordination with the Office of Trade established under section 4 of the Act of March 3, 1927 (44 Stat. 1381, chapter 348; 19 U.S.C. 2071 et seq.), as added by section 802(h) of this Act, as appropriate, shall—

(1) establish targeted risk assessment methodologies and standards—

(A) for evaluating the risk that cargo destined for the United States may violate the customs and trade laws of the United States, particularly those laws applicable to merchandise subject to the priority trade issues described in section 117; and

(B) for issuing, as appropriate, Trade Alerts described in subsection (b);

(2) to the extent practicable and otherwise authorized by law, use, to administer the methodologies and standards established under paragraph (1)—

(A) publicly available information;

(B) information available from the Automated Commercial System, the Automated

Commercial Environment, the Automated Targeting System, the Automated Export System, the International Trade Data System established under section 411(d) of the Tariff Act of 1930 (19 U.S.C. 1411(d)), the TECS (formerly known as the ''Treasury Enforcement Communications System''), the case management system of U.S. Immigration and Customs Enforcement, and any successor systems; and

(C) information made available to the National Targeting Center, including information provided by private sector entities;

(3) provide for the receipt and transmission to the appropriate U.S. Customs and Border Protection offices of allegations from interested parties in the private sector of violations of customs and trade laws of the United States with respect to merchandise relating to the priority trade issues described in section 117; and

(4) notify, on a timely basis, each interested party in the private sector that has submitted an allegation of any violation of the customs and trade laws of the United States of any civil or criminal actions taken by U.S. Customs and Border Protection

or any other Federal agency resulting from the allegation.

(b) TRADE ALERTS.—

(1) ISSUANCE.—In carrying out its duties under section 411(g)(4) of the Homeland Security Act of 2002, as added by section 802(a) of this Act, and based upon the application of the targeted risk assessment methodologies and standards established under subsection (a), the Executive Director of the National Targeting Center may issue Trade Alerts to directors of United States ports of entry directing further inspection, or physical examination or testing, of specific merchandise to ensure compliance with all applicable customs and trade laws of the United States and regulations administered by U.S. Customs and Border Protection.

(2) DETERMINATIONS NOT TO IMPLEMENT TRADE ALERTS.—The director of a United States port of entry may determine not to conduct further inspections, or physical examination or testing, pursuant to a Trade Alert issued under paragraph (1) if the director—

(A) finds that such a determination is justified by port security interests; and

(B) not later than 48 hours after making the determination, notifies the Assistant Commissioner of the Office of Field Operations of U.S. Customs and Border Protection of the determination and the reasons for the determination.

(3) SUMMARY OF DETERMINATIONS NOT TO IMPLEMENT.—The Assistant Commissioner of the Office of Field Operations of U.S. Customs and Border Protection shall—

(A) compile an annual summary of all determinations by directors of United States ports of entry under paragraph (2) and the reasons for those determinations;

(B) conduct an evaluation of the utilization of Trade Alerts issued under paragraph (1); and

(C) not later than December 31 of each calendar year, submit the summary to the appropriate congressional committees.

(4) INSPECTION DEFINED.—In this subsection, the term ''inspection'' means the comprehensive evaluation process used by U.S. Customs and Border Protection, other than physical examination or testing, to permit the entry of merchandise into the

United States, or the clearance of merchandise for transportation in bond through the United States, for purposes of—

(A) assessing duties;

(B) identifying restricted or prohibited items; and

(C) ensuring compliance with all applicable customs and trade laws of the United States and regulations administered by U.S. Customs and Border Protection.

(c) USE OF TRADE DATA FOR COMMERCIAL ENFORCEMENT PURPOSES.—Section 343(a)(3)(F) of the Trade Act of 2002 (19 U.S.C. 2071 note) is amended to read as follows:

''(F) The information collected pursuant to the regulations shall be used exclusively for ensuring cargo safety and security, preventing smuggling, and commercial risk assessment targeting, and shall not be used for any commercial enforcement purposes, including for determining merchandise entry. Notwithstanding the preceding sentence, nothing in this section shall be treated as amending, repealing, or otherwise modifying title IV of the Tariff Act of 1930 or regulations promulgated thereunder.''.

**SEC. 112. REPORT ON OVERSIGHT OF REVENUE PROTECTION AND ENFORCEMENT MEASURES.**

(a) IN GENERAL.—Not later than June 30, 2016, and not later than March 31 of each second year thereafter, the Inspector General of the Department of the Treasury shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report assessing, with respect to the period covered by the report, as specified in subsection (b), the following:

(1) The effectiveness of the measures taken by U.S. Customs and Border Protection with respect to protection of revenue, including—

(A) the collection of countervailing duties assessed under subtitle A of title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.) and antidumping duties assessed under subtitle B of title VII of the Tariff Act of 1930 (19 U.S.C. 1673 et seq.);

(B) the assessment, collection, and mitigation of commercial fines and penalties;

(C) the use of bonds, including continuous and single transaction bonds, to secure that revenue; and

(D) the adequacy of the policies of U.S. Customs and Border Protection with respect to

the monitoring and tracking of merchandise transported in bond and collecting duties, as appropriate.

(2) The effectiveness of actions taken by U.S. Customs and Border Protection to measure accountability and performance with respect to protection of revenue.

(3) The number and outcome of investigations instituted by U.S. Customs and Border Protection with respect to the underpayment of duties.

(4) The effectiveness of training with respect to the collection of duties provided for personnel of U.S. Customs and Border Protection.

(b) PERIOD COVERED BY REPORT.—Each report required by subsection (a) shall cover the period of 2 fiscal years ending on September 30 of the calendar year preceding the submission of the report.

**SEC. 113. REPORT ON SECURITY AND REVENUE MEASURES WITH RESPECT TO MERCHANDISE TRANSPORTED IN BOND.**

(a) IN GENERAL.—Not later than December 31 of 2016, 2017, and 2018, the Secretary of Homeland Security and the Secretary of the Treasury shall jointly submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representa-

tives a report on efforts undertaken by U.S. Customs and Border Protection to ensure the secure transportation of merchandise in bond through the United States and the collection of revenue owed upon the entry of such merchandise into the United States for consumption.

(b) ELEMENTS.—Each report required by subsection (a) shall include, for the fiscal year preceding the submission of the report, information on—

(1) the overall number of entries of merchandise for transportation in bond through the United States;

(2) the ports at which merchandise arrives in the United States for transportation in bond and at which records of the arrival of such merchandise are generated;

(3) the average time taken to reconcile such records with the records at the final destination of the merchandise in the United States to demonstrate that the merchandise reaches its final destination or is re-exported;

(4) the average time taken to transport merchandise in bond from the port at which the merchandise arrives in the United States to its final destination in the United States;

(5) the total amount of duties, taxes, and fees owed with respect to shipments of merchandise transported in bond and the total amount of such duties, taxes, and fees paid;

(6) the total number of notifications by carriers of merchandise being transported in bond that the destination of the merchandise has changed; and

(7) the number of entries that remain unreconciled.

**SEC. 114. IMPORTER OF RECORD PROGRAM.**

(a) ESTABLISHMENT.—Not later than the date that is 180 days after the date of the enactment of this Act, the Secretary of Homeland Security shall establish an importer of record program to assign and maintain importer of record numbers.

(b) REQUIREMENTS.—The Secretary shall ensure that, as part of the importer of record program, U.S. Customs and Border Protection—

(1) develops criteria that importers must meet in order to obtain an importer of record number, including—

(A) criteria to ensure sufficient information is collected to allow U.S. Customs and Border Protection to verify the existence of the im-

porter requesting the importer of record number;

(B) criteria to ensure sufficient information is collected to allow U.S. Customs and Border Protection to identify linkages or other affiliations between importers that are requesting or have been assigned importer of record numbers; and

(C) criteria to ensure sufficient information is collected to allow U.S. Customs and Border Protection to identify changes in address and corporate structure of importers;

(2) provides a process by which importers are assigned importer of record numbers;

(3) maintains a centralized database of importer of record numbers, including a history of importer of record numbers associated with each importer, and the information described in subparagraphs (A), (B), and (C) of paragraph (1);

(4) evaluates and maintains the accuracy of the database if such information changes; and

(5) takes measures to ensure that duplicate importer of record numbers are not issued.

(c) REPORT.—Not later than one year after the date of the enactment of this Act, the Secretary shall submit

to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on the importer of record program established under subsection (a).

(d) NUMBER DEFINED.—In this section, the term ''number'', with respect to an importer of record, means a filing identification number described in section 24.5 of title 19, Code of Federal Regulations (or any corresponding similar regulation) that fully supports the requirements of subsection (b) with respect to the collection and maintenance of information.

**SEC. 115. ESTABLISHMENT OF IMPORTER RISK ASSESSMENT PROGRAM.**

(a) IN GENERAL.—Not later than the date that is 180 days after the date of the enactment of this Act, the Commissioner shall establish a program that directs U.S. Customs and Border Protection to adjust bond amounts for importers, including new importers and nonresident importers, based on risk assessments of such importers conducted by U.S. Customs and Border Protection, in order to protect the revenue of the Federal Government.

(b) REQUIREMENTS.—The Commissioner shall ensure that, as part of the program established under subsection (a), U.S. Customs and Border Protection—

(1) develops risk assessment guidelines for importers, including new importers and nonresident importers, to determine if and to what extent—

(A) to adjust bond amounts of imported products of such importers; and

(B) to increase screening of imported products of such importers;

(2) develops procedures to ensure increased oversight of imported products of new importers, including nonresident importers, relating to the enforcement of the priority trade issues described in section 117;

(3) develops procedures to ensure increased oversight of imported products of new importers, including new nonresident importers, by Centers of Excellence and Expertise established under section 110; and

(4) establishes a centralized database of new importers, including new nonresident importers, to ensure accuracy of information that is required to be provided by such importers to U.S. Customs and Border Protection.

(c) EXCLUSION OF CERTAIN IMPORTERS.—This section shall not apply to an importer that is a validated Tier 2 or Tier 3 participant in the Customs–Trade Partnership

Against Terrorism program established under subtitle B of title II of the Security and Accountability for Every Port Act of 2006 (6 U.S.C. 961 et seq.).

(d) REPORT.—Not later than the date that is 2 years after the date of the enactment of this Act, the Inspector General of the Department of the Treasury shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report detailing—

(1) the risk assessment guidelines developed under subsection (b)(1);

(2) the procedures developed under subsection (b)(2) to ensure increased oversight of imported products of new importers, including new nonresident importers, relating to the enforcement of priority trade issues described in section 117;

(3) the procedures developed under subsection (b)(3) to ensure increased oversight of imported products of new importers, including new nonresident importers, by Centers of Excellence and Expertise established under section 110; and

(4) the number of bonds adjusted based on the risk assessment guidelines developed under subsection (b)(1).

(e) DEFINITIONS.—In this section:

(1) IMPORTER.—The term ''importer'' means one of the parties qualifying as an importer of record under section 484(a)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1484(a)(2)(B)).

(2) NONRESIDENT IMPORTER.—The term ''nonresident importer'' means an importer who is—

(A) an individual who is not a citizen of the United States or an alien lawfully admitted for permanent residence in the United States; or

(B) a partnership, corporation, or other commercial entity that is not organized under the laws of a jurisdiction within the customs territory of the United States (as such term is defined in General Note 2 of the Harmonized Tariff Schedule of the United States) or in the Virgin Islands of the United States.

**SEC. 116. CUSTOMS BROKER IDENTIFICATION OF IMPORTERS.**

(a) IN GENERAL.—Section 641 of the Tariff Act of 1930 (19 U.S.C. 1641) is amended by adding at the end the following:

''(i) IDENTIFICATION OF IMPORTERS.—

''(1) IN GENERAL.—The Secretary shall prescribe regulations setting forth the minimum stand-

ards for customs brokers and importers, including nonresident importers, regarding the identity of the importer that shall apply in connection with the importation of merchandise into the United States.

''(2) MINIMUM REQUIREMENTS.—The regulations required under paragraph (1) shall, at a minimum—

''(A) identify the information that an importer, including a nonresident importer, is required to submit to a broker and that a broker is required to collect in order to verify the identity of the importer;

''(B) identify reasonable procedures that a broker is required to follow in order to verify the authenticity of information collected from an importer; and

''(C) require a broker to maintain records of the information collected by the broker to verify the identity of an importer.

''(3) PENALTIES.—Any customs broker who fails to collect information required under the regulations prescribed under this subsection shall be liable to the United States, at the discretion of the Secretary, for a monetary penalty not to exceed $10,000 for each violation of those regulations and

shall be subject to revocation or suspension of a license or permit of the customs broker pursuant to the procedures set forth in subsection (d). This penalty shall be assessed in the same manner and under the same procedures as the monetary penalties provided for in subsection (d)(2)(A).

''(4) DEFINITIONS.—In this subsection:

''(A) IMPORTER.—The term 'importer' means one of the parties qualifying as an importer of record under section 484(a)(2)(B).

''(B) NONRESIDENT IMPORTER.—The term 'nonresident importer' means an importer who is—

''(i) an individual who is not a citizen of the United States or an alien lawfully admitted for permanent residence in the United States; or

''(ii) a partnership, corporation, or other commercial entity that is not organized under the laws of a jurisdiction within the customs territory of the United States (as such term is defined in General Note 2 of the Harmonized Tariff Schedule of the United States) or in the Virgin Islands of the United States.''.

(b) STUDY AND REPORT REQUIRED.—Not later than the date that is 180 days after the date of the enactment of this Act, the Commissioner shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report containing recommendations for—

(1) determining the most timely and effective way to require foreign nationals to provide customs brokers with appropriate and accurate information, comparable to that which is required of United States nationals, concerning the identity, address, and other related information relating to such foreign nationals necessary to enable customs brokers to comply with the requirements of section 641(i) of the Tariff Act of 1930 (as added by subsection (a) of this section); and

(2) establishing a system for customs brokers to review information maintained by relevant Federal agencies for purposes of verifying the identities of importers, including nonresident importers, seeking to import merchandise into the United States.

**SEC. 117. PRIORITY TRADE ISSUES.**

(a) IN GENERAL.—The Commissioner shall establish the following as priority trade issues:

(1) Agriculture programs.

(2) Antidumping and countervailing duties.

(3) Import safety.

(4) Intellectual property rights.

(5) Revenue.

(6) Textiles and wearing apparel.

(7) Trade agreements and preference programs.

(b) MODIFICATION.—The Commissioner is authorized to establish new priority trade issues and eliminate, consolidate, or otherwise modify the priority trade issues described in subsection (a) if the Commissioner—

(1) determines it necessary and appropriate to do so; and

(2)(A) in the case of new priority trade issues, submits to the appropriate congressional committees a summary of proposals to establish such new priority trade issues not later than 30 days after such new priority trade issues are to take effect; and

(B) in the case of existing priority trade issues, submits to the appropriate congressional committees a summary of proposals to eliminate, consolidate, or otherwise modify such existing priority trade issues not later than 60 days before such changes are to take effect.

**SEC. 118. APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.**

In this title, the term ''appropriate congressional committees'' means—

(1) the Committee on Finance and the Committee on Homeland Security and Governmental Affairs of the Senate; and

(2) the Committee on Ways and Means and the Committee on Homeland Security of the House of Representatives.

# TITLE II—IMPORT HEALTH AND SAFETY

**SEC. 201. INTERAGENCY IMPORT SAFETY WORKING GROUP.**

(a) ESTABLISHMENT.—There is established an interagency Import Safety Working Group.

(b) MEMBERSHIP.—The interagency Import Safety Working Group shall consist of the following officials or their designees:

(1) The Secretary of Homeland Security, who shall serve as the Chair.

(2) The Secretary of Health and Human Services, who shall serve as the Vice Chair.

(3) The Secretary of the Treasury.

(4) The Secretary of Commerce.

(5) The Secretary of Agriculture.

(6) The United States Trade Representative.

(7) The Director of the Office of Management and Budget.

(8) The Commissioner of Food and Drugs.

(9) The Commissioner of U.S. Customs and Border Protection.

(10) The Chairman of the Consumer Product Safety Commission.

(11) The Director of U.S. Immigration and Customs Enforcement.

(12) The head of any other Federal agency designated by the President to participate in the interagency Import Safety Working Group, as appropriate.

(c) DUTIES.—The duties of the interagency Import Safety Working Group shall include—

(1) consulting on the development of the joint import safety rapid response plan required by section 202;

(2) periodically evaluating the adequacy of the plans, practices, and resources of the Federal Government dedicated to ensuring the safety of merchandise imported into the United States and the expeditious entry of such merchandise, including—

(A) minimizing the duplication of efforts among Federal agencies the heads of which are

members of the interagency Import Safety Working Group and ensuring the compatibility of the policies and regulations of those agencies; and

(B) recommending additional administrative actions, as appropriate, designed to ensure the safety of merchandise imported into the United States and the expeditious entry of such merchandise and considering the impact of those actions on private sector entities;

(3) reviewing the engagement and cooperation of foreign governments and foreign manufacturers in facilitating the inspection and certification, as appropriate, of such merchandise to be imported into the United States and the facilities producing such merchandise to ensure the safety of the merchandise and the expeditious entry of the merchandise into the United States;

(4) identifying best practices, in consultation with private sector entities as appropriate, to assist United States importers in taking all appropriate steps to ensure the safety of merchandise imported into the United States, including with respect to—

(A) the inspection of manufacturing facilities in foreign countries;

(B) the inspection of merchandise destined for the United States before exportation from a foreign country or before distribution in the United States; and

(C) the protection of the international supply chain (as defined in section 2 of the Security and Accountability For Every Port Act of 2006 (6 U.S.C. 901));

(5) identifying best practices to assist Federal, State, and local governments and agencies, and port authorities, to improve communication and coordination among such agencies and authorities with respect to ensuring the safety of merchandise imported into the United States and the expeditious entry of such merchandise; and

(6) otherwise identifying appropriate steps to increase the accountability of United States importers and the engagement of foreign government agencies with respect to ensuring the safety of merchandise imported into the United States and the expeditious entry of such merchandise.

**SEC. 202. JOINT IMPORT SAFETY RAPID RESPONSE PLAN.**

(a) IN GENERAL.—Not later than December 31, 2016, the Secretary of Homeland Security, in consultation with the interagency Import Safety Working Group estab-

lished under section 201, shall develop a plan (to be known as the ''joint import safety rapid response plan'') that sets forth protocols and defines practices for U.S. Customs and Border Protection to use—

(1) in taking action in response to, and coordinating Federal responses to, an incident in which cargo destined for or merchandise entering the United States has been identified as posing a threat to the health or safety of consumers in the United States; and

(2) in recovering from or mitigating the effects of actions and responses to an incident described in paragraph (1).

(b) CONTENTS.—The joint import safety rapid response plan shall address—

(1) the statutory and regulatory authorities and responsibilities of U.S. Customs and Border Protection and other Federal agencies in responding to an incident described in subsection (a)(1);

(2) the protocols and practices to be used by U.S. Customs and Border Protection when taking action in response to, and coordinating Federal responses to, such an incident;

(3) the measures to be taken by U.S. Customs and Border Protection and other Federal agencies in

recovering from or mitigating the effects of actions taken in response to such an incident after the incident to ensure the resumption of the entry of merchandise into the United States; and

(4) exercises that U.S. Customs and Border Protection may conduct in conjunction with Federal, State, and local agencies, and private sector entities, to simulate responses to such an incident.

(c) UPDATES OF PLAN.—The Secretary of Homeland Security shall review and update the joint import safety rapid response plan, as appropriate, after conducting exercises under subsection (d).

(d) IMPORT HEALTH AND SAFETY EXERCISES.—

(1) IN GENERAL.—The Secretary of Homeland Security and the Commissioner shall periodically engage in the exercises referred to in subsection (b)(4), in conjunction with Federal, State, and local agencies and private sector entities, as appropriate, to test and evaluate the protocols and practices identified in the joint import safety rapid response plan at United States ports of entry.

(2) REQUIREMENTS FOR EXERCISES.—In conducting exercises under paragraph (1), the Secretary and the Commissioner shall—

(A) make allowance for the resources, needs, and constraints of United States ports of entry of different sizes in representative geographic locations across the United States;

(B) base evaluations on current risk assessments of merchandise entering the United States at representative United States ports of entry located across the United States;

(C) ensure that such exercises are conducted in a manner consistent with the National Incident Management System, the National Response Plan, the National Infrastructure Protection Plan, the National Preparedness Guidelines, the Maritime Transportation System Security Plan, and other such national initiatives of the Department of Homeland Security, as appropriate; and

(D) develop metrics with respect to the resumption of the entry of merchandise into the United States after an incident described in subsection (a)(1).

(3) REQUIREMENTS FOR TESTING AND EVALUATION.—The Secretary and the Commissioner shall ensure that the testing and evaluation carried out in conducting exercises under paragraph (1)—

(A) are performed using clear and objective performance measures; and

(B) result in the identification of specific recommendations or best practices for responding to an incident described in subsection (a)(1).

(4) DISSEMINATION OF RECOMMENDATIONS AND BEST PRACTICES.—The Secretary and the Commissioner shall—

(A) share the recommendations or best practices identified under paragraph (3)(B) among the members of the interagency Import Safety Working Group established under section 201 and with, as appropriate—

(i) State, local, and tribal governments;

(ii) foreign governments; and

(iii) private sector entities; and

(B) use such recommendations and best practices to update the joint import safety rapid response plan.

**SEC. 203. TRAINING.**

The Commissioner shall ensure that personnel of U.S. Customs and Border Protection assigned to United States ports of entry are trained to effectively administer

the provisions of this title and to otherwise assist in ensuring the safety of merchandise imported into the United States and the expeditious entry of such merchandise.

# TITLE III—IMPORT-RELATED PROTECTION OF INTELLECTUAL PROPERTY RIGHTS

## SEC. 301. DEFINITION OF INTELLECTUAL PROPERTY RIGHTS.

In this title, the term ''intellectual property rights'' refers to copyrights, trademarks, and other forms of intellectual property rights that are enforced by U.S. Customs and Border Protection or U.S. Immigration and Customs Enforcement.

## SEC. 302. EXCHANGE OF INFORMATION RELATED TO TRADE ENFORCEMENT.

(a) IN GENERAL.—The Tariff Act of 1930 is amended by inserting after section 628 (19 U.S.C. 1628) the following new section:

### ''SEC. 628A. EXCHANGE OF INFORMATION RELATED TO TRADE ENFORCEMENT.

''(a) IN GENERAL.—Subject to subsections (c) and (d), if the Commissioner of U.S. Customs and Border Protection suspects that merchandise is being imported into the United States in violation of section 526 of this Act or section 602, 1201(a)(2), or 1201(b)(1) of title 17,

United States Code, and determines that the examination or testing of the merchandise by a person described in subsection (b) would assist the Commissioner in determining if the merchandise is being imported in violation of that section, the Commissioner, to permit the person to conduct the examination and testing—

''(1) shall provide to the person information that appears on the merchandise and its packaging and labels, including unredacted images of the merchandise and its packaging and labels; and

''(2) may, subject to any applicable bonding requirements, provide to the person unredacted samples of the merchandise.

''(b) PERSON DESCRIBED.—A person described in this subsection is—

''(1) in the case of merchandise suspected of being imported in violation of section 526, the owner of the trademark suspected of being copied or simulated by the merchandise;

''(2) in the case of merchandise suspected of being imported in violation of section 602 of title 17, United States Code, the owner of the copyright suspected of being infringed by the merchandise;

''(3) in the case of merchandise suspected of being primarily designed or produced for the pur-

pose of circumventing a technological measure that effectively controls access to a work protected under that title, and being imported in violation of section 1201(a)(2) of that title, the owner of a copyright in the work; and

''(4) in the case of merchandise suspected of being primarily designed or produced for the purpose of circumventing protection afforded by a technological measure that effectively protects a right of an owner of a copyright in a work or a portion of a work, and being imported in violation of section 1201(b)(1) of that title, the owner of the copyright.

''(c) LIMITATION.—Subsection (a) applies only with respect to merchandise suspected of infringing a trademark or copyright that is recorded with U.S. Customs and Border Protection.

''(d) EXCEPTION.—The Commissioner may not provide under subsection (a) information, photographs, or samples to a person described in subsection (b) if providing such information, photographs, or samples would compromise an ongoing law enforcement investigation or national security.''.

(b) TERMINATION OF PREVIOUS AUTHORITY.—Notwithstanding paragraph (2) of section 818(g) of the National Defense Authorization Act for Fiscal Year 2012

(Public Law 112–81; 125 Stat. 1496; 10 U.S.C. 2302 note), paragraph (1) of that section shall have no force or effect on or after the date of the enactment of this Act.

**SEC. 303. SEIZURE OF CIRCUMVENTION DEVICES.**

(a) IN GENERAL.—Section 596(c)(2) of the Tariff Act of 1930 (19 U.S.C. 1595a(c)(2)) is amended—

(1) in subparagraph (E), by striking ''or'';

(2) in subparagraph (F), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(G) U.S. Customs and Border Protection determines it is a technology, product, service, device, component, or part thereof the importation of which is prohibited under subsection (a)(2) or (b)(1) of section 1201 of title 17, United States Code.''.

(b) NOTIFICATION OF PERSONS INJURED.—

(1) IN GENERAL.—Not later than the date that is 30 business days after seizing merchandise pursuant to subparagraph (G) of section 596(c)(2) of the Tariff Act of 1930, as added by subsection (a), the Commissioner shall provide to any person identified under paragraph (2) information regarding the merchandise seized that is equivalent to information provided to copyright owners under regulations of

U.S. Customs and Border Protection for merchandise seized for violation of the copyright laws.

(2) PERSONS TO BE PROVIDED INFORMATION.—Any person injured by the violation of subsection (a)(2) or (b)(1) of section 1201 of title 17, United States Code, that resulted in the seizure of the merchandise shall be provided information under paragraph (1), if that person is included on a list to be established and maintained by the Commissioner. The Commissioner shall publish notice of the establishment of and revisions to the list in the Federal Register.

(3) REGULATIONS.—Not later than the date that is one year after the date of the enactment of this Act, the Secretary of the Treasury shall prescribe regulations establishing procedures that implement this subsection.

**SEC. 304. ENFORCEMENT BY U.S. CUSTOMS AND BORDER PROTECTION OF WORKS FOR WHICH COPYRIGHT REGISTRATION IS PENDING.**

Not later than the date that is 180 days after the date of the enactment of this Act, the Secretary of Homeland Security shall authorize a process pursuant to which the Commissioner shall enforce a copyright for which the owner has submitted an application for registration under

title 17, United States Code, with the United States Copyright Office, to the same extent and in the same manner as if the copyright were registered with the Copyright Office, including by sharing information, images, and samples of merchandise suspected of infringing the copyright under section 628A of the Tariff Act of 1930, as added by section 302.

**SEC. 305. NATIONAL INTELLECTUAL PROPERTY RIGHTS COORDINATION CENTER.**

(a) ESTABLISHMENT.—The Secretary of Homeland Security shall—

(1) establish within U.S. Immigration and Customs Enforcement a National Intellectual Property Rights Coordination Center; and

(2) appoint an Assistant Director to head the National Intellectual Property Rights Coordination Center.

(b) DUTIES.—The Assistant Director of the National Intellectual Property Rights Coordination Center shall—

(1) coordinate the investigation of sources of merchandise that infringe intellectual property rights to identify organizations and individuals that produce, smuggle, or distribute such merchandise;

(2) conduct and coordinate training with other domestic and international law enforcement agencies on investigative best practices—

(A) to develop and expand the capability of such agencies to enforce intellectual property rights; and

(B) to develop metrics to assess whether the training improved enforcement of intellectual property rights;

(3) coordinate, with U.S. Customs and Border Protection, activities conducted by the United States to prevent the importation or exportation of merchandise that infringes intellectual property rights;

(4) support the international interdiction of merchandise destined for the United States that infringes intellectual property rights;

(5) collect and integrate information regarding infringement of intellectual property rights from domestic and international law enforcement agencies and other non-Federal sources;

(6) develop a means to receive and organize information regarding infringement of intellectual property rights from such agencies and other sources;

(7) disseminate information regarding infringement of intellectual property rights to other Federal agencies, as appropriate;

(8) develop and implement risk-based alert systems, in coordination with U.S. Customs and Border Protection, to improve the targeting of persons that repeatedly infringe intellectual property rights;

(9) coordinate with the offices of United States attorneys in order to develop expertise in, and assist with the investigation and prosecution of, crimes relating to the infringement of intellectual property rights; and

(10) carry out such other duties as the Secretary of Homeland Security may assign.

(c) COORDINATION WITH OTHER AGENCIES.—In carrying out the duties described in subsection (b), the Assistant Director of the National Intellectual Property Rights Coordination Center shall coordinate with—

(1) U.S. Customs and Border Protection;

(2) the Food and Drug Administration;

(3) the Department of Justice;

(4) the Department of Commerce, including the United States Patent and Trademark Office;

(5) the United States Postal Inspection Service;

(6) the Office of the United States Trade Representative;

(7) any Federal, State, local, or international law enforcement agencies that the Director of U.S. Immigration and Customs Enforcement considers appropriate; and

(8) any other entities that the Director considers appropriate.

(d) PRIVATE SECTOR OUTREACH.—

(1) IN GENERAL.—The Assistant Director of the National Intellectual Property Rights Coordination Center shall work with U.S. Customs and Border Protection and other Federal agencies to conduct outreach to private sector entities in order to determine trends in and methods of infringing intellectual property rights.

(2) INFORMATION SHARING.—The Assistant Director shall share information and best practices with respect to the enforcement of intellectual property rights with private sector entities, as appropriate, in order to coordinate public and private sector efforts to combat the infringement of intellectual property rights.

**SEC. 306. JOINT STRATEGIC PLAN FOR THE ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS.**

The Commissioner and the Director of U.S. Immigration and Customs Enforcement shall include in the joint strategic plan required by section 105—

(1) a description of the efforts of the Department of Homeland Security to enforce intellectual property rights;

(2) a list of the 10 United States ports of entry at which U.S. Customs and Border Protection has seized the most merchandise, both by volume and by value, that infringes intellectual property rights during the most recent 2-year period for which data are available; and

(3) a recommendation for the optimal allocation of personnel, resources, and technology to ensure that U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement are adequately enforcing intellectual property rights.

**SEC. 307. PERSONNEL DEDICATED TO THE ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS.**

(a) PERSONNEL OF U.S. CUSTOMS AND BORDER PROTECTION.—The Commissioner and the Director of U.S. Immigration and Customs Enforcement shall ensure that sufficient personnel are assigned throughout U.S. Customs and Border Protection and U.S. Immigration

and Customs Enforcement, respectively, who have responsibility for preventing the importation into the United States of merchandise that infringes intellectual property rights.

(b) STAFFING OF NATIONAL INTELLECTUAL PROPERTY RIGHTS COORDINATION CENTER.—The Commissioner shall—

(1) assign not fewer than 3 full-time employees of U.S. Customs and Border Protection to the National Intellectual Property Rights Coordination Center established under section 305; and

(2) ensure that sufficient personnel are assigned to United States ports of entry to carry out the directives of the Center.

**SEC. 308. TRAINING WITH RESPECT TO THE ENFORCEMENT OF INTELLECTUAL PROPERTY RIGHTS.**

(a) TRAINING.—The Commissioner shall ensure that officers of U.S. Customs and Border Protection are trained to effectively detect and identify merchandise destined for the United States that infringes intellectual property rights, including through the use of technologies identified under subsection (c).

(b) CONSULTATION WITH PRIVATE SECTOR.—The Commissioner shall consult with private sector entities to better identify opportunities for collaboration between

U.S. Customs and Border Protection and such entities with respect to training for officers of U.S. Customs and Border Protection in enforcing intellectual property rights.

(c) IDENTIFICATION OF NEW TECHNOLOGIES.—In consultation with private sector entities, the Commissioner shall identify—

(1) technologies with the cost-effective capability to detect and identify merchandise at United States ports of entry that infringes intellectual property rights; and

(2) cost-effective programs for training officers of U.S. Customs and Border Protection to use such technologies.

(d) DONATIONS OF TECHNOLOGY.—Not later than the date that is 180 days after the date of the enactment of this Act, the Commissioner shall prescribe regulations to enable U.S. Customs and Border Protection to receive donations of hardware, software, equipment, and similar technologies, and to accept training and other support services, from private sector entities, for the purpose of enforcing intellectual property rights.

**SEC. 309. INTERNATIONAL COOPERATION AND INFORMATION SHARING.**

(a) COOPERATION.—The Secretary of Homeland Security shall coordinate with the competent law enforce-

ment and customs authorities of foreign countries, including by sharing information relevant to enforcement actions, to enhance the efforts of the United States and such authorities to enforce intellectual property rights.

(b) TECHNICAL ASSISTANCE.—The Secretary of Homeland Security shall provide technical assistance to competent law enforcement and customs authorities of foreign countries to enhance the ability of such authorities to enforce intellectual property rights.

(c) INTERAGENCY COLLABORATION.—The Commissioner and the Director of U.S. Immigration and Customs Enforcement shall lead interagency efforts to collaborate with law enforcement and customs authorities of foreign countries to enforce intellectual property rights.

**SEC. 310. REPORT ON INTELLECTUAL PROPERTY RIGHTS ENFORCEMENT.**

Not later than September 30, 2016, and annually thereafter, the Commissioner and the Director of U.S. Immigration and Customs Enforcement shall jointly submit to the Committee on Finance of the Senate, the Committee on Ways and Means of the House of Representatives, the Committee on Homeland Security and Governmental Affairs of the Senate, and the Committee on Homeland Security of the House of Representatives a report that contains the following:

(1) With respect to the enforcement of intellectual property rights, the following:

(A) The number of referrals, during the preceding year, from U.S. Customs and Border Protection to U.S. Immigration and Customs Enforcement relating to infringement of intellectual property rights.

(B) The number of investigations relating to the infringement of intellectual property rights referred by U.S. Immigration and Customs Enforcement to a United States attorney for prosecution and the United States attorneys to which those investigations were referred.

(C) The number of such investigations accepted by each such United States attorney and the status or outcome of each such investigation.

(D) The number of such investigations that resulted in the imposition of civil or criminal penalties.

(E) A description of the efforts of U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement to improve the success rates of investigations and prosecu-

tions relating to the infringement of intellectual property rights.

(2) An estimate of the average time required by the Office of Trade established under section 4 of the Act of March 3, 1927 (44 Stat. 1381, chapter 348; 19 U.S.C. 2071 et seq.), as added by section 802(h) of this Act, to respond to a request from port personnel for advice with respect to whether merchandise detained by U.S. Customs and Border Protection infringed intellectual property rights, distinguished by types of intellectual property rights infringed.

(3) A summary of the outreach efforts of U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement with respect to—

(A) the interdiction and investigation of, and the sharing of information between those agencies and other Federal agencies to prevent, the infringement of intellectual property rights;

(B) collaboration with private sector entities—

(i) to identify trends in the infringement of, and technologies that infringe, intellectual property rights;

(ii) to identify opportunities for enhanced training of officers of U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement; and

(iii) to develop best practices to enforce intellectual property rights; and

(C) coordination with foreign governments and international organizations with respect to the enforcement of intellectual property rights.

(4) A summary of the efforts of U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement to address the challenges with respect to the enforcement of intellectual property rights presented by Internet commerce and the transit of small packages and an identification of the volume, value, and type of merchandise seized for infringing intellectual property rights as a result of such efforts.

(5) A summary of training relating to the enforcement of intellectual property rights conducted under section 308 and expenditures for such training.

**SEC. 311. INFORMATION FOR TRAVELERS REGARDING VIOLATIONS OF INTELLECTUAL PROPERTY RIGHTS.**

(a) IN GENERAL.—The Secretary of Homeland Security shall develop and carry out an educational campaign to inform travelers entering or leaving the United States about the legal, economic, and public health and safety implications of acquiring merchandise that infringes intellectual property rights outside the United States and importing such merchandise into the United States in violation of United States law.

(b) DECLARATION FORMS.—The Commissioner shall ensure that all versions of Declaration Form 6059B of U.S. Customs and Border Protection, or a successor form, including any electronic equivalent of Declaration Form 6059B or a successor form, printed or displayed on or after the date that is 30 days after the date of the enactment of this Act include a written warning to inform travelers arriving in the United States that importation of merchandise into the United States that infringes intellectual property rights may subject travelers to civil or criminal penalties and may pose serious risks to safety or health.

# TITLE IV—PREVENTION OF EVASION OF ANTIDUMPING AND COUNTERVAILING DUTY ORDERS

**SEC. 401. SHORT TITLE.**

This title may be cited as the ''Enforce and Protect Act of 2015''.

**SEC. 402. DEFINITIONS.**

In this title:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means—

(A) the Committee on Finance and the Committee on Appropriations of the Senate; and

(B) the Committee on Ways and Means and the Committee on Appropriations of the House of Representatives.

(2) COVERED MERCHANDISE.—The term ''covered merchandise'' means merchandise that is subject to—

(A) a countervailing duty order issued under section 706 of the Tariff Act of 1930 (19 U.S.C. 1671e); or

(B) an antidumping duty order issued under section 736 of the Tariff Act of 1930 (19 U.S.C. 1673e).

(3) ELIGIBLE SMALL BUSINESS.—

(A) IN GENERAL.—The term ''eligible small business'' means any business concern that, in the judgment of the Commissioner, due to its small size, has neither adequate internal resources nor financial ability to obtain qualified outside assistance in preparing and submitting for consideration allegations of evasion.

(B) NONREVIEWABILITY.—Any agency decision regarding whether a business concern is an eligible small business for purposes of section 411(b)(4)(E) is not reviewable by any other agency or by any court.

(4) ENTER; ENTRY.—The terms ''enter'' and ''entry'' refer to the entry, or withdrawal from warehouse for consumption, of merchandise in the customs territory of the United States.

(5) EVADE; EVASION.—The terms ''evade'' and ''evasion'' refer to entering covered merchandise into the customs territory of the United States by means of any document or electronically transmitted data or information, written or oral statement, or act that

is material and false, or any omission that is material, and that results in any cash deposit or other security or any amount of applicable antidumping or countervailing duties being reduced or not being applied with respect to the merchandise.

(6) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury.

(7) TRADE REMEDY LAWS.—The term ''trade remedy laws'' means title VII of the Tariff Act of 1930 (19 U.S.C. 1671 et seq.).

**SEC. 403. APPLICATION TO CANADA AND MEXICO.**

Pursuant to article 1902 of the North American Free Trade Agreement and section 408 of the North American Free Trade Agreement Implementation Act (19 U.S.C. 3438), this title and the amendments made by this title shall apply with respect to goods from Canada and Mexico.

# Subtitle A—Actions Relating to Enforcement of Trade Remedy Laws

**SEC. 411. TRADE REMEDY LAW ENFORCEMENT DIVISION.**

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Homeland Security shall establish and maintain within the Office of Trade established under section 4 of the Act of March 3, 1927 (44 Stat. 1381, chapter 348; 19

U.S.C. 2071 et seq.), as added by section 802(h) of this Act, a Trade Remedy Law Enforcement Division.

(2) COMPOSITION.—The Trade Remedy Law Enforcement Division shall be composed of—

(A) headquarters personnel led by a Director, who shall report to the Executive Assistant Commissioner of the Office of Trade; and

(B) a National Targeting and Analysis Group dedicated to preventing and countering evasion.

(3) DUTIES.—The Trade Remedy Law Enforcement Division shall be dedicated—

(A) to the development and administration of policies to prevent and counter evasion, including policies relating to the implementation of section 517 of the Tariff Act of 1930, as added by section 421 of this Act;

(B) to direct enforcement and compliance assessment activities concerning evasion;

(C) to the development and conduct of commercial risk assessment targeting with respect to cargo destined for the United States in accordance with subsection (c);

(D) to issuing Trade Alerts described in subsection (d); and

(E) to the development of policies for the application of single entry and continuous bonds for entries of covered merchandise to sufficiently protect the collection of antidumping and countervailing duties commensurate with the level of risk of noncollection.

(b) DUTIES OF DIRECTOR.—The duties of the Director of the Trade Remedy Law Enforcement Division shall include—

(1) directing the trade enforcement and compliance assessment activities of U.S. Customs and Border Protection that concern evasion;

(2) facilitating, promoting, and coordinating cooperation and the exchange of information between U.S. Customs and Border Protection, U.S. Immigration and Customs Enforcement, and other relevant Federal agencies regarding evasion;

(3) notifying on a timely basis the administering authority (as defined in section 771(1) of the Tariff Act of 1930 (19 U.S.C. 1677(1))) and the Commission (as defined in section 771(2) of the Tariff Act of 1930 (19 U.S.C. 1677(2))) of any finding, determination, civil action, or criminal ac-

tion taken by U.S. Customs and Border Protection or other Federal agency regarding evasion;

(4) serving as the primary liaison between U.S. Customs and Border Protection and the public regarding activities concerning evasion, including activities relating to investigations conducted under section 517 of the Tariff Act of 1930, as added by section 421 of this Act, which include—

(A) receiving allegations of evasion from parties, including allegations described in section 517(b)(2) of the Tariff Act of 1930, as so added;

(B) upon request by the party or parties that submitted such an allegation of evasion, providing information to such party or parties on the status of U.S. Customs and Border Protection's consideration of the allegation and decision to pursue or not pursue any administrative inquiries or other actions, such as changes in policies, procedures, or resource allocation as a result of the allegation;

(C) as needed, requesting from the party or parties that submitted such an allegation of evasion any additional information that may be relevant for U.S. Customs and Border Protec-

tion determining whether to initiate an administrative inquiry or take any other action regarding the allegation;

(D) notifying on a timely basis the party or parties that submitted such an allegation of the results of any administrative, civil, or criminal actions taken by U.S. Customs and Border Protection or other Federal agency regarding evasion as a direct or indirect result of the allegation;

(E) upon request, providing technical assistance and advice to eligible small businesses to enable such businesses to prepare and submit such an allegation of evasion, except that the Director may deny technical assistance if the Director concludes that the allegation, if submitted, would not lead to the initiation of an administrative inquiry or any other action to address the allegation;

(F) in cooperation with the public, the Commercial Customs Operations Advisory Committee established under section 109, the Trade Support Network, and any other relevant parties and organizations, developing guidelines on the types and nature of information that may

be provided in such an allegation of evasion; and

(G) consulting regularly with the public, the Commercial Customs Operations Advisory Committee, the Trade Support Network, and any other relevant parties and organizations regarding the development and implementation of regulations, interpretations, and policies related to countering evasion.

(c) PREVENTING AND COUNTERING EVASION OF THE TRADE REMEDY LAWS.—In carrying out its duties with respect to preventing and countering evasion, the National Targeting and Analysis Group dedicated to preventing and countering evasion shall—

(1) establish targeted risk assessment methodologies and standards—

(A) for evaluating the risk that cargo destined for the United States may constitute evading covered merchandise; and

(B) for issuing, as appropriate, Trade Alerts described in subsection (d); and

(2) to the extent practicable and otherwise authorized by law, use information available from the Automated Commercial System, the Automated Commercial Environment, the Automated Targeting

System, the Automated Export System, the International Trade Data System established under section 411(d) of the Tariff Act of 1930 (19 U.S.C. 1411(d)), and the TECS (formerly known as the ''Treasury Enforcement Communications System''), and any similar and successor systems, to administer the methodologies and standards established under paragraph (1).

(d) TRADE ALERTS.—Based upon the application of the targeted risk assessment methodologies and standards established under subsection (c), the Director of the Trade Remedy Law Enforcement Division shall issue Trade Alerts or other such means of notification to directors of United States ports of entry directing further inspection, physical examination, or testing of merchandise to ensure compliance with the trade remedy laws and to require additional bonds, cash deposits, or other security to ensure collection of any duties, taxes, and fees owed.

**SEC. 412. COLLECTION OF INFORMATION ON EVASION OF TRADE REMEDY LAWS.**

(a) AUTHORITY TO COLLECT INFORMATION.—To determine whether covered merchandise is being entered into the customs territory of the United States through evasion, the Secretary, acting through the Commissioner—

(1) shall exercise all existing authorities to collect information needed to make the determination; and

(2) may collect such additional information as is necessary to make the determination through such methods as the Commissioner considers appropriate, including by issuing questionnaires with respect to the entry or entries at issue to—

(A) a person who filed an allegation with respect to the covered merchandise;

(B) a person who is alleged to have entered the covered merchandise into the customs territory of the United States through evasion; or

(C) any other person who is determined to have information relevant to the allegation of entry of covered merchandise into the customs territory of the United States through evasion.

(b) ADVERSE INFERENCE.—

(1) USE OF ADVERSE INFERENCE.—

(A) IN GENERAL.—If the Secretary finds that a person described in subparagraph (B) has failed to cooperate by not acting to the best of the person's ability to comply with a request for information under subsection (a), the Sec-

retary may, in making a determination whether an entry or entries of covered merchandise may constitute merchandise that is entered into the customs territory of the United States through evasion, use an inference that is adverse to the interests of that person in selecting from among the facts otherwise available to determine whether evasion has occurred.

(B) PERSON DESCRIBED.—A person described in this subparagraph is—

(i) a person who filed an allegation with respect to covered merchandise;

(ii) a person alleged to have entered covered merchandise into the customs territory of the United States through evasion; or

(iii) a foreign producer or exporter of covered merchandise that is alleged to have entered into the customs territory of the United States through evasion.

(C) APPLICATION.—An inference described in subparagraph (A) may be used under that subparagraph with respect to a person described in clause (ii) or (iii) of subparagraph (B) without regard to whether another person

involved in the same transaction or transactions under examination has provided the information sought by the Secretary, such as import or export documentation.

(2) ADVERSE INFERENCE DESCRIBED.—An adverse inference used under paragraph (1)(A) may include reliance on information derived from—

(A) the allegation of evasion of the trade remedy laws, if any, submitted to U.S. Customs and Border Protection;

(B) a determination by the Commissioner in another investigation, proceeding, or other action regarding evasion of the unfair trade laws; or

(C) any other available information.

**SEC. 413. ACCESS TO INFORMATION.**

(a) IN GENERAL.—Section 777(b)(1)(A)(ii) of the Tariff Act of 1930 (19 U.S.C. 1677f(b)(1)(A)(ii)) is amended by inserting ''negligence, gross negligence, or'' after ''regarding''.

(b) ADDITIONAL INFORMATION.—Notwithstanding any other provision of law, the Secretary is authorized to provide to the Secretary of Commerce or the United States International Trade Commission any information that is necessary to enable the Secretary of Commerce or the

United States International Trade Commission to assist the Secretary to identify, through risk assessment targeting or otherwise, covered merchandise that is entered into the customs territory of the United States through evasion.

**SEC. 414. COOPERATION WITH FOREIGN COUNTRIES ON PREVENTING EVASION OF TRADE REMEDY LAWS.**

(a) BILATERAL AGREEMENTS.—

(1) IN GENERAL.—The Secretary shall seek to negotiate and enter into bilateral agreements with the customs authorities or other appropriate authorities of foreign countries for purposes of cooperation on preventing evasion of the trade remedy laws of the United States and the trade remedy laws of the other country.

(2) PROVISIONS AND AUTHORITIES.—The Secretary shall seek to include in each such bilateral agreement the following provisions and authorities:

(A) On the request of the importing country, the exporting country shall provide, consistent with its laws, regulations, and procedures, production, trade, and transit documents and other information necessary to determine whether an entry or entries exported from the

exporting country are subject to the importing country's trade remedy laws.

(B) On the written request of the importing country, the exporting country shall conduct a verification for purposes of enabling the importing country to make a determination described in subparagraph (A).

(C) The exporting country may allow the importing country to participate in a verification described in subparagraph (B), including through a site visit.

(D) If the exporting country does not allow participation of the importing country in a verification described in subparagraph (B), the importing country may take this fact into consideration in its trade enforcement and compliance assessment activities regarding the compliance of the exporting country's exports with the importing country's trade remedy laws.

(b) CONSIDERATION.—The Commissioner is authorized to take into consideration whether a country is a signatory to a bilateral agreement described in subsection (a) and the extent to which the country is cooperating under the bilateral agreement for purposes of trade enforcement and compliance assessment activities of U.S. Customs and

Border Protection that concern evasion by such country's exports.

(c) REPORT.—Not later than December 31 of each calendar year beginning after the date of the enactment of this Act, the Secretary shall submit to the appropriate congressional committees a report summarizing—

(1) the status of any ongoing negotiations of bilateral agreements described in subsection (a), including the identities of the countries involved in such negotiations;

(2) the terms of any completed bilateral agreements described in subsection (a); and

(3) bilateral cooperation and other activities conducted pursuant to or enabled by any completed bilateral agreements described in subsection (a).

**SEC. 415. TRADE NEGOTIATING OBJECTIVES.**

The principal negotiating objectives of the United States shall include obtaining the objectives of the bilateral agreements described under section 414(a) for any trade agreements under negotiation as of the date of the enactment of this Act or future trade agreement negotiations.

# Subtitle B—Investigation of Evasion of Trade Remedy Laws

**SEC. 421. PROCEDURES FOR INVESTIGATING CLAIMS OF EVASION OF ANTIDUMPING AND COUNTERVAILING DUTY ORDERS.**

(a) IN GENERAL.—The Tariff Act of 1930 is amended by inserting after section 516A (19 U.S.C. 1516a) the following:

**"SEC. 517. PROCEDURES FOR INVESTIGATING CLAIMS OF EVASION OF ANTIDUMPING AND COUNTERVAILING DUTY ORDERS.**

''(a) DEFINITIONS.—In this section:

''(1) ADMINISTERING AUTHORITY.—The term 'administering authority' has the meaning given that term in section 771(1).

''(2) COMMISSIONER.—The term 'Commissioner' means the Commissioner of U.S. Customs and Border Protection.

''(3) COVERED MERCHANDISE.—The term 'covered merchandise' means merchandise that is subject to—

''(A) an antidumping duty order issued under section 736; or

''(B) a countervailing duty order issued under section 706.

''(4) ENTER; ENTRY.—The terms 'enter' and 'entry' refer to the entry, or withdrawal from warehouse for consumption, of merchandise into the customs territory of the United States.

''(5) EVASION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'evasion' refers to entering covered merchandise into the customs territory of the United States by means of any document or electronically transmitted data or information, written or oral statement, or act that is material and false, or any omission that is material, and that results in any cash deposit or other security or any amount of applicable antidumping or countervailing duties being reduced or not being applied with respect to the merchandise.

''(B) EXCEPTION FOR CLERICAL ERROR.—

''(i) IN GENERAL.—Except as provided in clause (ii), the term 'evasion' does not include entering covered merchandise into the customs territory of the United States by means of—

''(I) a document or electronically transmitted data or information, writ-

ten or oral statement, or act that is false as a result of a clerical error; or

"(II) an omission that results from a clerical error.

"(ii) PATTERNS OF NEGLIGENT CONDUCT.—If the Commissioner determines that a person has entered covered merchandise into the customs territory of the United States by means of a clerical error referred to in subclause (I) or (II) of clause (i) and that the clerical error is part of a pattern of negligent conduct on the part of that person, the Commissioner may determine, notwithstanding clause (i), that the person has entered such covered merchandise into the customs territory of the United States through evasion.

"(iii) ELECTRONIC REPETITION OF ERRORS.—For purposes of clause (ii), the mere nonintentional repetition by an electronic system of an initial clerical error does not constitute a pattern of negligent conduct.

"(iv) RULE OF CONSTRUCTION.—A determination by the Commissioner that a

person has entered covered merchandise into the customs territory of the United States by means of a clerical error referred to in subclause (I) or (II) of clause (i) rather than through evasion shall not be construed to excuse that person from the payment of any duties applicable to the merchandise.

''(6) INTERESTED PARTY.—

''(A) IN GENERAL.—The term 'interested party' means—

''(i) a foreign manufacturer, producer, or exporter, or the United States importer, of covered merchandise or a trade or business association a majority of the members of which are producers, exporters, or importers of such merchandise;

''(ii) a manufacturer, producer, or wholesaler in the United States of a domestic like product;

''(iii) a certified union or recognized union or group of workers that is representative of an industry engaged in the manufacture, production, or wholesale in

the United States of a domestic like product;

''(iv) a trade or business association a majority of the members of which manufacture, produce, or wholesale a domestic like product in the United States;

''(v) an association a majority of the members of which is composed of interested parties described in clause (ii), (iii), or (iv) with respect to a domestic like product; and

''(vi) if the covered merchandise is a processed agricultural product, as defined in section 771(4)(E), a coalition or trade association that is representative of either—

''(I) processors;

''(II) processors and producers; or

''(III) processors and growers.

''(B) DOMESTIC LIKE PRODUCT.—For purposes of subparagraph (A), the term 'domestic like product' means a product that is like, or in the absence of like, most similar in characteristics and uses with, covered merchandise.

''(b) INVESTIGATIONS.—

''(1) IN GENERAL.—Not later than 15 business days after receiving an allegation described in paragraph (2) or a referral described in paragraph (3), the Commissioner shall initiate an investigation if the Commissioner determines that the information provided in the allegation or the referral, as the case may be, reasonably suggests that covered merchandise has been entered into the customs territory of the United States through evasion.

''(2) ALLEGATION DESCRIBED.—An allegation described in this paragraph is an allegation that a person has entered covered merchandise into the customs territory of the United States through evasion that is—

''(A) filed with the Commissioner by an interested party; and

''(B) accompanied by information reasonably available to the party that filed the allegation.

''(3) REFERRAL DESCRIBED.—A referral described in this paragraph is information submitted to the Commissioner by any other Federal agency, including the Department of Commerce or the United States International Trade Commission, that

reasonably suggests that a person has entered covered merchandise into the customs territory of the United States through evasion.

''(4) CONSIDERATION BY ADMINISTERING AUTHORITY.—

''(A) IN GENERAL.—If the Commissioner receives an allegation under paragraph (2) and is unable to determine whether the merchandise at issue is covered merchandise, the Commissioner shall—

''(i) refer the matter to the administering authority to determine whether the merchandise is covered merchandise pursuant to the authority of the administering authority under title VII; and

''(ii) notify the party that filed the allegation, and any other interested party participating in the investigation, of the referral.

''(B) DETERMINATION; TRANSMISSION TO COMMISSIONER.—After receiving a referral under subparagraph (A)(i) with respect to merchandise, the administering authority shall determine whether the merchandise is covered

merchandise and promptly transmit that determination to the Commissioner.

''(C) STAY OF DEADLINES.—The period required for any referral and determination under this paragraph shall not be counted in calculating any deadline under this section.

''(D) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to affect the authority of an interested party to commence an action in the United States Court of International Trade under section 516A(a)(2) with respect to a determination of the administering authority under this paragraph.

''(5) CONSOLIDATION OF ALLEGATIONS AND REFERRALS.—

''(A) IN GENERAL.—The Commissioner may consolidate multiple allegations described in paragraph (2) and referrals described in paragraph (3) into a single investigation if the Commissioner determines it is appropriate to do so.

''(B) EFFECT ON TIMING REQUIREMENTS.—If the Commissioner consolidates multiple allegations or referrals into a single investigation under subparagraph (A), the date on

which the Commissioner receives the first such allegation or referral shall be used for purposes of the requirement under paragraph (1) with respect to the timing of the initiation of the investigation.

''(6) INFORMATION-SHARING TO PROTECT HEALTH AND SAFETY.—If, during the course of conducting an investigation under paragraph (1) with respect to covered merchandise, the Commissioner has reason to suspect that such covered merchandise may pose a health or safety risk to consumers, the Commissioner shall provide, as appropriate, information to the appropriate Federal agencies for purposes of mitigating the risk.

''(7) TECHNICAL ASSISTANCE AND ADVICE.—

''(A) IN GENERAL.—Upon request, the Commissioner shall provide technical assistance and advice to eligible small businesses to enable such businesses to prepare and submit allegations described in paragraph (2), except that the Commissioner may deny technical assistance if the Commissioner concludes that the allegation, if submitted, would not lead to the initiation of an investigation under this subsection or any other action to address the allegation.

''(B) ELIGIBLE SMALL BUSINESS DEFINED.—

''(i) IN GENERAL.—In this paragraph, the term 'eligible small business' means any business concern that the Commissioner determines, due to its small size, has neither adequate internal resources nor the financial ability to obtain qualified outside assistance in preparing and filing allegations described in paragraph (2).

''(ii) NON-REVIEWABILITY.—The determination of the Commissioner regarding whether a business concern is an eligible small business for purposes of this paragraph is not reviewable by any other agency or by any court.

''(c) DETERMINATIONS.—

''(1) DETERMINATION OF EVASION.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), not later than 300 calendar days after the date on which the Commissioner initiates an investigation under subsection (b) with respect to covered merchandise, the Commissioner shall make a determination, based on substantial evidence, with respect to whether

such covered merchandise was entered into the customs territory of the United States through evasion.

''(B) ADDITIONAL TIME.—The Commissioner may extend the time to make a determination under subparagraph (A) by not more than 60 calendar days if the Commissioner determines that—

''(i) the investigation is extraordinarily complicated because of—

''(I) the number and complexity of the transactions to be investigated;

''(II) the novelty of the issues presented; or

''(III) the number of entities to be investigated; and

''(ii) additional time is necessary to make the determination under subparagraph (A).

''(2) AUTHORITY TO COLLECT AND VERIFY ADDITIONAL INFORMATION.—In making a determination under paragraph (1) with respect to covered merchandise, the Commissioner may collect such additional information as is necessary to make the de-

termination through such methods as the Commissioner considers appropriate, including by—

''(A) issuing a questionnaire with respect to such covered merchandise to—

''(i) an interested party that filed an allegation under paragraph (2) of subsection (b) that resulted in the initiation of an investigation under paragraph (1) of that subsection with respect to such covered merchandise;

''(ii) a person alleged to have entered such covered merchandise into the customs territory of the United States through evasion;

''(iii) a person that is a foreign producer or exporter of such covered merchandise; or

''(iv) the government of a country from which such covered merchandise was exported; and

''(B) conducting verifications, including on-site verifications, of any relevant information.

''(3) ADVERSE INFERENCE.—

''(A) IN GENERAL.—If the Commissioner finds that a party or person described in clause

(i), (ii), or (iii) of paragraph (2)(A) has failed to cooperate by not acting to the best of the party or person's ability to comply with a request for information, the Commissioner may, in making a determination under paragraph (1), use an inference that is adverse to the interests of that party or person in selecting from among the facts otherwise available to make the determination.

''(B) APPLICATION.—An inference described in subparagraph (A) may be used under that subparagraph with respect to a person described in clause (ii) or (iii) of paragraph (2)(A) without regard to whether another person involved in the same transaction or transactions under examination has provided the information sought by the Commissioner, such as import or export documentation.

''(C) ADVERSE INFERENCE DESCRIBED.—An adverse inference used under subparagraph (A) may include reliance on information derived from—

''(i) the allegation of evasion of the trade remedy laws, if any, submitted to U.S. Customs and Border Protection;

"(ii) a determination by the Commissioner in another investigation, proceeding, or other action regarding evasion of the unfair trade laws; or

"(iii) any other available information.

"(4) NOTIFICATION.—Not later than 5 business days after making a determination under paragraph (1) with respect to covered merchandise, the Commissioner—

"(A) shall provide to each interested party that filed an allegation under paragraph (2) of subsection (b) that resulted in the initiation of an investigation under paragraph (1) of that subsection with respect to such covered merchandise a notification of the determination and may, in addition, include an explanation of the basis for the determination; and

"(B) may provide to importers, in such manner as the Commissioner determines appropriate, information discovered in the investigation that the Commissioner determines will help educate importers with respect to importing merchandise into the customs territory of the United States in accordance with all applicable laws and regulations.

"(d) EFFECT OF DETERMINATIONS.—

"(1) IN GENERAL.—If the Commissioner makes a determination under subsection (c) that covered merchandise was entered into the customs territory of the United States through evasion, the Commissioner shall—

"(A)(i) suspend the liquidation of unliquidated entries of such covered merchandise that are subject to the determination and that enter on or after the date of the initiation of the investigation under subsection (b) with respect to such covered merchandise and on or before the date of the determination; or

"(ii) if the Commissioner has already suspended the liquidation of such entries pursuant to subsection (e)(1), continue to suspend the liquidation of such entries;

"(B) pursuant to the Commissioner's authority under section 504(b)—

"(i) extend the period for liquidating unliquidated entries of such covered merchandise that are subject to the determination and that entered before the date of the initiation of the investigation; or

''(ii) if the Commissioner has already extended the period for liquidating such entries pursuant to subsection (e)(1), continue to extend the period for liquidating such entries;

''(C) notify the administering authority of the determination and request that the administering authority—

''(i) identify the applicable antidumping or countervailing duty assessment rates for entries described in subparagraphs (A) and (B); or

''(ii) if no such assessment rate for such an entry is available at the time, identify the applicable cash deposit rate to be applied to the entry, with the applicable antidumping or countervailing duty assessment rate to be provided as soon as that rate becomes available;

''(D) require the posting of cash deposits and assess duties on entries described in subparagraphs (A) and (B) in accordance with the instructions received from the administering authority under paragraph (2); and

"(E) take such additional enforcement measures as the Commissioner determines appropriate, such as—

"(i) initiating proceedings under section 592 or 596;

"(ii) implementing, in consultation with the relevant Federal agencies, rule sets or modifications to rule sets for identifying, particularly through the Automated Targeting System and the Automated Commercial Environment authorized under section 13031(f)(4) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(f)(4)), importers, other parties, and merchandise that may be associated with evasion;

"(iii) requiring, with respect to merchandise for which the importer has repeatedly provided incomplete or erroneous entry summary information in connection with determinations of evasion, the importer to deposit estimated duties at the time of entry; and

"(iv) referring the record in whole or in part to U.S. Immigration and Customs

Enforcement for civil or criminal investigation.

''(2) COOPERATION OF ADMINISTERING AUTHORITY.—

''(A) IN GENERAL.—Upon receiving a notification from the Commissioner under paragraph (1)(C), the administering authority shall promptly provide to the Commissioner the applicable cash deposit rates and antidumping or countervailing duty assessment rates and any necessary liquidation instructions.

''(B) SPECIAL RULE FOR CASES IN WHICH THE PRODUCER OR EXPORTER IS UNKNOWN.—If the Commissioner and the administering authority are unable to determine the producer or exporter of the merchandise with respect to which a notification is made under paragraph (1)(C), the administering authority shall identify, as the applicable cash deposit rate or antidumping or countervailing duty assessment rate, the cash deposit or duty (as the case may be) in the highest amount applicable to any producer or exporter, including the 'all-others' rate of the merchandise subject to an antidumping order or countervailing duty order

under section 736 or 706, respectively, or a finding issued under the Antidumping Act, 1921, or any administrative review conducted under section 751.

''(e) INTERIM MEASURES.—Not later than 90 calendar days after initiating an investigation under subsection (b) with respect to covered merchandise, the Commissioner shall decide based on the investigation if there is a reasonable suspicion that such covered merchandise was entered into the customs territory of the United States through evasion and, if the Commissioner decides there is such a reasonable suspicion, the Commissioner shall—

''(1) suspend the liquidation of each unliquidated entry of such covered merchandise that entered on or after the date of the initiation of the investigation;

''(2) pursuant to the Commissioner's authority under section 504(b), extend the period for liquidating each unliquidated entry of such covered merchandise that entered before the date of the initiation of the investigation; and

''(3) pursuant to the Commissioner's authority under section 623, take such additional measures as the Commissioner determines necessary to protect

the revenue of the United States, including requiring a single transaction bond or additional security or the posting of a cash deposit with respect to such covered merchandise.

''(f) ADMINISTRATIVE REVIEW.—

''(1) IN GENERAL.—Not later than 30 business days after the Commissioner makes a determination under subsection (c) with respect to whether covered merchandise was entered into the customs territory of the United States through evasion, a person determined to have entered such covered merchandise through evasion or an interested party that filed an allegation under paragraph (2) of subsection (b) that resulted in the initiation of an investigation under paragraph (1) of that subsection with respect to such covered merchandise may file an appeal with the Commissioner for de novo review of the determination.

''(2) TIMELINE FOR REVIEW.—Not later than 60 business days after an appeal of a determination is filed under paragraph (1), the Commissioner shall complete the review of the determination.

''(g) JUDICIAL REVIEW.—

''(1) IN GENERAL.—Not later than 30 business days after the Commissioner completes a review

under subsection (f) of a determination under subsection (c) with respect to whether covered merchandise was entered into the customs territory of the United States through evasion, a person determined to have entered such covered merchandise through evasion or an interested party that filed an allegation under paragraph (2) of subsection (b) that resulted in the initiation of an investigation under paragraph (1) of that subsection with respect to such covered merchandise may seek judicial review of the determination under subsection (c) and the review under subsection (f) in the United States Court of International Trade to determine whether the determination and review is conducted in accordance with subsections (c) and (f).

''(2) STANDARD OF REVIEW.—In determining whether a determination under subsection (c) or review under subsection (f) is conducted in accordance with those subsections, the United States Court of International Trade shall examine—

''(A) whether the Commissioner fully complied with all procedures under subsections (c) and (f); and

''(B) whether any determination, finding, or conclusion is arbitrary, capricious, an abuse

of discretion, or otherwise not in accordance with law.

''(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall affect the availability of judicial review to an interested party under any other provision of law.

''(h) RULE OF CONSTRUCTION WITH RESPECT TO OTHER CIVIL AND CRIMINAL PROCEEDINGS AND INVESTIGATIONS.—No determination under subsection (c), review under subsection (f), or action taken by the Commissioner pursuant to this section shall preclude any individual or entity from proceeding, or otherwise affect or limit the authority of any individual or entity to proceed, with any civil, criminal, or administrative investigation or proceeding pursuant to any other provision of Federal or State law, including sections 592 and 596.''.

(b) CONFORMING AMENDMENT.—Section 1581(c) of title 28, United States Code, is amended by inserting ''or 517'' after ''516A''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date that is 180 days after the date of the enactment of this Act.

(d) REGULATIONS.—Not later than the date that is 180 days after the date of the enactment of this Act, the

Secretary shall prescribe such regulations as may be necessary to implement the amendments made by this section.

# Subtitle C—Other Matters

**SEC. 431. ALLOCATION AND TRAINING OF PERSONNEL.**

The Commissioner shall, to the maximum extent possible, ensure that U.S. Customs and Border Protection—

(1) employs sufficient personnel who have expertise in, and responsibility for, preventing and investigating the entry of covered merchandise into the customs territory of the United States through evasion;

(2) on the basis of risk assessment metrics, assigns sufficient personnel with primary responsibility for preventing the entry of covered merchandise into the customs territory of the United States through evasion to the ports of entry in the United States at which the Commissioner determines potential evasion presents the most substantial threats to the revenue of the United States; and

(3) provides adequate training to relevant personnel to increase expertise and effectiveness in the prevention and identification of entries of covered merchandise into the customs territory of the United States through evasion.

**SEC. 432. ANNUAL REPORT ON PREVENTION AND INVESTIGATION OF EVASION OF ANTIDUMPING AND COUNTERVAILING DUTY ORDERS.**

(a) IN GENERAL.—Not later than January 15 of each calendar year that begins on or after the date that is 270 days after the date of the enactment of this Act, the Commissioner, in consultation with the Secretary of Commerce and the Director of U.S. Immigration and Customs Enforcement, shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on the efforts being taken to prevent and investigate the entry of covered merchandise into the customs territory of the United States through evasion.

(b) CONTENTS.—Each report required under subsection (a) shall include—

(1) for the calendar year preceding the submission of the report—

(A) a summary of the efforts of U.S. Customs and Border Protection to prevent and investigate the entry of covered merchandise into the customs territory of the United States through evasion;

(B) the number of allegations of evasion received, including allegations received under subsection (b) of section 517 of the Tariff Act

of 1930, as added by section 421 of this Act, and the number of such allegations resulting in investigations by U.S. Customs and Border Protection or any other Federal agency;

(C) a summary of investigations initiated, including investigations initiated under subsection (b) of such section 517, including—

(i) the number and nature of the investigations initiated, conducted, or completed; and

(ii) the resolution of each completed investigation;

(D) the amount of additional duties that were determined to be owed as a result of such investigations, the amount of such duties that were collected, and, for any such duties not collected, a description of the reasons those duties were not collected;

(E) with respect to each such investigation that led to the imposition of a penalty, the amount of the penalty;

(F) an identification of the countries of origin of covered merchandise determined under subsection (c) of such section 517 to be entered

into the customs territory of the United States through evasion;

(G) the amount of antidumping and countervailing duties collected as a result of any investigations or other actions by U.S. Customs and Border Protection or any other Federal agency;

(H) a description of the allocation of personnel and other resources of U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement to prevent and investigate evasion, including any assessments conducted regarding the allocation of such personnel and resources; and

(I) a description of training conducted to increase expertise and effectiveness in the prevention and investigation of evasion; and

(2) a description of processes and procedures of U.S. Customs and Border Protection to prevent and investigate evasion, including—

(A) the specific guidelines, policies, and practices used by U.S. Customs and Border Protection to ensure that allegations of evasion are promptly evaluated and acted upon in a timely manner;

(B) an evaluation of the efficacy of those guidelines, policies, and practices;

(C) an identification of any changes since the last report required by this section, if any, that have materially improved or reduced the effectiveness of U.S. Customs and Border Protection in preventing and investigating evasion;

(D) a description of the development and implementation of policies for the application of single entry and continuous bonds for entries of covered merchandise to sufficiently protect the collection of antidumping and countervailing duties commensurate with the level of risk of not collecting those duties;

(E) a description of the processes and procedures for increased cooperation and information sharing with the Department of Commerce, U.S. Immigration and Customs Enforcement, and any other relevant Federal agencies to prevent and investigate evasion; and

(F) an identification of any recommended policy changes for other Federal agencies or legislative changes to improve the effectiveness of U.S. Customs and Border Protection in preventing and investigating evasion.

(c) PUBLIC SUMMARY.—The Commissioner shall make available to the public a summary of the report required by subsection (a) that includes, at a minimum—

(1) a description of the type of merchandise with respect to which investigations were initiated under subsection (b) of section 517 of the Tariff Act of 1930, as added by section 421 of this Act;

(2) the amount of additional duties determined to be owed as a result of such investigations and the amount of such duties that were collected;

(3) an identification of the countries of origin of covered merchandise determined under subsection (c) of such section 517 to be entered into the customs territory of the United States through evasion; and

(4) a description of the types of measures used by U.S. Customs and Border Protection to prevent and investigate evasion.

**SEC. 433. ADDRESSING CIRCUMVENTION BY NEW SHIPPERS.**

Section 751(a)(2)(B) of the Tariff Act of 1930 (19 U.S.C. 1675(a)(2)(B)) is amended—

(1) by striking clause (iii);

(2) by redesignating clause (iv) as clause (iii); and

(3) by inserting after clause (iii), as redesignated by paragraph (2) of this section, the following:

''(iv) DETERMINATIONS BASED ON BONA FIDE SALES.—Any weighted average dumping margin or individual countervailing duty rate determined for an exporter or producer in a review conducted under clause (i) shall be based solely on the bona fide United States sales of an exporter or producer, as the case may be, made during the period covered by the review. In determining whether the United States sales of an exporter or producer made during the period covered by the review were bona fide, the administering authority shall consider, depending on the circumstances surrounding such sales—

''(I) the prices of such sales;

''(II) whether such sales were made in commercial quantities;

''(III) the timing of such sales;

''(IV) the expenses arising from such sales;

''(V) whether the subject merchandise involved in such sales was

resold in the United States at a profit;

''(VI) whether such sales were made on an arms-length basis; and

''(VII) any other factor the administering authority determines to be relevant as to whether such sales are, or are not, likely to be typical of those the exporter or producer will make after completion of the review.''.

# TITLE V—SMALL BUSINESS TRADE ISSUES AND STATE TRADE COORDINATION

**SECTION 501. SHORT TITLE.**

This title may be cited as the ''Small Business Trade Enhancement Act of 2015'' or the ''State Trade Coordination Act''.

**SEC. 502. OUTREACH AND INPUT FROM SMALL BUSINESSES TO TRADE PROMOTION AUTHORITY.**

Section 203 of Public Law 94–305 (15 U.S.C. 634c) is amended—

(1) in the matter preceding paragraph (1), by striking ''The Office of Advocacy'' and inserting the following:

''(a) IN GENERAL.—The Office of Advocacy''; and

(2) by adding at the end the following:

''(b) OUTREACH AND INPUT FROM SMALL BUSINESSES ON TRADE PROMOTION AUTHORITY.—

''(1) DEFINITIONS.—In this subsection—

''(A) the term 'agency' has the meaning given the term in section 551 of title 5, United States Code;

''(B) the term 'Chief Counsel for Advocacy' means the Chief Counsel for Advocacy of the Small Business Administration;

''(C) the term 'covered trade agreement' means a trade agreement being negotiated pursuant to section 103(b) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Public Law 114–26; 19 U.S.C. 4202(b)); and

''(D) the term 'Working Group' means the Interagency Working Group convened under paragraph (2)(A).

''(2) WORKING GROUP.—

''(A) IN GENERAL.—Not later than 30 days after the date on which the President submits the notification required under section 105(a) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Pub-

lic Law 114–26; 19 U.S.C. 4204(a)), the Chief Counsel for Advocacy shall convene an Interagency Working Group, which shall consist of an employee from each of the following agencies, as selected by the head of the agency or an official delegated by the head of the agency:

''(i) The Office of the United States Trade Representative.

''(ii) The Department of Commerce.

''(iii) The Department of Agriculture.

''(iv) Any other agency that the Chief Counsel for Advocacy, in consultation with the United States Trade Representative, determines to be relevant with respect to the subject of the covered trade agreement.

''(B) VIEWS OF SMALL BUSINESSES.—Not later than 30 days after the date on which the Chief Counsel for Advocacy convenes the Working Group under subparagraph (A), the Chief Counsel for Advocacy shall identify a diverse group of small businesses, representatives of small businesses, or a combination thereof, to provide to the Working Group the views of small businesses in the manufacturing, services,

and agriculture industries on the potential economic effects of the covered trade agreement.

''(3) REPORT.—

''(A) IN GENERAL.—Not later than 180 days after the date on which the Chief Counsel for Advocacy convenes the Working Group under paragraph (2)(A), the Chief Counsel for Advocacy shall submit to the Committee on Small Business and Entrepreneurship and the Committee on Finance of the Senate and the Committee on Small Business and the Committee on Ways and Means of the House of Representatives a report on the economic impacts of the covered trade agreement on small businesses, which shall—

''(i) identify the most important priorities, opportunities, and challenges to various industries from the covered trade agreement;

''(ii) assess the impact for new small businesses to start exporting, or increase their exports, to markets in countries that are parties to the covered trade agreement;

''(iii) analyze the competitive position of industries likely to be significantly affected by the covered trade agreement;

''(iv) identify—

''(I) any State-owned enterprises in each country participating in negotiations for the covered trade agreement that could pose a threat to small businesses; and

''(II) any steps to take to create a level playing field for those small businesses;

''(v) identify any rule of an agency that should be modified to become compliant with the covered trade agreement; and

''(vi) include an overview of the methodology used to develop the report, including the number of small business participants by industry, how those small businesses were selected, and any other factors that the Chief Counsel for Advocacy may determine appropriate.

''(B) DELAYED SUBMISSION.—To ensure that negotiations for the covered trade agreement are not disrupted, the President may re-

quire that the Chief Counsel for Advocacy delay submission of the report under subparagraph (A) until after the negotiations for the covered trade agreement are concluded, provided that the delay allows the Chief Counsel for Advocacy to submit the report to Congress not later than 45 days before the Senate or the House of Representatives acts to approve or disapprove the covered trade agreement.

''(C) AVOIDANCE OF DUPLICATION.—The Chief Counsel for Advocacy shall, to the extent practicable, coordinate the submission of the report under this paragraph with the United States International Trade Commission, the United States Trade Representative, other agencies, and trade advisory committees to avoid unnecessary duplication of reporting requirements.''.

**SEC. 503. STATE TRADE EXPANSION PROGRAM.**

Section 22 of the Small Business Act (15 U.S.C. 649) is amended—

(1) by redesignating subsection (l) as subsection (m); and

(2) by inserting after subsection (k) the following:

''(l) STATE TRADE EXPANSION PROGRAM.—

''(1) DEFINITIONS.—In this subsection—

''(A) the term 'eligible small business concern' means a business concern that—

''(i) is organized or incorporated in the United States;

''(ii) is operating in the United States;

''(iii) meets—

''(I) the applicable industry-based small business size standard established under section 3; or

''(II) the alternate size standard applicable to the program under section 7(a) of this Act and the loan programs under title V of the Small Business Investment Act of 1958 (15 U.S.C. 695 et seq.);

''(iv) has been in business for not less than 1 year, as of the date on which assistance using a grant under this subsection commences; and

''(v) has access to sufficient resources to bear the costs associated with trade, including the costs of packing, shipping, freight forwarding, and customs brokers;

"(B) the term 'program' means the State Trade Expansion Program established under paragraph (2);

"(C) the term 'rural small business concern' means an eligible small business concern located in a rural area, as that term is defined in section 1393(a)(2) of the Internal Revenue Code of 1986;

"(D) the term 'socially and economically disadvantaged small business concern' has the meaning given that term in section 8(a)(4)(A) of the Small Business Act (15 U.S.C. 637(a)(4)(A)); and

"(E) the term 'State' means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Commonwealth of the Northern Mariana Islands, and American Samoa.

"(2) ESTABLISHMENT OF PROGRAM.—The Associate Administrator shall establish a trade expansion program, to be known as the 'State Trade Expansion Program', to make grants to States to carry out programs that assist eligible small business concerns in—

''(A) participation in foreign trade missions;

''(B) a subscription to services provided by the Department of Commerce;

''(C) the payment of website fees;

''(D) the design of marketing media;

''(E) a trade show exhibition;

''(F) participation in training workshops;

''(G) a reverse trade mission;

''(H) procurement of consultancy services (after consultation with the Department of Commerce to avoid duplication); or

''(I) any other initiative determined appropriate by the Associate Administrator.

''(3) GRANTS.—

''(A) JOINT REVIEW.—In carrying out the program, the Associate Administrator may make a grant to a State to increase the number of eligible small business concerns in the State exploring significant new trade opportunities.

''(B) CONSIDERATIONS.—In making grants under this subsection, the Associate Administrator may give priority to an application by a State that proposes a program that—

''(i) focuses on eligible small business concerns as part of a trade expansion program;

''(ii) demonstrates intent to promote trade expansion by—

''(I) socially and economically disadvantaged small business concerns;

''(II) small business concerns owned or controlled by women; and

''(III) rural small business concerns;

''(iii) promotes trade facilitation from a State that is not 1 of the 10 States with the highest percentage of eligible small business concerns that are engaged in international trade, based upon the most recent data from the Department of Commerce; and

''(iv) includes—

''(I) activities which have resulted in the highest return on investment based on the most recent year; and

"(II) the adoption of shared best practices included in the annual report of the Administration.

"(C) LIMITATIONS.—

"(i) SINGLE APPLICATION.—A State may not submit more than 1 application for a grant under the program in any 1 fiscal year.

"(ii) PROPORTION OF AMOUNTS.—The total value of grants made under the program during a fiscal year to the 10 States with the highest percentage of eligible small business concerns, based upon the most recent data available from the Department of Commerce, shall be not more than 40 percent of the amounts appropriated for the program for that fiscal year.

"(iii) DURATION.—The Associate Administrator shall award a grant under this program for a period of not more than 2 years.

"(D) APPLICATION.—

"(i) IN GENERAL.—A State desiring a grant under the program shall submit an

application at such time, in such manner, and accompanied by such information as the Associate Administrator may establish.

''(ii) CONSULTATION TO REDUCE DUPLICATION.—A State desiring a grant under the program shall—

''(I) before submitting an application under clause (i), consult with applicable trade agencies of the Federal Government on the scope and mission of the activities the State proposes to carry out using the grant, to ensure proper coordination and reduce duplication in services; and

''(II) document the consultation conducted under subclause (I) in the application submitted under clause (i).

''(4) COMPETITIVE BASIS.—The Associate Administrator shall award grants under the program on a competitive basis.

''(5) FEDERAL SHARE.—The Federal share of the cost of a trade expansion program carried out using a grant under the program shall be—

''(A) for a State that has a high trade volume, as determined by the Associate Administrator, not more than 65 percent; and

''(B) for a State that does not have a high trade volume, as determined by the Associate Administrator, not more than 75 percent.

''(6) NON-FEDERAL SHARE.—The non-Federal share of the cost of a trade expansion program carried out using a grant under the program shall be comprised of not less than 50 percent cash and not more than 50 percent of indirect costs and in-kind contributions, except that no such costs or contributions may be derived from funds from any other Federal program.

''(7) REPORTS.—

''(A) INITIAL REPORT.—Not later than 120 days after the date of enactment of this subsection, the Associate Administrator shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report, which shall include—

''(i) a description of the structure of and procedures for the program;

''(ii) a management plan for the program; and

''(iii) a description of the merit-based review process to be used in the program.

''(B) ANNUAL REPORTS.—

''(i) IN GENERAL.—The Associate Administrator shall publish on the website of the Administration an annual report regarding the program, which shall include—

''(I) the number and amount of grants made under the program during the preceding year;

''(II) a list of the States receiving a grant under the program during the preceding year, including the activities being performed with each grant;

''(III) the effect of each grant on the eligible small business concerns in the State receiving the grant;

''(IV) the total return on investment for each State; and

''(V) a description of best practices by States that showed high returns on investment and significant

progress in helping more eligible small business concerns.

''(ii) NOTICE TO CONGRESS.—On the date on which the Associate Administrator publishes a report under clause (i), the Associate Administrator shall notify the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives that the report has been published.

''(8) REVIEWS BY INSPECTOR GENERAL.—

''(A) IN GENERAL.—The Inspector General of the Administration shall conduct a review of—

''(i) the extent to which recipients of grants under the program are measuring the performance of the activities being conducted and the results of the measurements; and

''(ii) the overall management and effectiveness of the program.

''(B) REPORTS.—

''(i) PILOT PROGRAM.—Not later than 6 months after the date of enactment of

this subsection, the Inspector General of the Administration shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the use of amounts made available under the State Trade and Export Promotion Grant Program under section 1207 of the Small Business Jobs Act of 2010 (15 U.S.C. 649b note).

''(ii) NEW STEP PROGRAM.—Not later than 18 months after the date on which the first grant is awarded under this subsection, the Inspector General of the Administration shall submit to the Committee on Small Business and Entrepreneurship of the Senate and the Committee on Small Business of the House of Representatives a report regarding the review conducted under subparagraph (A).

''(9) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out the program $30,000,000 for each of fiscal years 2016 through 2020.''.

**SEC. 504. STATE AND FEDERAL EXPORT PROMOTION COORDINATION.**

(a) STATE AND FEDERAL EXPORT PROMOTION COORDINATION WORKING GROUP.—Subtitle C of the Export Enhancement Act of 1988 (15 U.S.C. 4721 et seq.) is amended by inserting after section 2313 the following:

**"SEC. 2313A. STATE AND FEDERAL EXPORT PROMOTION COORDINATION WORKING GROUP.**

''(a) STATEMENT OF POLICY.—It is the policy of the United States to promote exports as an opportunity for small businesses. In exercising their powers and functions in order to advance that policy, all Federal agencies shall work constructively with State and local agencies engaged in export promotion and export financing activities.

''(b) ESTABLISHMENT.—The President shall establish a State and Federal Export Promotion Coordination Working Group (in this section referred to as the 'Working Group') as a subcommittee of the Trade Promotion Coordination Committee (in this section referred to as the 'TPCC').

''(c) PURPOSES.—The purposes of the Working Group are—

''(1) to identify issues related to the coordination of Federal resources relating to export promotion and export financing with such resources provided by State and local governments;

''(2) to identify ways to improve coordination with respect to export promotion and export financing activities through the strategic plan developed under section 2312(c);

''(3) to develop a strategy for improving coordination of Federal and State resources relating to export promotion and export financing, including methods to eliminate duplication of effort and overlapping functions; and

''(4) to develop a strategic plan for considering and implementing the suggestions of the Working Group as part of the strategic plan developed under section 2312(c).

''(d) MEMBERSHIP.—The Secretary of Commerce shall select the members of the Working Group, who shall include—

''(1) representatives from State trade agencies representing regionally diverse areas; and

''(2) representatives of the departments and agencies that are represented on the TPCC, who are designated by the heads of their respective departments or agencies to advise the head on ways of promoting the exportation of United States goods and services.''.

(b) REPORT ON IMPROVEMENTS TO EXPORT.GOV AS A SINGLE WINDOW FOR EXPORT INFORMATION.—

(1) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Associate Administrator for International Trade of the Small Business Administration shall, after consultation with the entities specified in paragraph (2), submit to the appropriate congressional committees a report that includes the recommendations of the Associate Administrator for improving the experience provided by the Internet website Export.gov (or a successor website) as—

(A) a comprehensive resource for information about exporting articles from the United States; and

(B) a single website for exporters to submit all information required by the Federal Government with respect to the exportation of articles from the United States.

(2) ENTITIES SPECIFIED.—The entities specified in this paragraph are—

(A) small business concerns (as defined in section 3 of the Small Business Act (15 U.S.C. 632)) that are exporters; and

(B) the President's Export Council, State agencies with responsibility for export promotion or export financing, district export councils, and trade associations.

(3) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this subsection, the term ''appropriate congressional committees'' means—

(A) the Committee on Small Business and Entrepreneurship and the Committee on Banking, Housing, and Urban Affairs of the Senate; and

(B) the Committee on Small Business and the Committee on Foreign Affairs of the House of Representatives.

(c) AVAILABILITY OF STATE RESOURCES GUIDES ON EXPORT.GOV.—The Secretary of Commerce shall make available on the Internet website Export.gov (or a successor website) information on the resources relating to export promotion and export financing available in each State—

(1) organized by State; and

(2) including information on State agencies with responsibility for export promotion or export financing and district export councils and trade associations located in the State.

**SEC. 505. STATE TRADE COORDINATION.**

(a) MEMBERSHIP OF REPRESENTATIVES OF STATE TRADE PROMOTION AGENCIES ON TRADE PROMOTION COORDINATING COMMITTEE.—Section 2312 of the Export Enhancement Act of 1988 (15 U.S.C. 4727) is amended—

(1) in subsection (d)—

(A) by redesignating paragraph (2) as paragraph (3); and

(B) by inserting after paragraph (1) the following:

''(2) REPRESENTATIVES FROM STATE TRADE PROMOTION AGENCIES.—The TPCC shall also include 1 or more members appointed by the President who are representatives of State trade promotion agencies.''; and

(2) in subsection (e), in the first sentence, by inserting ''(other than members described in subsection (d)(2))'' after ''Members of the TPCC''.

(b) FEDERAL AND STATE EXPORT PROMOTION COORDINATION PLAN.—

(1) IN GENERAL.—The Secretary of Commerce, acting through the Trade Promotion Coordinating Committee and in coordination with representatives of State trade promotion agencies, shall develop a comprehensive plan to integrate the resources and

strategies of State trade promotion agencies into the overall Federal trade promotion program.

(2) MATTERS TO BE INCLUDED.—The plan required under paragraph (1) shall include the following:

(A) A description of the role of State trade promotion agencies in assisting exporters.

(B) An outline of the role of State trade promotion agencies and how it is different from Federal agencies located within or providing services within the State.

(C) A plan on how to utilize State trade promotion agencies in the Federal trade promotion program.

(D) An explanation of how Federal and State agencies will share information and resources.

(E) A description of how Federal and State agencies will coordinate education and trade events in the United States and abroad.

(F) A description of the efforts to increase efficiency and reduce duplication.

(G) A clear identification of where businesses can receive appropriate international trade information under the plan.

(3) DEADLINE.—The plan required under paragraph (1) shall be finalized and submitted to Congress not later than 12 months after the date of the enactment of this Act.

(c) ANNUAL FEDERAL-STATE EXPORT STRATEGY.—

(1) IN GENERAL.—The Secretary of Commerce, acting through the head of the United States Foreign and Commercial Service, shall develop an annual Federal-State export strategy for each State that submits to the Secretary of Commerce its export strategy for the upcoming calendar year. In developing an annual Federal-State export strategy under this paragraph, the Secretary of Commerce shall take into account the Federal and State export promotion coordination plan developed under subsection (b).

(2) MATTERS TO BE INCLUDED.—The Federal-State export strategy required under paragraph (1) shall include the following:

(A) The State's export strategy and economic goals.

(B) The State's key sectors and industries of focus.

(C) Possible foreign and domestic trade events.

(D) Efforts to increase efficiencies and reduce duplication.

(3) REPORT.—The Federal-State export strategy required under paragraph (1) shall be submitted to the Trade Promotion Coordinating Committee not later than February 1, 2017, and February 1 of each year thereafter.

(d) COORDINATED METRICS AND INFORMATION SHARING.—

(1) IN GENERAL.—The Secretary of Commerce, in coordination with representatives of State trade promotion agencies, shall develop a framework to share export success information, and develop a coordinated set of reporting metrics.

(2) REPORT TO CONGRESS.—Not later than one year after the date of the enactment of this Act, the Secretary of Commerce shall submit to Congress a report that contains the framework and reporting metrics required under paragraph (1).

(e) ANNUAL SURVEY AND ANALYSIS AND REPORT UNDER NATIONAL EXPORT STRATEGY.—Section 2312 of the Export Enhancement Act of 1988 (15 U.S.C. 4727) is amended—

(1) in subsection (c)—

(A) in paragraph (5), by striking ''and'' at the end;

(B) in paragraph (6), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(7) in coordination with State trade promotion agencies, include a survey and analysis regarding the overall effectiveness of Federal-State coordination and export promotion goals on an annual basis, to further include best practices, recommendations to better assist small businesses, and other relevant matters.''; and

(2) in subsection (f)(1), by inserting ''(including implementation of the survey and analysis described in paragraph (7) of that subsection)'' after ''the implementation of such plan''.

# TITLE VI—ADDITIONAL ENFORCEMENT PROVISIONS

**SEC. 601. TRADE ENFORCEMENT PRIORITIES.**

(a) IN GENERAL.—Section 310 of the Trade Act of 1974 (19 U.S.C. 2420) is amended to read as follows:

**''SEC. 310. TRADE ENFORCEMENT PRIORITIES.**

''(a) TRADE ENFORCEMENT PRIORITIES, CONSULTATIONS, AND REPORT.—

''(1) TRADE ENFORCEMENT PRIORITIES CONSULTATIONS.—Not later than May 31 of each calendar year that begins after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, the United States Trade Representative (in this section referred to as the 'Trade Representative') shall consult with the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives with respect to the prioritization of acts, policies, or practices of foreign governments that raise concerns with respect to obligations under the WTO Agreements or any other trade agreement to which the United States is a party, or otherwise create or maintain barriers to United States goods, services, or investment.

''(2) IDENTIFICATION OF TRADE ENFORCEMENT PRIORITIES.—In identifying acts, policies, or practices of foreign governments as trade enforcement priorities under this subsection, the Trade Representative shall focus on those acts, policies, and practices the elimination of which is likely to have the most significant potential to increase United States economic growth, and take into account all relevant factors, including—

''(A) the economic significance of any potential inconsistency between an obligation assumed by a foreign government pursuant to a trade agreement to which both the foreign government and the United States are parties and the acts, policies, or practices of that government;

''(B) the impact of the acts, policies, or practices of a foreign government on maintaining and creating United States jobs and productive capacity;

''(C) the major barriers and trade distorting practices described in the most recent National Trade Estimate required under section 181(b);

''(D) the major barriers and trade distorting practices described in other relevant reports addressing international trade and investment barriers prepared by a Federal agency or congressional commission during the 12 months preceding the date of the most recent report under paragraph (3);

''(E) a foreign government's compliance with its obligations under any trade agreements

to which both the foreign government and the United States are parties;

''(F) the implications of a foreign government's procurement plans and policies; and

''(G) the international competitive position and export potential of United States products and services.

''(3) REPORT ON TRADE ENFORCEMENT PRIORITIES AND ACTIONS TAKEN TO ADDRESS.—

''(A) IN GENERAL.—Not later than July 31 of each calendar year that begins after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, the Trade Representative shall report to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives on acts, policies, or practices of foreign governments identified as trade enforcement priorities based on the consultations under paragraph (1) and the criteria set forth in paragraph (2).

''(B) REPORT IN SUBSEQUENT YEARS.—The Trade Representative shall include, when reporting under subparagraph (A) in any calendar year after the calendar year that begins

after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, a description of actions taken to address any acts, policies, or practices of foreign governments identified as trade enforcement priorities under this subsection in the calendar year preceding that report and, as relevant, any calendar year before that calendar year.

''(b) SEMIANNUAL ENFORCEMENT CONSULTATIONS.—

''(1) IN GENERAL.—At the same time as the reporting under subsection (a)(3), and not later than January 31 of each following year, the Trade Representative shall consult with the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives with respect to the identification, prioritization, investigation, and resolution of acts, policies, or practices of foreign governments of concern with respect to obligations under the WTO Agreements or any other trade agreement to which the United States is a party, or that otherwise create or maintain trade barriers.

''(2) ACTS, POLICIES, OR PRACTICES OF CONCERN.—The semiannual enforcement consultations

required by paragraph (1) shall address acts, policies, or practices of foreign governments that raise concerns with respect to obligations under the WTO Agreements or any other trade agreement to which the United States is a party, or otherwise create or maintain trade barriers, including—

''(A) engagement with relevant trading partners;

''(B) strategies for addressing such concerns;

''(C) availability and deployment of resources to be used in the investigation or resolution of such concerns;

''(D) the merits of any potential dispute resolution proceeding under the WTO Agreements or any other trade agreement to which the United States is a party relating to such concerns; and

''(E) any other aspects of such concerns.

''(3) ACTIVE INVESTIGATIONS.—The semi-annual enforcement consultations required by paragraph (1) shall address acts, policies, or practices that the Trade Representative is actively investigating with respect to obligations under the WTO

Agreements or any other trade agreement to which the United States is a party, including—

''(A) strategies for addressing concerns raised by such acts, policies, or practices;

''(B) any relevant timeline with respect to investigation of such acts, policies, or practices;

''(C) the merits of any potential dispute resolution proceeding under the WTO Agreements or any other trade agreement to which the United States is a party with respect to such acts, policies, or practices;

''(D) barriers to the advancement of the investigation of such acts, policies, or practices; and

''(E) any other matters relating to the investigation of such acts, policies, or practices.

''(4) ONGOING ENFORCEMENT ACTIONS.—The semiannual enforcement consultations required by paragraph (1) shall address all ongoing enforcement actions taken by or against the United States with respect to obligations under the WTO Agreements or any other trade agreement to which the United States is a party, including—

''(A) any relevant timeline with respect to such actions;

"(B) the merits of such actions;

"(C) any prospective implementation actions;

"(D) potential implications for any law or regulation of the United States;

"(E) potential implications for United States stakeholders, domestic competitors, and exporters; and

"(F) other issues relating to such actions.

"(5) ENFORCEMENT RESOURCES.—The semiannual enforcement consultations required by paragraph (1) shall address the availability and deployment of enforcement resources, resource constraints on monitoring and enforcement activities, and strategies to address those constraints, including the use of available resources of other Federal agencies to enhance monitoring and enforcement capabilities.

"(c) INVESTIGATION AND RESOLUTION.—In the case of any acts, policies, or practices of a foreign government identified as a trade enforcement priority under subsection (a), the Trade Representative shall, not later than the date of the first semiannual enforcement consultations held under subsection (b) after the identification of the priority, take appropriate action to address that priority, including—

''(1) engagement with the foreign government to resolve concerns raised by such acts, policies, or practices;

''(2) initiation of an investigation under section 302(b)(1) with respect to such acts, policies, or practices;

''(3) initiation of negotiations for a bilateral agreement that provides for resolution of concerns raised by such acts, policies, or practices; or

''(4) initiation of dispute settlement proceedings under the WTO Agreements or any other trade agreement to which the United States is a party with respect to such acts, policies, or practices.

''(d) ENFORCEMENT NOTIFICATIONS AND CONSULTATION.—

''(1) INITIATION OF ENFORCEMENT ACTION.—The Trade Representative shall notify and consult with the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives in advance of the initiation of any formal trade dispute by or against the United States taken in regard to an obligation under the WTO Agreements or any other trade agreement to which the United States is a party. With respect to a formal trade dispute against the United States, if ad-

vance notification and consultation are not possible, the Trade Representative shall notify and consult at the earliest practicable opportunity after initiation of the dispute.

''(2) CIRCULATION OF REPORTS.—The Trade Representative shall notify and consult with the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives in advance of the announced or anticipated circulation of any report of a dispute settlement panel or the Appellate Body of the World Trade Organization or of a dispute settlement panel under any other trade agreement to which the United States is a party with respect to a formal trade dispute by or against the United States.

''(e) DEFINITIONS.—In this section:

''(1) WTO.—The term 'WTO' means the World Trade Organization.

''(2) WTO AGREEMENT.—The term 'WTO Agreement' has the meaning given that term in section 2(9) of the Uruguay Round Agreements Act (19 U.S.C. 3501(9)).

''(3) WTO AGREEMENTS.—The term 'WTO Agreements' means the WTO Agreement and agreements annexed to that Agreement.''.

(b) CLERICAL AMENDMENT.—The table of contents for the Trade Act of 1974 is amended by striking the item relating to section 310 and inserting the following:

"Sec. 310. Trade enforcement priorities.".

**SEC. 602. EXERCISE OF WTO AUTHORIZATION TO SUSPEND CONCESSIONS OR OTHER OBLIGATIONS UNDER TRADE AGREEMENTS.**

(a) IN GENERAL.—Section 306 of the Trade Act of 1974 (19 U.S.C. 2416) is amended—

(1) by redesignating subsection (c) as subsection (d); and

(2) by inserting after subsection (b) the following:

"(c) EXERCISE OF WTO AUTHORIZATION TO SUSPEND CONCESSIONS OR OTHER OBLIGATIONS.—If—

"(1) action has terminated pursuant to section 307(c),

"(2) the petitioner or any representative of the domestic industry that would benefit from reinstatement of action has submitted to the Trade Representative a written request for reinstatement of action, and

"(3) the Trade Representatives has completed the requirements of subsection (d) and section 307(c)(3),

the Trade Representative may at any time determine to take action under section 301(c) to exercise an authorization to suspend concessions or other obligations under Article 22 of the Understanding on Rules and Procedures Governing the Settlement of Disputes (referred to in section 101(d)(16) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(16))).''.

(b) CONFORMING AMENDMENTS.—Chapter 1 of title III of the Trade Act of 1974 (19 U.S.C. 2411 et seq.) is amended—

(1) in section 301(c)(1) (19 U.S.C. 2411(c)(1)), in the matter preceding subparagraph (A), by inserting ''or section 306(c)'' after ''subsection (a) or (b)'';

(2) in section 306(b) (19 U.S.C. 2416(b)), in the subsection heading, by striking ''FURTHER ACTION'' and inserting ''ACTION ON THE BASIS OF MONITORING'';

(3) in section 306(d) (19 U.S.C. 2416(d)), as redesignated by subsection (a)(1), by inserting ''or (c)'' after ''subsection (b)''; and

(4) in section 307(c)(3) (19 U.S.C. 2417(c)(3)), by inserting ''or if a request is submitted to the Trade Representative under section 306(c)(2) to reinstate action,'' after ''under section 301,''.

**SEC. 603. TRADE MONITORING.**

(a) IN GENERAL.—Chapter 1 of title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.) is amended by adding at the end the following:

**"SEC. 205. TRADE MONITORING.**

''(a) MONITORING TOOL FOR IMPORTS.—

''(1) IN GENERAL.—Not later than 180 days after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, the Commission shall make available on a website of the Commission an import monitoring tool to allow the public access to data on the volume and value of goods imported to the United States for the purpose of assessing whether such data has changed with respect to such goods over a period of time.

''(2) DATA DESCRIBED.—For purposes of the monitoring tool under paragraph (1), the Commission shall use data compiled by the Department of Commerce and such other government data as the Commission considers appropriate.

''(3) PERIODS OF TIME.—The Commission shall ensure that data accessed through the monitoring tool under paragraph (1) includes data for the most recent quarter for which such data are available and previous quarters as the Commission considers practicable.

''(b) MONITORING REPORTS.—

''(1) IN GENERAL.—Not later than 270 days after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, and not less frequently than quarterly thereafter, the Secretary of Commerce shall publish on a website of the Department of Commerce, and notify the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives of the availability of, a monitoring report on changes in the volume and value of trade with respect to imports and exports of goods categorized based on the 6-digit subheading number of the goods under the Harmonized Tariff Schedule of the United States during the most recent quarter for which such data are available and previous quarters as the Secretary considers practicable.

''(2) REQUESTS FOR COMMENT.—Not later than one year after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, the Secretary of Commerce shall solicit through the Federal Register public comment on the monitoring reports described in paragraph (1).

''(c) SUNSET.—The requirements under this section terminate on the date that is seven years after the date

of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015.''.

(b) CLERICAL AMENDMENT.—The table of contents for the Trade Act of 1974 (19 U.S.C. 2101 et seq.) is amended by inserting after the item relating to section 204 the following:

''Sec. 205. Trade monitoring.''.

**SEC. 604. ESTABLISHMENT OF INTERAGENCY CENTER ON TRADE IMPLEMENTATION, MONITORING, AND ENFORCEMENT.**

(a) IN GENERAL.—Section 141 of the Trade Act of 1974 (19 U.S.C. 2171) is amended by adding at the end the following:

''(h) INTERAGENCY CENTER ON TRADE IMPLEMENTATION, MONITORING, AND ENFORCEMENT.—

''(1) ESTABLISHMENT OF CENTER.—There is established in the Office of the United States Trade Representative an Interagency Center on Trade Implementation, Monitoring, and Enforcement (in this section referred to as the 'Center').

''(2) FUNCTIONS OF CENTER.—The Center shall support the activities of the United States Trade Representative in—

''(A) investigating potential disputes under the auspices of the World Trade Organization;

''(B) investigating potential disputes pursuant to bilateral and regional trade agreements to which the United States is a party;

''(C) carrying out the functions of the United States Trade Representative under this section with respect to the monitoring and enforcement of trade agreements to which the United States is a party; and

''(D) monitoring measures taken by parties to implement provisions of trade agreements to which the United States is a party.

''(3) PERSONNEL.—

''(A) DIRECTOR.—The head of the Center shall be a Director, who shall be appointed by the United States Trade Representative.

''(B) ADDITIONAL EMPLOYEES.—A Federal agency may, in consultation with and with the approval of the United States Trade Representative, detail or assign one or more employees to the Center without any reimbursement from the Center to support the functions of the Center.''.

(b) INTERAGENCY RESOURCES.—Section 141(d)(1)(A) of the Trade Act of 1974 (19 U.S.C. 2171(d)(1)(A)) is amended by inserting '', including re-

sources of the Interagency Center on Trade Implementation, Monitoring, and Enforcement established under subsection (h),'' after ''interagency resources''.

(c) REPORTS.—Section 163 of the Trade Act of 1974 (19 U.S.C. 2213) is amended—

(1) in subsection (a)(2)—

(A) in subparagraph (J), by striking ''and'' at the end;

(B) in subparagraph (K), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(L) the operation of the Interagency Center on Trade Implementation, Monitoring, and Enforcement established under section 141(h), including—

''(i) information relating to the personnel of the Center, including a description of any employees detailed or assigned to the Center by a Federal agency under paragraph (3)(B) of such section;

''(ii) information relating to the functions of the Center; and

''(iii) an assessment of the operating costs of the Center.''; and

(2) by adding at the end the following:

''(d) QUADRENNIAL PLAN AND REPORT.—

''(1) QUADRENNIAL PLAN.—Pursuant to the goals and objectives of the strategic plan of the Office of the United States Trade Representative as required under section 306 of title 5, United States Code, the Trade Representative shall, every 4 years, develop a plan—

''(A) to analyze internal quality controls and record management of the Office;

''(B) to identify existing staff of the Office and new staff that will be necessary to support the trade negotiation and enforcement functions and powers of the Office (including those functions and powers of the Trade Policy Staff Committee) as described in section 141 and section 301;

''(C) to identify existing staff of the Office and staff in other Federal agencies who will be required to be detailed or assigned to support interagency programs led by the Trade Representative, including any associated expenses;

''(D) to provide an outline of budget justifications, including salaries and expenses as well as nonpersonnel administrative expenses,

for the fiscal years required under the strategic plan; and

''(E) to provide an outline of budget justifications, including salaries and expenses as well as nonpersonnel administrative expenses, for interagency programs led by the Trade Representative for the fiscal years required under the strategic plan.

''(2) REPORT.—

''(A) IN GENERAL.—The Trade Representative shall submit to the appropriate congressional committees a report that contains the plan required under paragraph (1). Except as provided in subparagraph (B), the report required under this subparagraph shall be submitted in conjunction with the strategic plan of the Office as required under section 306 of title 5, United States Code.

''(B) EXCEPTION.—The Trade Representative shall submit to the appropriate congressional committees an initial report that contains the plan required under paragraph (1) not later than June 1, 2016.

''(C) APPROPRIATE CONGRESSIONAL COMMITTEES DEFINED.—In this paragraph, the

term 'appropriate congressional committees' means—

''(i) the Committee on Finance and the Committee on Appropriations of the Senate; and

''(ii) the Committee on Ways and Means and the Committee on Appropriations of the House of Representatives.''.

**SEC. 605. INCLUSION OF INTEREST IN CERTAIN DISTRIBUTIONS OF ANTIDUMPING DUTIES AND COUNTERVAILING DUTIES.**

(a) IN GENERAL.—The Secretary of Homeland Security shall deposit all interest described in subsection (c) into the special account established under section 754(e) of the Tariff Act of 1930 (19 U.S.C. 1675c(e)) (repealed by subtitle F of title VII of the Deficit Reduction Act of 2005 (Public Law 109–171; 120 Stat. 154)) for inclusion in distributions described in subsection (b) made on or after the date of the enactment of this Act.

(b) DISTRIBUTIONS DESCRIBED.—Distributions described in this subsection are distributions of antidumping duties and countervailing duties assessed on or after October 1, 2000, that are made under section 754 of the Tariff Act of 1930 (19 U.S.C. 1675c) (repealed by subtitle F of title VII of the Deficit Reduction Act of 2005 (Public

Law 109–171; 120 Stat. 154)), with respect to entries of merchandise that—

(1) were made on or before September 30, 2007; and

(2) were, in accordance with section 822 of the Claims Resolution Act of 2010 (19 U.S.C. 1675c note), unliquidated, not in litigation, and not under an order of liquidation from the Department of Commerce on December 8, 2010.

(c) INTEREST DESCRIBED.—

(1) INTEREST REALIZED.—Interest described in this subsection is interest earned on antidumping duties or countervailing duties described in subsection (b) that is realized through application of a payment received on or after October 1, 2014, by U.S. Customs and Border Protection under, or in connection with—

(A) a customs bond pursuant to a court order or judgment; or

(B) a settlement with respect to a customs bond, including any payment made to U.S. Customs and Border Protection with respect to that bond by a surety.

(2) TYPES OF INTEREST.—Interest described in paragraph (1) includes the following:

(A) Interest accrued under section 778 of the Tariff Act of 1930 (19 U.S.C. 1677g).

(B) Interest accrued under section 505(d) of the Tariff Act of 1930 (19 U.S.C. 1505(d)).

(C) Equitable interest under common law and interest under section 963 of the Revised Statutes (19 U.S.C. 580) awarded by a court against a surety under its bond for late payment of antidumping duties, countervailing duties, or interest described in subparagraph (A) or (B).

(d) DEFINITIONS.—In this section:

(1) ANTIDUMPING DUTIES.—The term ''antidumping duties'' means antidumping duties imposed under section 731 of the Tariff Act of 1930 (19 U.S.C. 1673) or under the Antidumping Act, 1921 (title II of the Act of May 27, 1921; 42 Stat. 11, chapter 14).

(2) COUNTERVAILING DUTIES.—The term ''countervailing duties'' means countervailing duties imposed under section 701 of the Tariff Act of 1930 (19 U.S.C. 1671).

**SEC. 606. ILLICITLY IMPORTED, EXPORTED, OR TRAFFICKED CULTURAL PROPERTY, ARCHAEOLOGICAL OR ETHNOLOGICAL MATERIALS, AND FISH, WILDLIFE, AND PLANTS.**

(a) IN GENERAL.—The Commissioner and the Director of U.S. Immigration and Customs Enforcement shall ensure that appropriate personnel of U.S. Customs and Border Protection and U.S. Immigration and Customs Enforcement, as the case may be, are trained in the detection, identification, detention, seizure, and forfeiture of cultural property, archaeological or ethnological materials, and fish, wildlife, and plants, the importation, exportation, or trafficking of which violates the laws of the United States.

(b) TRAINING.—The Commissioner and the Director are authorized to accept training and other support services from experts outside of the Federal Government with respect to the detection, identification, detention, seizure, and forfeiture of cultural property, archaeological or ethnological materials, or fish, wildlife, and plants described in subsection (a).

**SEC. 607. ENFORCEMENT UNDER TITLE III OF THE TRADE ACT OF 1974 WITH RESPECT TO CERTAIN ACTS, POLICIES, AND PRACTICES.**

Section 301(d)(3)(B) of the Trade Act of 1974 (19 U.S.C. 2411(d)(3)(B)) is amended—

(1) in clause (ii), by striking ''or'' at the end;

(2) in clause (iii)(V), by striking the period at the end and inserting '', or''; and

(3) by adding at the end the following:

''(iv) constitutes a persistent pattern of conduct by the government of a foreign country under which that government fails to effectively enforce commitments under agreements to which the foreign country and the United States are parties, including with respect to trade in goods, trade in services, trade in agriculture, foreign investment, intellectual property, digital trade in goods and services and cross-border data flows, regulatory practices, state-owned and state-controlled enterprises, localization barriers to trade, labor and the environment, anticorruption, trade remedy laws, textiles, and commercial partnerships.''.

**SEC. 608. HONEY TRANSSHIPMENT.**

(a) IN GENERAL.—The Commissioner shall direct appropriate personnel and the use of resources of U.S. Customs and Border Protection to address concerns that

honey is being imported into the United States in violation of the customs and trade laws of the United States.

(b) COUNTRY OF ORIGIN.—

(1) IN GENERAL.—The Commissioner shall compile a database of the individual characteristics of honey produced in foreign countries to facilitate the verification of country of origin markings of imported honey.

(2) ENGAGEMENT WITH FOREIGN GOVERNMENTS.—The Commissioner shall seek to engage the customs agencies of foreign governments for assistance in compiling the database described in paragraph (1).

(3) CONSULTATION WITH INDUSTRY.—In compiling the database described in paragraph (1), the Commissioner shall consult with entities in the honey industry regarding the development of industry standards for honey identification.

(4) CONSULTATION WITH FOOD AND DRUG ADMINISTRATION.—In compiling the database described in paragraph (1), the Commissioner shall consult with the Commissioner of Food and Drugs.

(c) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, the Commissioner shall submit to Congress a report that—

(1) describes and assesses the limitations in the existing analysis capabilities of laboratories with respect to determining the country of origin of honey samples or the percentage of honey contained in a sample; and

(2) includes any recommendations of the Commissioner for improving such capabilities.

(d) SENSE OF CONGRESS.—It is the sense of Congress that the Commissioner of Food and Drugs should promptly establish a national standard of identity for honey for the Commissioner of U.S. Customs and Border Protection to use to ensure that imports of honey are—

(1) classified accurately for purposes of assessing duties; and

(2) denied entry into the United States if such imports pose a threat to the health or safety of consumers in the United States.

**SEC. 609. ESTABLISHMENT OF CHIEF INNOVATION AND INTELLECTUAL PROPERTY NEGOTIATOR.**

(a) IN GENERAL.—Section 141 of the Trade Act of 1974 (19 U.S.C. 2171) is amended—

(1) in subsection (b)(2)—

(A) by striking ''and one Chief Agricultural Negotiator'' and inserting '', one Chief

Agricultural Negotiator, and one Chief Innovation and Intellectual Property Negotiator,'';

(B) by striking ''or the Chief Agricultural Negotiator'' and inserting '', the Chief Agricultural Negotiator, or the Chief Innovation and Intellectual Property Negotiator''; and

(C) by striking ''and the Chief Agricultural Negotiator'' and inserting '', the Chief Agricultural Negotiator, and the Chief Innovation and Intellectual Property Negotiator''; and

(2) in subsection (c)—

(A) by moving paragraph (5) 2 ems to the left; and

(B) by adding at the end the following:

''(6) The principal functions of the Chief Innovation and Intellectual Property Negotiator shall be to conduct trade negotiations and to enforce trade agreements relating to United States intellectual property and to take appropriate actions to address acts, policies, and practices of foreign governments that have a significant adverse impact on the value of United States innovation. The Chief Innovation and Intellectual Property Negotiator shall be a vigorous advocate on behalf of United States innovation and intellectual property interests. The Chief Innovation and Intellectual Property Negotiator shall perform such

other functions as the United States Trade Representative may direct.''.

(b) COMPENSATION.—Section 5314 of title 5, United States Code is amended by striking ''Chief Agricultural Negotiator.'' and inserting the following:

''Chief Agricultural Negotiator, Office of the United States Trade Representative.

''Chief Innovation and Intellectual Property Negotiator, Office of the United States Trade Representative.''.

(c) REPORT REQUIRED.—Not later than one year after the appointment of the first Chief Innovation and Intellectual Property Negotiator pursuant to paragraph (2) of section 141(b) of the Trade Act of 1974, as amended by subsection (a), and annually thereafter, the United States Trade Representative shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report describing in detail—

(1) enforcement actions taken by the Trade Representative during the one-year period preceding the submission of the report to ensure the protection of United States innovation and intellectual property interests; and

(2) other actions taken by the Trade Representative to advance United States innovation and intellectual property interests.

**SEC. 610. MEASURES RELATING TO COUNTRIES THAT DENY ADEQUATE PROTECTION FOR INTELLECTUAL PROPERTY RIGHTS.**

(a) INCLUSION OF COUNTRIES THAT DENY ADEQUATE PROTECTION OF TRADE SECRETS.—Section 182(d)(2) of the Trade Act of 1974 (19 U.S.C. 2242(d)(2)) is amended by inserting ", trade secrets," after "copyrights".

(b) SPECIAL RULES FOR COUNTRIES ON THE PRIORITY WATCH LIST OF THE UNITED STATES TRADE REPRESENTATIVE.—

(1) IN GENERAL.—Section 182 of the Trade Act of 1974 (19 U.S.C. 2242) is amended by striking subsection (g) and inserting the following:

"(g) SPECIAL RULES FOR FOREIGN COUNTRIES ON THE PRIORITY WATCH LIST.—

"(1) ACTION PLANS.—

"(A) IN GENERAL.—Not later than 90 days after the date on which the Trade Representative submits the National Trade Estimate under section 181(b), the Trade Representative shall develop an action plan de-

scribed in subparagraph (C) with respect to each foreign country described in subparagraph (B).

''(B) FOREIGN COUNTRY DESCRIBED.—The Trade Representative shall develop an action plan under subparagraph (A) with respect to each foreign country that—

''(i) the Trade Representative has identified for placement on the priority watch list; and

''(ii) has remained on such list for at least one year.

''(C) ACTION PLAN DESCRIBED.—An action plan developed under subparagraph (A) shall contain the benchmarks described in subparagraph (D) and be designed to assist the foreign country—

''(i) to achieve—

''(I) adequate and effective protection of intellectual property rights; and

''(II) fair and equitable market access for United States persons that rely upon intellectual property protection; or

"(ii) to make significant progress toward achieving the goals described in clause (i).

"(D) BENCHMARKS DESCRIBED.—The benchmarks contained in an action plan developed pursuant to subparagraph (A) are such legislative, institutional, enforcement, or other actions as the Trade Representative determines to be necessary for the foreign country to achieve the goals described in clause (i) or (ii) of subparagraph (C).

"(2) FAILURE TO MEET ACTION PLAN BENCHMARKS.—If, as of one year after the date on which an action plan is developed under paragraph (1)(A), the President, in consultation with the Trade Representative, determines that the foreign country to which the action plan applies has not substantially complied with the benchmarks described in paragraph (1)(D), the President may take appropriate action with respect to the foreign country.

"(3) PRIORITY WATCH LIST DEFINED.—In this subsection, the term 'priority watch list' means the priority watch list established by the Trade Representative pursuant to subsection (a).

''(h) ANNUAL REPORT.—Not later than 30 days after the date on which the Trade Representative submits the National Trade Estimate under section 181(b), the Trade Representative shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report on actions taken under this section during the 12 months preceding such report, and the reasons for such actions, including—

''(1) a list of any foreign countries identified under subsection (a);

''(2) a description of progress made in achieving improved intellectual property protection and market access for persons relying on intellectual property rights; and

''(3) a description of the action plans developed under subsection (g) and any actions taken by foreign countries under such plans.''.

(2) FUNDING.—

(A) IN GENERAL.—Amounts from the Trade Enforcement Trust Fund established under section 611 may be expended by the United States Trade Representative, only as provided by appropriations Acts, to provide assistance to any developing country to which an action plan applies under section 182(g) of the

Trade Act of 1974, as amended by paragraph (1), to facilitate the efforts of the developing country to comply with the benchmarks contained in the action plan. Such assistance may include capacity building, activities designed to increase awareness of intellectual property rights, and training for officials responsible for enforcing intellectual property rights in the developing country.

(B) DEVELOPING COUNTRY DEFINED.—In this paragraph, the term ''developing country'' means a country classified by the World Bank as having a low-income or lower-middle-income economy.

(3) RULE OF CONSTRUCTION.—Nothing in this subsection or the amendment made by this subsection shall be construed as limiting the authority of the President or the United States Trade Representative to develop action plans other than action plans described in section 182(g) of the Trade Act of 1974, as amended by paragraph (1), or to take any action otherwise authorized by law in response to the failure of a foreign country to provide adequate and effective protection and enforcement of intellectual property rights.

**SEC. 611. TRADE ENFORCEMENT TRUST FUND.**

(a) ESTABLISHMENT.—There is established in the Treasury of the United States a trust fund to be known as the Trade Enforcement Trust Fund (in this section referred to as the ''Trust Fund''), consisting of amounts transferred to the Trust Fund under subsection (b) and any amounts that may be credited to the Trust Fund under subsection (c).

(b) TRANSFER OF AMOUNTS.—

(1) IN GENERAL.—The Secretary of the Treasury shall transfer to the Trust Fund, from the general fund of the Treasury, for each fiscal year that begins on or after the date of the enactment of this Act through fiscal year 2026, an amount equal to $15,000,000 (or a lesser amount as required pursuant to paragraph (2)).

(2) LIMITATION.—The total amount in the Trust Fund at any time may not exceed $30,000,000.

(3) FREQUENCY OF TRANSFERS.—The Secretary shall transfer amounts required to be transferred to the Trust Fund under paragraph (1) not less frequently than quarterly from the general fund of the Treasury to the Trust Fund in a manner that ensures that the total amount in the Trust Fund at

the end of the quarter does not exceed the limitation established under paragraph (2).

(c) INVESTMENT OF AMOUNTS.—

(1) INVESTMENT OF AMOUNTS.—The Secretary shall invest such portion of the Trust Fund as is not required to meet current withdrawals in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

(2) INTEREST AND PROCEEDS.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Trust Fund shall be credited to and form a part of the Trust Fund.

(d) AVAILABILITY OF AMOUNTS FROM TRUST FUND.—

(1) IN GENERAL.—The United States Trade Representative shall, on the basis of the advice of the Trade Policy Committee and relevant subordinate bodies of the TPC, use or transfer for the use by Federal agencies represented on the TPC amounts in the Trust Fund, only as provided by appropriations Acts, for making expenditures for any of the following:

(A) To seek to enforce the provisions of and commitments and obligations under the

WTO Agreements and free trade agreements to which the United States is a party and resolve any actions by foreign countries that are inconsistent with those provisions, commitments, and obligations.

(B) To monitor and ensure the full implementation by foreign countries of the provisions of and commitments and obligations under free trade agreements to which the United States is a party for purposes of systematically assessing, identifying, investigating, or initiating steps to address inconsistencies with those provisions, commitments, and obligations.

(C) To thoroughly investigate and respond to petitions under section 302 of the Trade Act of 1974 (19 U.S.C. 2412) requesting that action be taken under section 301 of such Act (19 U.S.C. 2411).

(D) To support capacity-building efforts undertaken by the United States pursuant to any free trade agreement to which the United States is a party and to prioritize and give special attention to the timely, consistent, and robust implementation of the commitments and obligations of a party to that free trade agree-

ment, including commitments and obligations related to trade in goods, trade in services, trade in agriculture, foreign investment, intellectual property, digital trade in goods and services and cross-border data flows, regulatory practices, state-owned and state-controlled enterprises, localization barriers to trade, labor and the environment, currency, foreign currency manipulation, anticorruption, trade remedy laws, textiles, and commercial partnerships.

(E) To support capacity-building efforts undertaken by the United States pursuant to any such free trade agreement and to include performance indicators against which the progress and obstacles for the implementation of commitments and obligations can be identified and assessed within a meaningful time frame.

(2) LIMITATION.—Amounts made available in the Trust Fund may not be used to offset costs of conducting negotiations for any free trade agreement to be entered into on or after the date of the enactment of this Act, but may be used to support implementation and capacity building prior to entry into force of a free trade agreement.

(e) REPORT.—Not later than 18 months after the entry into force of any free trade agreement entered into after the date of the enactment of this Act, the United States Trade Representative, in consultation with the Federal agencies represented on the TPC, shall submit to Congress a report on the actions taken under subsection (d) in connection with that agreement.

(f) COMPTROLLER GENERAL STUDY.—

(1) IN GENERAL.—The Comptroller General of the United States shall conduct a study that includes the following:

(A) A comprehensive analysis of the trade enforcement expenditures of each Federal agency with responsibilities relating to trade that specifies, with respect to each such Federal agency—

(i) the amounts appropriated for trade enforcement; and

(ii) the number of full-time employees carrying out activities relating to trade enforcement.

(B) Recommendations on the additional employees and resources that each such Federal agency may need to effectively enforce the free

trade agreements to which the United States is a party.

(2) REPORT.—Not later than one year after the date of the enactment of this Act, the Comptroller General shall submit to Congress a report on the results of the study conducted under paragraph (1).

(g) DEFINITIONS.—In this section:

(1) TRADE POLICY COMMITTEE; TPC.—The terms ''Trade Policy Committee'' and ''TPC'' mean the interagency organization established under section 242 of the Trade Expansion Act of 1962 (19 U.S.C. 1872).

(2) WTO.—The term ''WTO'' means the World Trade Organization.

(3) WTO AGREEMENT.—The term ''WTO Agreement'' has the meaning given that term in section 2(9) of the Uruguay Round Agreements Act (19 U.S.C. 3501(9)).

(4) WTO AGREEMENTS.—The term ''WTO Agreements'' means the WTO Agreement and agreements annexed to that Agreement.

# TITLE VII—ENGAGEMENT ON CURRENCY EXCHANGE RATE AND ECONOMIC POLICIES

## SEC. 701. ENHANCEMENT OF ENGAGEMENT ON CURRENCY EXCHANGE RATE AND ECONOMIC POLICIES WITH CERTAIN MAJOR TRADING PARTNERS OF THE UNITED STATES.

(a) MAJOR TRADING PARTNER REPORT.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, and not less frequently than once every 180 days thereafter, the Secretary shall submit to the appropriate committees of Congress a report on the macroeconomic and currency exchange rate policies of each country that is a major trading partner of the United States.

(2) ELEMENTS.—

(A) IN GENERAL.—Each report submitted under paragraph (1) shall contain—

(i) for each country that is a major trading partner of the United States—

(I) that country's bilateral trade balance with the United States;

(II) that country's current account balance as a percentage of its gross domestic product;

(III) the change in that country's current account balance as a percentage of its gross domestic product during the 3-year period preceding the submission of the report;

(IV) that country's foreign exchange reserves as a percentage of its short-term debt; and

(V) that country's foreign exchange reserves as a percentage of its gross domestic product; and

(ii) an enhanced analysis of macroeconomic and exchange rate policies for each country that is a major trading partner of the United States that has—

(I) a significant bilateral trade surplus with the United States;

(II) a material current account surplus; and

(III) engaged in persistent one-sided intervention in the foreign exchange market.

(B) ENHANCED ANALYSIS.—Each enhanced analysis under subparagraph (A)(ii) shall include, for each country with respect to

which an analysis is made under that subparagraph—

(i) a description of developments in the currency markets of that country, including, to the greatest extent feasible, developments with respect to currency interventions;

(ii) a description of trends in the real effective exchange rate of the currency of that country and in the degree of undervaluation of that currency;

(iii) an analysis of changes in the capital controls and trade restrictions of that country; and

(iv) patterns in the reserve accumulation of that country.

(3) ASSESSMENT FACTORS.—Not later than 90 days after the date of the enactment of this Act, the Secretary shall publicly describe the factors used to assess under paragraph (2)(A)(ii) whether a country has a significant bilateral trade surplus with the United States, has a material current account surplus, and has engaged in persistent one-sided intervention in the foreign exchange market.

(b) ENGAGEMENT ON EXCHANGE RATE AND ECONOMIC POLICIES.—

(1) IN GENERAL.—The President, through the Secretary, shall commence enhanced bilateral engagement with each country for which an enhanced analysis of macroeconomic and currency exchange rate policies is included in the report submitted under subsection (a), in order to, as appropriate—

(A) urge implementation of policies to address the causes of the undervaluation of its currency, its significant bilateral trade surplus with the United States, and its material current account surplus, including undervaluation and surpluses relating to exchange rate management;

(B) express the concern of the United States with respect to the adverse trade and economic effects of that undervaluation and those surpluses;

(C) advise that country of the ability of the President to take action under subsection (c); and/or

(D) develop a plan with specific actions to address that undervaluation and those surpluses.

(2) WAIVER.—

(A) IN GENERAL.—The Secretary may waive the requirement under paragraph (1) to commence enhanced bilateral engagement with a country if the Secretary determines that commencing enhanced bilateral engagement with the country—

(i) would have an adverse impact on the United States economy greater than the benefits of such action; or

(ii) would cause serious harm to the national security of the United States.

(B) CERTIFICATION AND REPORT.—The Secretary shall promptly certify to Congress a determination under subparagraph (A) and promptly submit to Congress a report that describes in detail the reasons for the Secretary's determination under subparagraph (A).

(c) REMEDIAL ACTION.—

(1) IN GENERAL.—If, on or after the date that is one year after the commencement of enhanced bilateral engagement by the President, through the Secretary, with respect to a country under subsection (b)(1), the Secretary determines that the country has failed to adopt appropriate policies to

correct the undervaluation and surpluses described in subsection (b)(1)(A) with respect to that country, the President shall take one or more of the following actions:

(A) Prohibit the Overseas Private Investment Corporation from approving any new financing (including any insurance, reinsurance, or guarantee) with respect to a project located in that country on and after such date.

(B) Except as provided in paragraph (3), and pursuant to paragraph (4), prohibit the Federal Government from procuring, or entering into any contract for the procurement of, goods or services from that country on and after such date.

(C) Instruct the United States Executive Director of the International Monetary Fund to call for additional rigorous surveillance of the macroeconomic and exchange rate policies of that country and, as appropriate, formal consultations on findings of currency manipulation.

(D) Instruct the United States Trade Representative to take into account, in consultation with the Secretary, in assessing whether to enter into a bilateral or regional trade agree-

ment with that country or to initiate or participate in negotiations with respect to a bilateral or regional trade agreement with that country, the extent to which that country has failed to adopt appropriate policies to correct the undervaluation and surpluses described in subsection (b)(1)(A).

(2) WAIVER.—

(A) IN GENERAL.—The President may waive the requirement under paragraph (1) to take remedial action if the President determines that taking remedial action under paragraph (1) would—

(i) have an adverse impact on the United States economy greater than the benefits of taking remedial action; or

(ii) would cause serious harm to the national security of the United States.

(B) CERTIFICATION AND REPORT.—The President shall promptly certify to Congress a determination under subparagraph (A) and promptly submit to Congress a report that describes in detail the reasons for the President's determination under subparagraph (A).

(3) EXCEPTION.—The President may not apply a prohibition under paragraph (1)(B) in a manner that is inconsistent with United States obligations under international agreements.

(4) CONSULTATIONS.—

(A) OFFICE OF MANAGEMENT AND BUDGET.—Before applying a prohibition under paragraph (1)(B), the President shall consult with the Director of the Office of Management and Budget to determine whether such prohibition would subject the taxpayers of the United States to unreasonable cost.

(B) CONGRESS.—The President shall consult with the appropriate committees of Congress with respect to any action the President takes under paragraph (1)(B), including whether the President has consulted as required under subparagraph (A).

(d) DEFINITIONS.—In this section:

(1) APPROPRIATE COMMITTEES OF CONGRESS.—The term ''appropriate committees of Congress'' means—

(A) the Committee on Banking, Housing, and Urban Affairs and the Committee on Finance of the Senate; and

(B) the Committee on Financial Services and the Committee on Ways and Means of the House of Representatives.

(2) COUNTRY.—The term ''country'' means a foreign country, dependent territory, or possession of a foreign country, and may include an association of 2 or more foreign countries, dependent territories, or possessions of countries into a customs union outside the United States.

(3) REAL EFFECTIVE EXCHANGE RATE.—The term ''real effective exchange rate'' means a weighted average of bilateral exchange rates, expressed in price-adjusted terms.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of the Treasury.

**SEC. 702. ADVISORY COMMITTEE ON INTERNATIONAL EXCHANGE RATE POLICY.**

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There is established an Advisory Committee on International Exchange Rate Policy (in this section referred to as the ''Committee'').

(2) DUTIES.—The Committee shall be responsible for advising the Secretary of the Treasury with respect to the impact of international exchange rates

and financial policies on the economy of the United States.

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Committee shall be composed of 9 members as follows, none of whom shall be employees of the Federal Government:

(A) Three members shall be appointed by the President pro tempore of the Senate, upon the recommendation of the chairmen and ranking members of the Committee on Banking, Housing, and Urban Affairs and the Committee on Finance of the Senate.

(B) Three members shall be appointed by the Speaker of the House of Representatives, upon the recommendation of the chairmen and ranking members of the Committee on Financial Services and the Committee on Ways and Means of the House of Representatives.

(C) Three members shall be appointed by the President.

(2) QUALIFICATIONS.—Members shall be selected under paragraph (1) on the basis of their objectivity and demonstrated expertise in finance, economics, or currency exchange.

(3) TERMS.—

(A) IN GENERAL.—Members shall be appointed for a term of 2 years or until the Committee terminates.

(B) REAPPOINTMENT.—A member may be reappointed to the Committee for additional terms.

(4) VACANCIES.—Any vacancy in the Committee shall not affect its powers, but shall be filled in the same manner as the original appointment.

(c) DURATION OF COMMITTEE.—

(1) IN GENERAL.—The Committee shall terminate on the date that is 2 years after the date of the enactment of this Act unless renewed by the President for a subsequent 2-year period.

(2) CONTINUED RENEWAL.—The President may continue to renew the Committee for successive 2-year periods by taking appropriate action to renew the Committee prior to the date on which the Committee would otherwise terminate.

(d) MEETINGS.—The Committee shall hold not fewer than 2 meetings each calendar year.

(e) CHAIRPERSON.—

(1) IN GENERAL.—The Committee shall elect from among its members a chairperson for a term of 2 years or until the Committee terminates.

(2) REELECTION; SUBSEQUENT TERMS.—A chairperson of the Committee may be reelected chairperson but is ineligible to serve consecutive terms as chairperson.

(f) STAFF.—The Secretary of the Treasury shall make available to the Committee such staff, information, personnel, administrative services, and assistance as the Committee may reasonably require to carry out the activities of the Committee.

(g) APPLICATION OF THE FEDERAL ADVISORY COMMITTEE ACT.—

(1) IN GENERAL.—Except as provided in paragraph (2), the provisions of the Federal Advisory Committee Act (5 U.S.C. App.) shall apply to the Committee.

(2) EXCEPTION.—Meetings of the Committee shall be exempt from the requirements of subsections (a) and (b) of section 10 and section 11 of the Federal Advisory Committee Act (relating to open meetings, public notice, public participation, and public availability of documents), whenever and to the extent it is determined by the President or the Secretary of the Treasury that such meetings will be concerned with matters the disclosure of which—

(A) would seriously compromise the development by the Government of the United States of monetary or financial policy; or

(B) is likely to—

(i) lead to significant financial speculation in currencies, securities, or commodities; or

(ii) significantly endanger the stability of any financial institution.

(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of the Treasury for each fiscal year in which the Committee is in effect $1,000,000 to carry out this section.

# TITLE VIII—MATTERS RELATING TO U.S. CUSTOMS AND BORDER PROTECTION

## Subtitle A—Establishment of U.S. Customs and Border Protection

**SEC. 801. SHORT TITLE.**

This title may be cited as the ''U.S. Customs and Border Protection Authorization Act''.

**SEC. 802. ESTABLISHMENT OF U.S. CUSTOMS AND BORDER PROTECTION.**

(a) IN GENERAL.—Section 411 of the Homeland Security Act of 2002 (6 U.S.C. 211) is amended to read as follows:

**"SEC. 411. ESTABLISHMENT OF U.S. CUSTOMS AND BORDER PROTECTION; COMMISSIONER, DEPUTY COMMISSIONER, AND OPERATIONAL OFFICES.**

''(a) IN GENERAL.—There is established in the Department an agency to be known as U.S. Customs and Border Protection.

''(b) COMMISSIONER OF U.S. CUSTOMS AND BORDER PROTECTION.—

''(1) IN GENERAL.—There shall be at the head of U.S. Customs and Border Protection a Commissioner of U.S. Customs and Border Protection (in this section referred to as the 'Commissioner').

''(2) COMMITTEE REFERRAL.—As an exercise of the rulemaking power of the Senate, any nomination for the Commissioner submitted to the Senate for confirmation, and referred to a committee, shall be referred to the Committee on Finance.

''(c) DUTIES.—The Commissioner shall—

''(1) coordinate and integrate the security, trade facilitation, and trade enforcement functions of U.S. Customs and Border Protection;

''(2) ensure the interdiction of persons and goods illegally entering or exiting the United States;

''(3) facilitate and expedite the flow of legitimate travelers and trade;

''(4) direct and administer the commercial operations of U.S. Customs and Border Protection, and the enforcement of the customs and trade laws of the United States;

''(5) detect, respond to, and interdict terrorists, drug smugglers and traffickers, human smugglers and traffickers, and other persons who may undermine the security of the United States, in cases in which such persons are entering, or have recently entered, the United States;

''(6) safeguard the borders of the United States to protect against the entry of dangerous goods;

''(7) ensure the overall economic security of the United States is not diminished by efforts, activities, and programs aimed at securing the homeland;

''(8) in coordination with U.S. Immigration and Customs Enforcement and United States Citizenship and Immigration Services, enforce and administer all immigration laws, as such term is defined in paragraph (17) of section 101(a) of the Immigration and Nationality Act (8 U.S.C. 1101(a)), including—

''(A) the inspection, processing, and admission of persons who seek to enter or depart the United States; and

''(B) the detection, interdiction, removal, departure from the United States, short-term detention, and transfer of persons unlawfully entering, or who have recently unlawfully entered, the United States;

''(9) develop and implement screening and targeting capabilities, including the screening, reviewing, identifying, and prioritizing of passengers and cargo across all international modes of transportation, both inbound and outbound;

''(10) in coordination with the Secretary, deploy technology to collect the data necessary for the Secretary to administer the biometric entry and exit data system pursuant to section 7208 of the Intelligence Reform and Terrorism Prevention Act of 2004 (8 U.S.C. 1365b);

''(11) enforce and administer the laws relating to agricultural import and entry inspection referred to in section 421;

''(12) in coordination with the Under Secretary for Management of the Department, ensure U.S. Customs and Border Protection complies with Fed-

eral law, the Federal Acquisition Regulation, and the Department's acquisition management directives for major acquisition programs of U.S. Customs and Border Protection;

''(13) ensure that the policies and regulations of U.S. Customs and Border Protection are consistent with the obligations of the United States pursuant to international agreements;

''(14) enforce and administer—

''(A) the Container Security Initiative program under section 205 of the Security and Accountability for Every Port Act of 2006 (6 U.S.C. 945); and

''(B) the Customs–Trade Partnership Against Terrorism program under subtitle B of title II of such Act (6 U.S.C. 961 et seq.);

''(15) conduct polygraph examinations in accordance with section 3(1) of the Anti-Border Corruption Act of 2010 (Public Law 111–376; 124 Stat. 4105);

''(16) establish the standard operating procedures described in subsection (k);

''(17) carry out the training required under subsection (l); and

''(18) carry out other duties and powers prescribed by law or delegated by the Secretary.

''(d) DEPUTY COMMISSIONER.—There shall be in U.S. Customs and Border Protection a Deputy Commissioner who shall assist the Commissioner in the management of U.S. Customs and Border Protection.

''(e) U.S. BORDER PATROL.—

''(1) IN GENERAL.—There is established in U.S. Customs and Border Protection the U.S. Border Patrol.

''(2) CHIEF.—There shall be at the head of the U.S. Border Patrol a Chief, who shall—

''(A) be at the level of Executive Assistant Commissioner within U.S. Customs and Border Protection; and

''(B) report to the Commissioner.

''(3) DUTIES.—The U.S. Border Patrol shall—

''(A) serve as the law enforcement office of U.S. Customs and Border Protection with primary responsibility for interdicting persons attempting to illegally enter or exit the United States or goods being illegally imported into or exported from the United States at a place other than a designated port of entry;

''(B) deter and prevent the illegal entry of terrorists, terrorist weapons, persons, and contraband; and

''(C) carry out other duties and powers prescribed by the Commissioner.

''(f) AIR AND MARINE OPERATIONS.—

''(1) IN GENERAL.—There is established in U.S. Customs and Border Protection an office known as Air and Marine Operations.

''(2) EXECUTIVE ASSISTANT COMMISSIONER.—There shall be at the head of Air and Marine Operations an Executive Assistant Commissioner, who shall report to the Commissioner.

''(3) DUTIES.—Air and Marine Operations shall—

''(A) serve as the law enforcement office within U.S. Customs and Border Protection with primary responsibility to detect, interdict, and prevent acts of terrorism and the unlawful movement of people, illicit drugs, and other contraband across the borders of the United States in the air and maritime environment;

''(B) conduct joint aviation and marine operations with U.S. Immigration and Customs Enforcement;

''(C) conduct aviation and marine operations with international, Federal, State, and local law enforcement agencies, as appropriate;

''(D) administer the Air and Marine Operations Center established under paragraph (4); and

''(E) carry out other duties and powers prescribed by the Commissioner.

''(4) AIR AND MARINE OPERATIONS CENTER.—

''(A) IN GENERAL.—There is established in Air and Marine Operations an Air and Marine Operations Center.

''(B) EXECUTIVE DIRECTOR.—There shall be at the head of the Air and Marine Operations Center an Executive Director, who shall report to the Executive Assistant Commissioner of Air and Marine Operations.

''(C) DUTIES.—The Air and Marine Operations Center shall—

''(i) manage the air and maritime domain awareness of the Department, as directed by the Secretary;

''(ii) monitor and coordinate the airspace for unmanned aerial systems oper-

ations of Air and Marine Operations in U.S. Customs and Border Protection;

''(iii) detect, identify, and coordinate a response to threats to national security in the air domain, in coordination with other appropriate agencies, as determined by the Executive Assistant Commissioner;

''(iv) provide aviation and marine support to other Federal, State, tribal, and local agencies; and

''(v) carry out other duties and powers prescribed by the Executive Assistant Commissioner.

''(g) OFFICE OF FIELD OPERATIONS.—

''(1) IN GENERAL.—There is established in U.S. Customs and Border Protection an Office of Field Operations.

''(2) EXECUTIVE ASSISTANT COMMISSIONER.—There shall be at the head of the Office of Field Operations an Executive Assistant Commissioner, who shall report to the Commissioner.

''(3) DUTIES.—The Office of Field Operations shall coordinate the enforcement activities of U.S. Customs and Border Protection at United States air, land, and sea ports of entry to—

"(A) deter and prevent terrorists and terrorist weapons from entering the United States at such ports of entry;

"(B) conduct inspections at such ports of entry to safeguard the United States from terrorism and illegal entry of persons;

"(C) prevent illicit drugs, agricultural pests, and contraband from entering the United States;

"(D) in coordination with the Commissioner, facilitate and expedite the flow of legitimate travelers and trade;

"(E) administer the National Targeting Center established under paragraph (4);

"(F) coordinate with the Executive Assistant Commissioner for the Office of Trade with respect to the trade facilitation and trade enforcement activities of U.S. Customs and Border Protection; and

"(G) carry out other duties and powers prescribed by the Commissioner.

"(4) NATIONAL TARGETING CENTER.—

"(A) IN GENERAL.—There is established in the Office of Field Operations a National Targeting Center.

''(B) EXECUTIVE DIRECTOR.—There shall be at the head of the National Targeting Center an Executive Director, who shall report to the Executive Assistant Commissioner of the Office of Field Operations.

''(C) DUTIES.—The National Targeting Center shall—

''(i) serve as the primary forum for targeting operations within U.S. Customs and Border Protection to collect and analyze traveler and cargo information in advance of arrival in the United States to identify and address security risks and strengthen trade enforcement;

''(ii) identify, review, and target travelers and cargo for examination;

''(iii) coordinate the examination of entry and exit of travelers and cargo;

''(iv) develop and conduct commercial risk assessment targeting with respect to cargo destined for the United States;

''(v) coordinate with the Transportation Security Administration, as appropriate;

''(vi) issue Trade Alerts pursuant to section 111(b) of the Trade Facilitation and Trade Enforcement Act of 2015; and

''(vii) carry out other duties and powers prescribed by the Executive Assistant Commissioner.

''(5) ANNUAL REPORT ON STAFFING.—

''(A) IN GENERAL.—Not later than 30 days after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, and annually thereafter, the Executive Assistant Commissioner shall submit to the Committee on Homeland Security and the Committee on Ways and Means of the House of Representatives and the Committee on Homeland Security and Governmental Affairs and the Committee on Finance of the Senate a report on the staffing model for the Office of Field Operations, including information on how many supervisors, front-line U.S. Customs and Border Protection officers, and support personnel are assigned to each Field Office and port of entry.

''(B) FORM.—The report required under subparagraph (A) shall, to the greatest extent

practicable, be submitted in unclassified form, but may be submitted in classified form, if the Executive Assistant Commissioner determines that such is appropriate and informs the Committee on Homeland Security and the Committee on Ways and Means of the House of Representatives and the Committee on Homeland Security and Governmental Affairs and the Committee on Finance of the Senate of the reasoning for such.

''(h) OFFICE OF INTELLIGENCE.—

''(1) IN GENERAL.—There is established in U.S. Customs and Border Protection an Office of Intelligence.

''(2) ASSISTANT COMMISSIONER.—There shall be at the head of the Office of Intelligence an Assistant Commissioner, who shall report to the Commissioner.

''(3) DUTIES.—The Office of Intelligence shall—

''(A) develop, provide, coordinate, and implement intelligence capabilities into a cohesive intelligence enterprise to support the execution of the duties and responsibilities of U.S. Customs and Border Protection;

''(B) manage the counterintelligence operations of U.S. Customs and Border Protection;

''(C) establish, in coordination with the Chief Intelligence Officer of the Department, as appropriate, intelligence-sharing relationships with Federal, State, local, and tribal agencies and intelligence agencies;

''(D) conduct risk-based covert testing of U.S. Customs and Border Protection operations, including for nuclear and radiological risks; and

''(E) carry out other duties and powers prescribed by the Commissioner.

''(i) OFFICE OF INTERNATIONAL AFFAIRS.—

''(1) IN GENERAL.—There is established in U.S. Customs and Border Protection an Office of International Affairs.

''(2) ASSISTANT COMMISSIONER.—There shall be at the head of the Office of International Affairs an Assistant Commissioner, who shall report to the Commissioner.

''(3) DUTIES.—The Office of International Affairs, in collaboration with the Office of Policy of the Department, shall—

''(A) coordinate and support U.S. Customs and Border Protection's foreign initiatives, policies, programs, and activities;

''(B) coordinate and support U.S. Customs and Border Protection's personnel stationed abroad;

''(C) maintain partnerships and information-sharing agreements and arrangements with foreign governments, international organizations, and United States agencies in support of U.S. Customs and Border Protection's duties and responsibilities;

''(D) provide necessary capacity building, training, and assistance to foreign customs and border control agencies to strengthen border, global supply chain, and travel security, as appropriate;

''(E) coordinate mission support services to sustain U.S. Customs and Border Protection's global activities;

''(F) coordinate with customs authorities of foreign countries with respect to trade facilitation and trade enforcement;

''(G) coordinate U.S. Customs and Border Protection's engagement in international negotiations;

''(H) advise the Commissioner with respect to matters arising in the World Customs Organization and other international organizations as such matters relate to the policies and procedures of U.S. Customs and Border Protection;

''(I) advise the Commissioner regarding international agreements to which the United States is a party as such agreements relate to the policies and regulations of U.S. Customs and Border Protection; and

''(J) carry out other duties and powers prescribed by the Commissioner.

''(j) OFFICE OF PROFESSIONAL RESPONSIBILITY.—

''(1) IN GENERAL.—There is established in U.S. Customs and Border Protection an Office of Professional Responsibility.

''(2) ASSISTANT COMMISSIONER.—There shall be at the head of the Office of Professional Responsibility an Assistant Commissioner, who shall report to the Commissioner.

''(3) DUTIES.—The Office of Professional Responsibility shall—

''(A) investigate criminal and administrative matters and misconduct by officers, agents, and other employees of U.S. Customs and Border Protection;

''(B) manage integrity-related programs and policies of U.S. Customs and Border Protection;

''(C) conduct research and analysis regarding misconduct of officers, agents, and other employees of U.S. Customs and Border Protection; and

''(D) carry out other duties and powers prescribed by the Commissioner.

''(k) STANDARD OPERATING PROCEDURES.—

''(1) IN GENERAL.—The Commissioner shall establish—

''(A) standard operating procedures for searching, reviewing, retaining, and sharing information contained in communication, electronic, or digital devices encountered by U.S. Customs and Border Protection personnel at United States ports of entry;

''(B) standard use of force procedures that officers and agents of U.S. Customs and Border

Protection may employ in the execution of their duties, including the use of deadly force;

''(C) uniform, standardized, and publicly-available procedures for processing and investigating complaints against officers, agents, and employees of U.S. Customs and Border Protection for violations of professional conduct, including the timely disposition of complaints and a written notification to the complainant of the status or outcome, as appropriate, of the related investigation, in accordance with section 552a of title 5, United States Code (commonly referred to as the 'Privacy Act' or the 'Privacy Act of 1974');

''(D) an internal, uniform reporting mechanism regarding incidents involving the use of deadly force by an officer or agent of U.S. Customs and Border Protection, including an evaluation of the degree to which the procedures required under subparagraph (B) were followed; and

''(E) standard operating procedures, acting through the Executive Assistant Commissioner for Air and Marine Operations and in coordination with the Office for Civil Rights and Civil

Liberties and the Office of Privacy of the Department, to provide command, control, communication, surveillance, and reconnaissance assistance through the use of unmanned aerial systems, including the establishment of—

''(i) a process for other Federal, State, and local law enforcement agencies to submit mission requests;

''(ii) a formal procedure to determine whether to approve or deny such a mission request;

''(iii) a formal procedure to determine how such mission requests are prioritized and coordinated; and

''(iv) a process regarding the protection and privacy of data and images collected by U.S. Customs and Border Protection through the use of unmanned aerial systems.

''(2) REQUIREMENTS REGARDING CERTAIN NOTIFICATIONS.—The standard operating procedures established pursuant to subparagraph (A) of paragraph (1) shall require—

''(A) in the case of a search of information conducted on an electronic device by U.S. Cus-

toms and Border Protection personnel, the Commissioner to notify the individual subject to such search of the purpose and authority for such search, and how such individual may obtain information on reporting concerns about such search; and

''(B) in the case of information collected by U.S. Customs and Border Protection through a search of an electronic device, if such information is transmitted to another Federal agency for subject matter assistance, translation, or decryption, the Commissioner to notify the individual subject to such search of such transmission.

''(3) EXCEPTIONS.—The Commissioner may withhold the notifications required under paragraphs (1)(C) and (2) if the Commissioner determines, in the sole and unreviewable discretion of the Commissioner, that such notifications would impair national security, law enforcement, or other operational interests.

''(4) UPDATE AND REVIEW.—The Commissioner shall review and update every three years the standard operating procedures required under this subsection.

''(5) AUDITS.—The Inspector General of the Department of Homeland Security shall develop and annually administer, during each of the three calendar years beginning in the calendar year that begins after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, an auditing mechanism to review whether searches of electronic devices at or between United States ports of entry are being conducted in conformity with the standard operating procedures required under subparagraph (A) of paragraph (1). Such audits shall be submitted to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate and shall include the following:

''(A) A description of the activities of officers and agents of U.S. Customs and Border Protection with respect to such searches.

''(B) The number of such searches.

''(C) The number of instances in which information contained in such devices that were subjected to such searches was retained, copied, shared, or entered in an electronic database.

''(D) The number of such devices detained as the result of such searches.

''(E) The number of instances in which information collected from such devices was subjected to such searches and was transmitted to another Federal agency, including whether such transmissions resulted in a prosecution or conviction.

''(6) REQUIREMENTS REGARDING OTHER NOTIFICATIONS.—The standard use of force procedures established pursuant to subparagraph (B) of paragraph (1) shall require—

''(A) in the case of an incident of the use of deadly force by U.S. Customs and Border Protection personnel, the Commissioner to notify the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate; and

''(B) the Commissioner to provide to such committees a copy of the evaluation pursuant to subparagraph (D) of such paragraph not later than 30 days after completion of such evaluation.

''(7) REPORT ON UNMANNED AERIAL SYSTEMS.—The Commissioner shall submit to the Committee on Homeland Security of the House of Rep-

resentatives and the Committee on Homeland Security and Governmental Affairs of the Senate an annual report, for each of the three calendar years beginning in the calendar year that begins after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, that reviews whether the use of unmanned aerial systems is being conducted in conformity with the standard operating procedures required under subparagraph (E) of paragraph (1). Such reports—

''(A) shall be submitted with the annual budget of the United States Government submitted by the President under section 1105 of title 31, United States Code;

''(B) may be submitted in classified form if the Commissioner determines that such is appropriate; and

''(C) shall include—

''(i) a detailed description of how, where, and for how long data and images collected through the use of unmanned aerial systems by U.S. Customs and Border Protection are collected and stored; and

''(ii) a list of Federal, State, and local law enforcement agencies that submitted

mission requests in the previous year and the disposition of such requests.

''(l) TRAINING.—The Commissioner shall require all officers and agents of U.S. Customs and Border Protection to participate in a specified amount of continuing education (to be determined by the Commissioner) to maintain an understanding of Federal legal rulings, court decisions, and departmental policies, procedures, and guidelines.

''(m) SHORT-TERM DETENTION STANDARDS.—

''(1) ACCESS TO FOOD AND WATER.—The Commissioner shall make every effort to ensure that adequate access to food and water is provided to an individual apprehended and detained at a United States port of entry or between ports of entry as soon as practicable following the time of such apprehension or during subsequent short-term detention.

''(2) ACCESS TO INFORMATION ON DETAINEE RIGHTS AT BORDER PATROL PROCESSING CENTERS.—

''(A) IN GENERAL.—The Commissioner shall ensure that an individual apprehended by a U.S. Border Patrol agent or an Office of Field Operations officer is provided with information concerning such individual's rights, in-

cluding the right to contact a representative of such individual's government for purposes of United States treaty obligations.

''(B) FORM.—The information referred to in subparagraph (A) may be provided either verbally or in writing, and shall be posted in the detention holding cell in which such individual is being held. The information shall be provided in a language understandable to such individual.

''(3) SHORT-TERM DETENTION DEFINED.—In this subsection, the term 'short-term detention' means detention in a U.S. Customs and Border Protection processing center for 72 hours or less, before repatriation to a country of nationality or last habitual residence.

''(4) DAYTIME REPATRIATION.—When practicable, repatriations shall be limited to daylight hours and avoid locations that are determined to have high indices of crime and violence.

''(5) REPORT ON PROCUREMENT PROCESS AND STANDARDS.—Not later than 180 days after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, the Comptroller General of the United States shall submit to the

Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report on the procurement process and standards of entities with which U.S. Customs and Border Protection has contracts for the transportation and detention of individuals apprehended by agents or officers of U.S. Customs and Border Protection. Such report should also consider the operational efficiency of contracting the transportation and detention of such individuals.

''(6) REPORT ON INSPECTIONS OF SHORT-TERM CUSTODY FACILITIES.—The Commissioner shall—

''(A) annually inspect all facilities utilized for short-term detention; and

''(B) make publicly available information collected pursuant to such inspections, including information regarding the requirements under paragraphs (1) and (2) and, where appropriate, issue recommendations to improve the conditions of such facilities.

''(n) WAIT TIMES TRANSPARENCY.—

''(1) IN GENERAL.—The Commissioner shall—

''(A) publish live wait times for travelers entering the United States at the 20 United

States airports that support the highest volume of international travel (as determined by available Federal flight data);

''(B) make information about such wait times available to the public in real time through the U.S. Customs and Border Protection website;

''(C) submit to the Committee on Homeland Security and the Committee on Ways and Means of the House of Representatives and the Committee on Homeland Security and Governmental Affairs and the Committee on Finance of the Senate, for each of the five calendar years beginning in the calendar year that begins after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, a report that includes compilations of all such wait times and a ranking of such United States airports by wait times; and

''(D) provide adequate staffing at the U.S. Customs and Border Protection information center to ensure timely access for travelers attempting to submit comments or speak with a representative about their entry experiences.

''(2) CALCULATION.—The wait times referred to in paragraph (1)(A) shall be determined by calculating the time elapsed between an individual's entry into the U.S. Customs and Border Protection inspection area and such individual's clearance by a U.S. Customs and Border Protection officer.

''(o) OTHER AUTHORITIES.—

''(1) IN GENERAL.—The Secretary may establish such other offices or positions of Assistant Commissioners (or other similar officers or officials) as the Secretary determines necessary to carry out the missions, duties, functions, and authorities of U.S. Customs and Border Protection.

''(2) NOTIFICATION.—If the Secretary exercises the authority provided under paragraph (1), the Secretary shall notify the Committee on Homeland Security and the Committee on Ways and Means of the House of Representatives and the Committee on Homeland Security and Governmental Affairs and the Committee on Finance of the Senate not later than 30 days before exercising such authority.

''(p) REPORTS TO CONGRESS.—The Commissioner shall, on and after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, continue to submit to the Committee on Homeland Security and

the Committee on Ways and Means of the House of Representatives and the Committee on Homeland Security and Governmental Affairs and the Committee on Finance of the Senate any report required, on the day before such date of enactment, to be submitted under any provision of law.

''(q) OTHER FEDERAL AGENCIES.—Nothing in this section may be construed as affecting in any manner the authority, existing on the day before the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, of any other Federal agency or component of the Department.

''(r) DEFINITIONS.—In this section, the terms 'commercial operations', 'customs and trade laws of the United States', 'trade enforcement', and 'trade facilitation' have the meanings given such terms in section 2 of the Trade Facilitation and Trade Enforcement Act of 2015.''.

(b) SPECIAL RULES.—

(1) TREATMENT.—Section 411 of the Homeland Security Act of 2002, as amended by subsection (a) of this section, shall be treated as if included in such Act as of the date of the enactment of such Act, and, in addition to the functions, missions, duties, and authorities specified in such amended section 411, U.S. Customs and Border Protection shall

continue to perform and carry out the functions, missions, duties, and authorities under section 411 of such Act as in existence on the day before the date of the enactment of this Act, and section 415 of the Homeland Security Act of 2002.

(2) RULES OF CONSTRUCTION.—

(A) RULES AND REGULATIONS.—Notwithstanding paragraph (1), nothing in this title or any amendment made by this title may be construed as affecting in any manner any rule or regulation issued or promulgated pursuant to any provision of law, including section 411 of the Homeland Security Act of 2002 as in existence on the day before the date of the enactment of this Act, and any such rule or regulation shall continue to have full force and effect on and after such date.

(B) OTHER ACTIONS.—Notwithstanding paragraph (1), nothing in this Act may be construed as affecting in any manner any action, determination, policy, or decision pursuant to section 411 of the Homeland Security Act of 2002 as in existence on the day before the date of the enactment of this Act, and any such action, determination, policy, or decision shall

continue to have full force and effect on and after such date.

(c) CONTINUATION IN OFFICE.—

(1) COMMISSIONER.—The individual serving as the Commissioner of Customs on the day before the date of the enactment of this Act may serve as the Commissioner of U.S. Customs and Border Protection on and after such date of enactment until a Commissioner of U.S. Customs and Border Protection is appointed under section 411 of the Homeland Security Act of 2002, as amended by subsection (a) of this section.

(2) OTHER POSITIONS.—The individual serving as Deputy Commissioner, and the individuals serving as Assistant Commissioners and other officers and officials, under section 411 of the Homeland Security Act of 2002 on the day before the date of the enactment of this Act may serve as the Executive Assistant Commissioners, Deputy Commissioner, Assistant Commissioners, and other officers and officials, as appropriate, under such section 411 as amended by subsection (a) of this section unless the Commissioner of U.S. Customs and Border Protection determines that another individual should hold such position or positions.

(d) REFERENCE.—

(1) TITLE 5.—Section 5314 of title 5, United States Code, is amended by striking ''Commissioner of Customs, Department of Homeland Security'' and inserting ''Commissioner of U.S. Customs and Border Protection, Department of Homeland Security''.

(2) OTHER REFERENCES.—On and after the date of the enactment of this Act, any reference in law or regulations to the ''Commissioner of Customs'' or the ''Commissioner of the Customs Service'' shall be deemed to be a reference to the Commissioner of U.S. Customs and Border Protection.

(e) CLERICAL AMENDMENT.—The table of contents in section 1(b) of the Homeland Security Act of 2002 (6 U.S.C. 101 et seq.) is amended by striking the item relating to section 411 and inserting the following new item:

''Sec. 411. Establishment of U.S. Customs and Border Protection; Commissioner, Deputy Commissioner, and operational offices.''.

(f) REPEALS.—Sections 416 and 418 of the Homeland Security Act of 2002 (6 U.S.C. 216 and 218), and the items relating to such sections in the table of contents in section 1(b) of such Act, are repealed.

(g) CLERICAL AND CONFORMING AMENDMENTS.—

(1) IN GENERAL.—The Homeland Security Act of 2002 (6 U.S.C. 101 et seq.) is amended—

(A) in title I—

(i) in section 102(f)(10) (6 U.S.C. 112(f)(10)), by striking ''the Directorate of Border and Transportation Security'' and inserting ''the Commissioner of U.S. Customs and Border Protection''; and

(ii) in section 103(a)(1) (6 U.S.C. 113(a)(1))—

(I) in subparagraph (C), by striking ''An Under Secretary for Border and Transportation Security.'' and inserting ''A Commissioner of U.S. Customs and Border Protection.''; and

(II) in subparagraph (G), by striking ''A Director of the Office of Counternarcotics Enforcement.'' and inserting ''A Director of U.S. Immigration and Customs Enforcement.''; and

(B) in title IV—

(i) by striking the title heading and inserting ''**BORDER, MARITIME, AND TRANSPORTATION SECURITY**'';

(ii) in subtitle A—

(I) by striking the subtitle heading and inserting ''**Border, Maritime, and Transportation Security Responsibilities and Functions**''; and

(II) in section 402 (6 U.S.C. 202)—

(aa) in the section heading, by striking ''**RESPONSIBILITIES**'' and inserting ''**BORDER, MARITIME, AND TRANSPORTATION RESPONSIBILITIES**''; and

(bb) by striking '', acting through the Under Secretary for Border and Transportation Security,'';

(iii) in subtitle B—

(I) by striking the subtitle heading and inserting ''**U.S. Customs and Border Protection**'';

(II) in section 412(b) (6 U.S.C. 212), by striking ''the United States Customs Service'' each place it ap-

pears and inserting ''U.S. Customs and Border Protection'';

(III) in section 413 (6 U.S.C. 213), by striking ''available to the United States Customs Service or'';

(IV) in section 414 (6 U.S.C. 214), by striking ''the United States Customs Service'' and inserting ''U.S. Customs and Border Protection''; and

(V) in section 415 (6 U.S.C. 215)—

(aa) in paragraph (7), by inserting before the colon the following: '', and of U.S. Customs and Border Protection on the day before the effective date of the U.S. Customs and Border Protection Authorization Act''; and

(bb) in paragraph (8), by inserting before the colon the following: '', and of U.S. Customs and Border Protection on the day before the effective date of the U.S. Customs and Border Protection Authorization Act'';

(iv) in subtitle C—

(I) by striking section 424 (6 U.S.C. 234) and inserting the following new section:

**"SEC. 424. PRESERVATION OF TRANSPORTATION SECURITY ADMINISTRATION AS A DISTINCT ENTITY.**

"Notwithstanding any other provision of this Act, the Transportation Security Administration shall be maintained as a distinct entity within the Department."; and

(II) in section 430 (6 U.S.C. 238)—

(aa) by amending subsection (a) to read as follows:

"(a) ESTABLISHMENT.—There is established in the Department an Office for Domestic Preparedness.";

(bb) in subsection (b), by striking the second sentence; and

(cc) in subsection (c)(7), by striking "Directorate" and inserting "Department"; and

(v) in subtitle D—

(I) in section 441 (6 U.S.C. 251)—

(aa) by striking the section heading and inserting ''**TRANSFER OF FUNCTIONS**''; and

(bb) by striking ''Under Secretary for Border and Transportation Security'' and inserting ''Secretary'';

(II) in section 443 (6 U.S.C. 253)—

(aa) in the matter preceding paragraph (1), by striking ''Under Secretary for Border and Transportation Security'' and inserting ''Secretary''; and

(bb) by striking ''the Bureau of Border Security'' and inserting ''U.S. Immigration and Customs Enforcement'' each place it appears; and

(III) by amending section 444 (6 U.S.C. 254) to read as follows:

**''SEC. 444. EMPLOYEE DISCIPLINE.**

''Notwithstanding any other provision of law, the Secretary may impose disciplinary action on any employee of U.S. Immigration and Customs Enforcement and U.S.

Customs and Border Protection who willfully deceives Congress or agency leadership on any matter.''.

(2) CONFORMING AMENDMENTS.—Section 401 of the Homeland Security Act of 2002 (6 U.S.C. 201) is repealed.

(3) CLERICAL AMENDMENTS.—The table of contents in section 1(b) of the Homeland Security Act of 2002 is amended—

(A) by striking the item relating to title IV and inserting the following:

''TITLE IV—BORDER, MARITIME, AND TRANSPORTATION SECURITY'';

(B) by striking the item relating to subtitle A of title IV and inserting the following:

''Subtitle A—Border, Maritime, and Transportation Security Responsibilities and Functions'';

(C) by striking the item relating to section 401;

(D) by striking the item relating to subtitle B of title IV and inserting the following:

''Subtitle B—U.S. Customs and Border Protection'';

(E) by striking the item relating to section 441 and inserting the following:

''Sec. 441. Transfer of functions.''; and

(F) by striking the item relating to section 442 and inserting the following:

''Sec. 442. U.S. Immigration and Customs Enforcement.''.

(h) OFFICE OF TRADE.—

(1) TRADE OFFICES AND FUNCTIONS.—The Act of March 3, 1927 (44 Stat. 1381, chapter 348; 19 U.S.C. 2071 et seq.), is amended by adding at the end the following:

**"SEC. 4. OFFICE OF TRADE.**

"(a) IN GENERAL.—There is established in U.S. Customs and Border Protection an Office of Trade.

"(b) EXECUTIVE ASSISTANT COMMISSIONER.—There shall be at the head of the Office of Trade an Executive Assistant Commissioner, who shall report to the Commissioner of U.S. Customs and Border Protection.

"(c) DUTIES.—The Office of Trade shall—

"(1) direct the development and implementation, pursuant to the customs and trade laws of the United States, of policies and regulations administered by U.S. Customs and Border Protection;

"(2) advise the Commissioner of U.S. Customs and Border Protection with respect to the impact on trade facilitation and trade enforcement of any policy or regulation otherwise proposed or administered by U.S. Customs and Border Protection;

"(3) coordinate with the Executive Assistant Commissioner for the Office of Field Operations with respect to the trade facilitation and trade en-

forcement activities of U.S. Customs and Border Protection;

''(4) direct the development and implementation of matters relating to the priority trade issues identified by the Commissioner of U.S. Customs and Border Protection in the joint strategic plan for trade facilitation and trade enforcement required under section 105 of the Trade Facilitation and Trade Enforcement Act of 2015;

''(5) otherwise advise the Commissioner of U.S. Customs and Border Protection with respect to the development and implementation of the joint strategic plan;

''(6) direct the trade enforcement activities of U.S. Customs and Border Protection;

''(7) oversee the trade modernization activities of U.S. Customs and Border Protection, including the development and implementation of the Automated Commercial Environment computer system authorized under section 13031(f)(4) of the Consolidated Omnibus Budget and Reconciliation Act of 1985 (19 U.S.C. 58c(f)(4)) and support for the establishment of the International Trade Data System under the oversight of the Department of the Treas-

ury pursuant to section 411(d) of the Tariff Act of 1930 (19 U.S.C. 1411(d));

''(8) direct the administration of customs revenue functions as otherwise provided by law or delegated by the Commissioner of U.S. Customs and Border Protection; and

''(9) prepare an annual report to be submitted to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives not later than June 1, 2016, and March 1 of each calendar year thereafter that includes—

''(A) a summary of the changes to customs policies and regulations adopted by U.S. Customs and Border Protection during the preceding calendar year; and

''(B) a description of the public vetting and interagency consultation that occurred with respect to each such change.

''(d) TRANSFER OF ASSETS, FUNCTIONS, PERSONNEL, OR LIABILITIES; ELIMINATION OF OFFICES.—

''(1) OFFICE OF INTERNATIONAL TRADE.—

''(A) TRANSFER.—Not later than 30 days after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of

2015, the Commissioner of U.S. Customs and Border Protection shall transfer the assets, functions, personnel, and liabilities of the Office of International Trade to the Office of Trade established under subsection (b).

''(B) ELIMINATION.—Not later than 30 days after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, the Office of International Trade shall be abolished.

''(C) LIMITATION ON FUNDS.—No funds appropriated to U.S. Customs and Border Protection or the Department of Homeland Security may be used to transfer the assets, functions, personnel, or liabilities of the Office of International Trade to an office other than the Office of Trade established under subsection (a), unless the Commissioner of U.S. Customs and Border Protection notifies the Committee on Homeland Security and the Committee on Ways and Means of the House of Representatives and the Committee on Homeland Security and Governmental Affairs and the Committee on Finance of the Senate of the specific assets, functions, personnel, or liabilities to be trans-

ferred, and the reason for the transfer, not less than 90 days prior to the transfer of such assets, functions, personnel, or liabilities.

''(D) OFFICE OF INTERNATIONAL TRADE DEFINED.—In this paragraph, the term 'Office of International Trade' means the Office of International Trade established by section 2 of this Act and as in effect on the day before the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015.

''(2) OTHER TRANSFERS.—

''(A) IN GENERAL.—The Commissioner of U.S. Customs and Border Protection is authorized to transfer any other assets, functions, or personnel within U.S. Customs and Border Protection to the Office of Trade established under subsection (a).

''(B) CONGRESSIONAL NOTIFICATION.—Not less than 90 days prior to the transfer of assets, functions, personnel, or liabilities under subparagraph (A), the Commissioner of U.S. Customs and Border Protection shall notify the Committee on Homeland Security and the Committee on Ways and Means of the House of Representatives and the Committee on Home-

land Security and Governmental Affairs and the Committee on Finance of the Senate of the specific assets, functions, personnel, or liabilities to be transferred, and the reason for such transfer.

''(e) DEFINITIONS.—In this section, the terms 'customs and trade laws of the United States', 'trade enforcement', and 'trade facilitation' have the meanings given such terms in section 2 of the Trade Facilitation and Trade Enforcement Act of 2015.''.

(2) CONTINUATION IN OFFICE.—The individual serving as the Assistant Commissioner of the Office of International Trade on the day before the date of the enactment of this Act may serve as the Executive Assistant Commissioner of Trade on and after such date of enactment, at the discretion of the Commissioner of U.S. Customs and Border Protection.

(3) CONFORMING AMENDMENTS.—Section 2 of the Act of March 3, 1927 (44. Stat. 1381, chapter 348; 19 U.S.C. 2072), as added by section 402 of the Security and Accountability for Every Port Act of 2006 (Public Law 109–347; 120 Stat. 1924), is amended—

(A) by striking subsection (d); and

(B) by redesignating subsections (e) and (f) as subsections (d) and (e), respectively.

(i) REPORTS AND ASSESSMENTS.—

(1) REPORT ON BUSINESS TRANSFORMATION INITIATIVE.—Not later than 90 days after the date of the enactment of this Act and annually thereafter for the next five years, the Commissioner shall submit to the Committee on Ways and Means and the Committee on Homeland Security of the House of Representatives and the Committee on Finance and the Committee on Homeland Security and Governmental Affairs of the Senate a report on U.S. Customs and Border Protection's Business Transformation Initiative, including locations where the Initiative is deployed, the types of equipment utilized, a description of protocols and procedures, information on wait times at such locations since deployment, and information regarding the schedule for deployment at new locations.

(2) PORT OF ENTRY INFRASTRUCTURE NEEDS ASSESSMENTS.—Not later than 180 days after the date of the enactment of this Act, the Commissioner shall assess the physical infrastructure and technology needs at the 20 busiest land ports of entry (as measured by U.S. Customs and Border Protec-

tion) with a particular attention to identify ways to—

(A) improve travel and trade facilitation;

(B) reduce wait times;

(C) improve physical infrastructure and conditions for individuals accessing pedestrian ports of entry;

(D) enter into long-term leases with nongovernmental and private sector entities;

(E) enter into lease-purchase agreements with nongovernmental and private sector entities; and

(F) achieve cost savings through leases described in subparagraphs (D) and (E).

(3) PERSONAL SEARCHES.—Not later than 90 days after the date of the enactment of this Act and annually thereafter for the next three years, the Commissioner shall submit to the Committee on Homeland Security of the House of Representatives and the Committee on Homeland Security and Governmental Affairs of the Senate a report on supervisor-approved personal searches conducted in the previous year by U.S. Customs and Border Protection personnel. Such report shall include the number of personal searches conducted in each sector and

field office, the number of invasive personal searches conducted in each sector and field office, whether personal searches were conducted by Office of Field Operations or U.S. Border Patrol personnel, and how many personal searches resulted in the discovery of contraband.

(j) TRUSTED TRAVELER PROGRAMS.—The Secretary of Homeland Security may not enter into or renew an agreement with the government of a foreign country for a trusted traveler program administered by U.S. Customs and Border Protection unless the Secretary certifies in writing that such government—

(1) routinely submits to INTERPOL for inclusion in INTERPOL's Stolen and Lost Travel Documents database information about lost and stolen passports and travel documents of the citizens and nationals of such country; or

(2) makes available to the United States Government the information described in paragraph (1) through another means of reporting.

(k) AGRICULTURAL SPECIALIST CAREER TRACK.—Not later than one year after the date of the enactment of this Act, the Secretary of Homeland Security shall submit to the Committee on Homeland Security and the Committee on Ways and Means of the House of Representa-

tives and the Committee on Homeland Security and Governmental Affairs and the Committee on Finance of the Senate a plan to create an agricultural specialist career track within U.S. Customs and Border Protection. Such plan shall include the following:

(1) A description of education, training, experience, and assignments necessary for career progression as an agricultural specialist.

(2) Recruitment and retention goals for agricultural specialists, including a timeline for fulfilling staffing deficits identified in agricultural resource allocation models.

(3) An assessment of equipment and other resources needed to support agricultural specialists.

(4) Any other factors the Commissioner determines appropriate.

(l) SENSE OF CONGRESS REGARDING THE FOREIGN LANGUAGE AWARD PROGRAM.—

(1) FINDINGS.—Congress finds the following:

(A) Congress established the Foreign Language Award Program (FLAP) to incentivize employees at United States ports of entry to utilize their foreign language skills on the job by providing a financial incentive for the use of the foreign language for at least ten percent of

their duties after passage of competency tests. FLAP incentivizes the use of more than two dozen languages and has been instrumental in identifying and utilizing U.S. Customs and Border Protection officers and agents who are proficient in a foreign language.

(B) In 1993, Congress provided for dedicated funding for this program by stipulating that certain fees collected by U.S. Customs and Border Protection be used to fund FLAP.

(C) Through FLAP, foreign travelers are aided by having an officer at a port of entry who speaks their language, and U.S. Customs and Border Protection benefits by being able to focus its border security efforts in a more effective manner.

(2) SENSE OF CONGRESS.—It is the sense of Congress that FLAP incentivizes U.S. Customs and Border Protection officers to attain and maintain competency in a foreign language, thereby improving the efficiency of operations for the functioning of U.S. Customs and Border Protection's security mission, making the United States a more welcoming place when foreign travelers find officers can com-

municate in their language, and helping to expedite traveler processing to reduce wait times.

# Subtitle B—Preclearance Operations

**SEC. 811. SHORT TITLE.**

This subtitle may be cited as the ''Preclearance Authorization Act of 2015''.

**SEC. 812. DEFINITIONS.**

In this subtitle:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term ''appropriate congressional committees'' means—

(A) the Committee on Homeland Security and Governmental Affairs, the Committee on Finance, the Committee on Commerce, Science, and Transportation, and the Committee on Appropriations of the Senate; and

(B) the Committee on Homeland Security, the Committee on Ways and Means, and the Committee on Appropriations of the House of Representatives.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Homeland Security.

**SEC. 813. ESTABLISHMENT OF PRECLEARANCE OPERATIONS.**

Pursuant to section 629 of the Tariff Act of 1930 (19 U.S.C. 1629) and section 103(a)(7) of the Immigration and Nationality Act (8 U.S.C. 1103(a)(7)), and provided that an aviation security preclearance agreement (as defined in section 44901(d)(4)(B) of title 49, United States Code) is in effect, the Secretary may establish and maintain U.S. Customs and Border Protection preclearance operations in a foreign country—

(1) to prevent terrorists, instruments of terrorism, and other security threats from entering the United States;

(2) to prevent inadmissible persons from entering the United States;

(3) to ensure that merchandise destined for the United States complies with applicable laws;

(4) to ensure the prompt processing of persons eligible to travel to the United States; and

(5) to accomplish such other objectives as the Secretary determines are necessary to protect the United States.

**SEC. 814. NOTIFICATION AND CERTIFICATION TO CONGRESS.**

(a) INITIAL NOTIFICATION.—Not later than 60 days before an agreement with the government of a foreign

country to establish U.S. Customs and Border Protection preclearance operations in such foreign country enters into force, the Secretary shall provide the appropriate congressional committees with—

(1) a copy of the agreement to establish such preclearance operations, which shall include—

(A) the identification of the foreign country with which U.S. Customs and Border Protection intends to enter into a preclearance agreement;

(B) the location at which such preclearance operations will be conducted; and

(C) the terms and conditions for U.S. Customs and Border Protection personnel operating at the location;

(2) an assessment of the impact such preclearance operations will have on legitimate trade and travel, including potential impacts on passengers traveling to the United States;

(3) an assessment of the impacts such preclearance operations will have on U.S. Customs and Border Protection domestic port of entry staffing;

(4) country-specific information on the anticipated homeland security benefits associated with establishing such preclearance operations;

(5) information on potential security vulnerabilities associated with commencing such preclearance operations and mitigation plans to address such potential security vulnerabilities;

(6) a U.S. Customs and Border Protection staffing model for such preclearance operations and plans for how such positions would be filled; and

(7) information on the anticipated costs over the 5 fiscal years after the agreement enters into force associated with commencing such preclearance operations.

(b) FURTHER NOTIFICATION RELATING TO PRECLEARANCE OPERATIONS ESTABLISHED AT AIRPORTS.—Not later than 45 days before an agreement with the government of a foreign country to establish U.S. Customs and Border Protection preclearance operations at an airport in such country enters into force, the Secretary, in addition to complying with the notification requirements under subsection (a), shall provide the appropriate congressional committees with—

(1) an estimate of the date on which U.S. Customs and Border Protection intends to establish

preclearance operations under such agreement, including any pending caveats that must be resolved before preclearance operations are approved;

(2) the anticipated funding sources for preclearance operations under such agreement, and other funding sources considered;

(3) a homeland security threat assessment for the country in which such preclearance operations are to be established;

(4) information on potential economic, competitive, and job impacts on United States air carriers associated with establishing such preclearance operations;

(5) details on information sharing mechanisms to ensure that U.S. Customs and Border Protection has current information to prevent terrorist and criminal travel; and

(6) other factors that the Secretary determines to be necessary for Congress to comprehensively assess the appropriateness of commencing such preclearance operations.

(c) CERTIFICATIONS RELATING TO PRECLEARANCE OPERATIONS ESTABLISHED AT AIRPORTS.—Not later than 60 days before an agreement with the government of a foreign country to establish U.S. Customs and Border

Protection preclearance operations at an airport in such country enters into force, the Secretary, in addition to complying with the notification requirements under subsections (a) and (b), shall provide the appropriate congressional committees with—

(1) a certification that preclearance operations under such preclearance agreement, after considering alternative options, would provide homeland security benefits to the United States through the most effective means possible;

(2) a certification that preclearance operations within such foreign country will be established under such agreement only if—

(A) at least one United States passenger carrier operates at such airport; and

(B) any United States passenger carriers operating at such airport and desiring to participate in preclearance operations are provided access that is comparable to that of any non-United States passenger carrier operating at that airport;

(3) a certification that the establishment of preclearance operations in such foreign country will not significantly increase customs processing times at United States airports;

(4) a certification that representatives from U.S. Customs and Border Protection consulted with stakeholders, including providers of commercial air service in the United States, employees of such providers, security experts, and such other parties as the Secretary determines to be appropriate; and

(5) a report detailing the basis for the certifications referred to in paragraphs (1) through (4).

(d) AMENDMENT OF EXISTING AGREEMENTS.—Not later than 30 days before a substantially amended preclearance agreement with the government of a foreign country in effect as of the date of the enactment of this Act enters into force, the Secretary shall provide to the appropriate congressional committees—

(1) a copy of the agreement, as amended; and

(2) the justification for such amendment.

(e) IMPLEMENTATION PLAN.—

(1) IN GENERAL.—The Commissioner shall report to the appropriate congressional committees, on a quarterly basis—

(A) the number of U.S. Customs and Border Protection officers, by port, assigned from domestic ports of entry to preclearance operations; and

(B) the number of the positions at domestic ports of entry vacated by U.S. Customs and Border Protection officers described in subparagraph (A) that have been filled by other hired, trained, and equipped U.S. Customs and Border Protection officers.

(2) SUBMISSION.—If the Commissioner has not filled the positions of U.S. Customs and Border Protection officers that were reassigned to preclearance operations and determines that U.S. Customs and Border Protection processing times at domestic ports of entry from which U.S. Customs and Border Protection officers were reassigned to preclearance operations have significantly increased, the Commissioner, not later than 60 days after making such a determination, shall submit to the appropriate congressional committees an implementation plan for reducing processing times at the domestic ports of entry with such increased processing times.

(3) SUSPENSION.—If the Commissioner does not submit the implementation plan described in paragraph (2) to the appropriate congressional committees before the deadline set forth in such paragraph, the Commissioner may not commence preclearance operations at an additional port of

entry in any country until such implementation plan is submitted.

(f) CLASSIFIED REPORT.—The report required under subsection (c)(5) may be submitted in classified form if the Secretary determines that such form is appropriate.

**SEC. 815. PROTOCOLS.**

Section 44901(d)(4) of title 49, United States Code, is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

"(C) RESCREENING REQUIREMENT.—If the Administrator of the Transportation Security Administration determines that the government of a foreign country has not maintained security standards and protocols comparable to those of the United States at airports at which preclearance operations have been established in accordance with this paragraph, the Administrator shall ensure that Transportation Security Administration personnel rescreen passengers arriving from such airports and their property in the United States before such passengers are

permitted into sterile areas of airports in the United States.''.

**SEC. 816. LOST AND STOLEN PASSPORTS.**

The Secretary may not enter into an agreement with the government of a foreign country to establish or maintain U.S. Customs and Border Protection preclearance operations at an airport in such country unless the Secretary certifies to the appropriate congressional committees that such government—

(1) routinely submits information about lost and stolen passports of its citizens and nationals to INTERPOL's Stolen and Lost Travel Document database; or

(2) makes such information available to the United States Government through another comparable means of reporting.

**SEC. 817. RECOVERY OF INITIAL U.S. CUSTOMS AND BORDER PROTECTION PRECLEARANCE OPERATIONS COSTS.**

(a) COST SHARING AGREEMENTS WITH RELEVANT AIRPORT AUTHORITIES.—The Commissioner may enter into a cost sharing agreement with airport authorities in foreign countries at which preclearance operations are to be established or maintained if—

(1) an executive agreement to establish or maintain such preclearance operations pursuant to the authorities under section 629 of the Tariff Act of 1930 (19 U.S.C. 1629) and section 103(a)(7) of the Immigration and Nationality Act (8 U.S.C. 1103(a)(7)) has been signed, but has not yet entered into force; and

(2) U.S. Customs and Border Protection has incurred, or expects to incur, initial preclearance operations costs in order to establish or maintain preclearance operations under the agreement described in paragraph (1).

(b) CONTENTS OF COST SHARING AGREEMENTS.—

(1) IN GENERAL.—Notwithstanding section 13031(e) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(e)) and section 286(g) of the Immigration and Nationality Act (8 U.S.C. 1356(g)), any cost sharing agreement with an airport authority authorized under subsection (a) may provide for the airport authority's payment to U.S. Customs and Border Protection of its initial preclearance operations costs.

(2) TIMING OF PAYMENTS.—The airport authority's payment to U.S. Customs and Border Protection for its initial preclearance operations

costs may be made in advance of the incurrence of the costs or on a reimbursable basis.

(c) ACCOUNT.—

(1) IN GENERAL.—All amounts collected pursuant to any cost sharing agreement authorized under subsection (a)—

(A) shall be credited as offsetting collections to the currently applicable appropriation, account, or fund of U.S. Customs and Border Protection;

(B) shall remain available, until expended, for the purposes for which such appropriation, account, or fund is authorized to be used; and

(C) may be collected and shall be available only to the extent provided in appropriations Acts.

(2) RETURN OF UNUSED FUNDS.—Any advances or reimbursements not used by U.S. Customs and Border Protection may be returned to the relevant airport authority.

(3) RULE OF CONSTRUCTION.—Nothing in this subsection may be construed to preclude the use of appropriated funds from sources other than the payments collected under this subtitle to pay initial preclearance operation costs.

(d) DEFINED TERM.—

(1) IN GENERAL.—In this section, the term ''initial preclearance operations costs'' means the costs incurred, or expected to be incurred, by U.S. Customs and Border Protection to establish or maintain preclearance operations at an airport in a foreign country, including costs relating to—

(A) hiring, training, and equipping new U.S. Customs and Border Protection officers who will be stationed at United States domestic ports of entry or other U.S. Customs and Border Protection facilities to backfill U.S. Customs and Border Protection officers to be stationed at an airport in a foreign country to conduct preclearance operations; and

(B) visits to the airport authority conducted by U.S. Customs and Border Protection personnel necessary to prepare for the establishment or maintenance of preclearance operations at such airport, including the compensation, travel expenses, and allowances payable to such personnel attributable to such visits.

(2) EXCEPTION.—The costs described in paragraph (1)(A) shall not include the salaries and benefits of new U.S. Customs and Border Protection of-

ficers once such officers are permanently stationed at a domestic United States port of entry or other domestic U.S. Customs and Border Protection facility after being hired, trained, and equipped.

(e) RULE OF CONSTRUCTION.—Except as otherwise provided in this section, nothing in this section may be construed as affecting the responsibilities, duties, or authorities of U.S. Customs and Border Protection.

**SEC. 818. COLLECTION AND DISPOSITION OF FUNDS COLLECTED FOR IMMIGRATION INSPECTION SERVICES AND PRECLEARANCE ACTIVITIES.**

(a) IMMIGRATION AND NATIONALITY ACT.—Section 286(i) of the Immigration and Nationality Act (8 U.S.C. 1356(i)) is amended by striking the last sentence and inserting the following: ''Reimbursements under this subsection may be collected in advance of the provision of such immigration inspection services. Notwithstanding subsection (h)(1)(B), and only to the extent provided in appropriations Acts, any amounts collected under this subsection shall be credited as offsetting collections to the currently applicable appropriation, account, or fund of U.S. Customs and Border Protection, remain available until expended, and be available for the purposes for which such appropriation, account, or fund is authorized to be used.''.

(b) FARM SECURITY AND RURAL INVESTMENT ACT OF 2002.—Section 10412(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 8311(b)) is amended to read as follows:

''(b) FUNDS COLLECTED FOR PRECLEARANCE.—Funds collected for preclearance activities—

''(1) may be collected in advance of the provision of such activities;

''(2) shall be credited as offsetting collections to the currently applicable appropriation, account, or fund of U.S. Customs and Border Protection;

''(3) shall remain available until expended;

''(4) shall be available for the purposes for which such appropriation, account, or fund is authorized to be used; and

''(5) may be collected and shall be available only to the extent provided in appropriations Acts.''.

**SEC. 819. APPLICATION TO NEW AND EXISTING PRECLEARANCE OPERATIONS.**

Except for sections 814(d), 815, 817, and 818, this subtitle shall only apply to the establishment of preclearance operations in a foreign country in which no preclearance operations have been established as of the date of the enactment of this Act.

# TITLE IX—MISCELLANEOUS PROVISIONS

**SEC. 901. DE MINIMIS VALUE.**

(a) FINDINGS.—Congress makes the following findings:

(1) Modernizing international customs is critical for United States businesses of all sizes, consumers in the United States, and the economic growth of the United States.

(2) Higher thresholds for the value of articles that may be entered informally and free of duty provide significant economic benefits to businesses and consumers in the United States and the economy of the United States through costs savings and reductions in trade transaction costs.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the United States Trade Representative should encourage other countries, through bilateral, regional, and multilateral fora, to establish commercially meaningful de minimis values for express and postal shipments that are exempt from customs duties and taxes and from certain entry documentation requirements, as appropriate.

(c) DE MINIMIS VALUE.—Section 321(a)(2)(C) of the Tariff Act of 1930 (19 U.S.C. 1321(a)(2)(C)) is amended by striking ''$200'' and inserting ''$800''.

(d) EFFECTIVE DATE.—The amendment made by subsection (c) shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 15th day after the date of the enactment of this Act.

**SEC. 902. CONSULTATION ON TRADE AND CUSTOMS REVENUE FUNCTIONS.**

Section 401(c) of the Security and Accountability For Every Port Act of 2006 (6 U.S.C. 115(c)) is amended—

(1) in paragraph (1), by striking ''on Department policies and actions that have'' and inserting ''not later than 30 days after proposing, and not later than 30 days before finalizing, any Department policies, initiatives, or actions that will have''; and

(2) in paragraph (2)(A), by striking ''not later than 30 days prior to the finalization of'' and inserting ''not later than 60 days before proposing, and not later than 60 days before finalizing,''.

**SEC. 903. PENALTIES FOR CUSTOMS BROKERS.**

(a) IN GENERAL.—Section 641(d)(1) of the Tariff Act of 1930 (19 U.S.C. 1641(d)(1)) is amended—

(1) in subparagraph (E), by striking ''; or'' and inserting a semicolon;

(2) in subparagraph (F), by striking the period and inserting ''; or''; and

(3) by adding at the end the following:

''(G) has been convicted of committing or conspiring to commit an act of terrorism described in section 2332b of title 18, United States Code.''.

(b) TECHNICAL AMENDMENTS.—Section 641 of the Tariff Act of 1930 (19 U.S.C. 1641) is amended—

(1) by striking ''the Customs Service'' each place it appears and inserting ''U.S. Customs and Border Protection'';

(2) in subsection (d)(2)(B), by striking ''The Customs Service'' and inserting ''U.S. Customs and Border Protection''; and

(3) in subsection (g)(2)(B), by striking ''Secretary's notice'' and inserting ''notice under subparagraph (A)''.

**SEC. 904. AMENDMENTS TO CHAPTER 98 OF THE HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES.**

(a) ARTICLES EXPORTED AND RETURNED, ADVANCED OR IMPROVED ABROAD.—

(1) IN GENERAL.—U.S. Note 3 to subchapter II of chapter 98 of the Harmonized Tariff Schedule of the United States is amended by adding at the end the following:

''(f)(1) For purposes of subheadings 9802.00.40 and 9802.00.50, fungible articles exported from the United States for the purposes described in such subheadings—

''(A) may be commingled; and

''(B) the origin, value, and classification of such articles may be accounted for using an inventory management method.

''(2) If a person chooses to use an inventory management method under this paragraph with respect to fungible articles, the person shall use the same inventory management method for any other articles with respect to which the person claims fungibility under this paragraph.

''(3) For the purposes of this paragraph—

''(A) the term 'fungible articles' means merchandise or articles that, for commercial purposes, are identical or interchangeable in all situations; and

''(B) the term 'inventory management method' means any method for managing inventory that is based on generally accepted accounting principles.''.

(2) EFFECTIVE DATE.—The amendment made by this subsection applies to articles classifiable under subheading 9802.00.40 or 9802.00.50 of the Harmonized Tariff Schedule of the United States that are entered, or withdrawn from warehouse for

consumption, on or after the date that is 60 days after the date of the enactment of this Act.

(b) MODIFICATION OF PROVISIONS RELATING TO RETURNED PROPERTY.—

(1) IN GENERAL.—The article description for heading 9801.00.10 of the Harmonized Tariff Schedule of the United States is amended by inserting after ''exported'' the following: '', or any other products when returned within 3 years after having been exported''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) applies to articles entered, or withdrawn from warehouse for consumption, on or after the date that is 60 days after the date of the enactment of this Act.

(c) DUTY-FREE TREATMENT FOR CERTAIN UNITED STATES GOVERNMENT PROPERTY RETURNED TO THE UNITED STATES.—

(1) IN GENERAL.—Subchapter I of chapter 98 of the Harmonized Tariff Schedule of the United States is amended by inserting in numerical sequence the following new heading:

| | | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| " | 9801.00.11 | United States Government property, returned to the United States without having been advanced in value or improved in condition by any means while abroad, entered by the United States Government or a contractor to the United States Government, and certified by the importer as United States Government property | Free | | | | | ". |

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) applies to goods entered, or withdrawn from warehouse for consumption, on or after the date that is 60 days after the date of the enactment of this Act.

**SEC. 905. EXEMPTION FROM DUTY OF RESIDUE OF BULK CARGO CONTAINED IN INSTRUMENTS OF INTERNATIONAL TRAFFIC PREVIOUSLY EXPORTED FROM THE UNITED STATES.**

(a) IN GENERAL.—General Note 3(e) of the Harmonized Tariff Schedule of the United States is amended—

(1) in subparagraph (v), by striking ''and'' at the end;

(2) in subparagraph (vi), by adding ''and'' at the end;

(3) by inserting after subparagraph (vi) (as so amended) the following new subparagraph:

''(vii) residue of bulk cargo contained in instruments of international traffic previously exported from the United States,''; and

(4) by adding at the end of the flush text following subparagraph (vii) (as so added) the following: ''For purposes of subparagraph (vii) of this paragraph: The term 'residue' means material of bulk cargo that remains in an instrument of international traffic after the bulk cargo is removed, with a quantity, by weight or volume, not exceeding 7 percent of the bulk cargo, and with no or de minimis value. The term 'bulk cargo' means cargo that is unpackaged and is in either solid, liquid, or gaseous form. The term 'instruments of international traffic' means containers or holders, capable of and suitable for repeated use, such as lift vans, cargo vans, shipping tanks, skids, pallets, caul boards, and cores for textile fabrics, arriving (whether loaded or empty) in use or to be used in the shipment of merchandise in international traffic, and any additional articles or classes of articles that the Commissioner of U.S. Customs and Border Protection designates as instruments of international traffic.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) take effect on the date of the enactment of this Act and apply with respect to residue of bulk cargo contained in instruments of international traffic that are imported into the customs territory of the United States

on or after such date of enactment and that previously have been exported from the United States.

**SEC. 906. DRAWBACK AND REFUNDS.**

(a) ARTICLES MADE FROM IMPORTED MERCHANDISE.—Section 313(a) of the Tariff Act of 1930 (19 U.S.C. 1313(a)) is amended by striking ''the full amount of the duties paid upon the merchandise so used shall be refunded as drawback, less 1 per centum of such duties, except that such'' and inserting ''an amount calculated pursuant to regulations prescribed by the Secretary of the Treasury under subsection (l) shall be refunded as drawback, except that''.

(b) SUBSTITUTION FOR DRAWBACK PURPOSES.—Section 313(b) of the Tariff Act of 1930 (19 U.S.C. 1313(b)) is amended—

(1) by striking ''If imported'' and inserting the following:

''(1) IN GENERAL.—If imported'';

(2) by striking ''and any other merchandise (whether imported or domestic) of the same kind and quality are'' and inserting ''or merchandise classifiable under the same 8-digit HTS subheading number as such imported merchandise is'';

(3) by striking ''three years'' and inserting ''5 years'';

(4) by striking ''the receipt of such imported merchandise by the manufacturer or producer of such articles'' and inserting ''the date of importation of such imported merchandise'';

(5) by striking ''an amount of drawback equal to'' and all that follows through the end period and inserting ''an amount calculated pursuant to regulations prescribed by the Secretary of the Treasury under subsection (l), but only if those articles have not been used prior to such exportation or destruction.''; and

(6) by adding at the end the following:

''(2) REQUIREMENTS RELATING TO TRANSFER OF MERCHANDISE.—

''(A) MANUFACTURERS AND PRODUCERS.—Drawback shall be allowed under paragraph (1) with respect to an article manufactured or produced using imported merchandise or other merchandise classifiable under the same 8-digit HTS subheading number as such imported merchandise only if the manufacturer or producer of the article received such imported merchandise or such other merchandise, directly or indirectly, from the importer.

''(B) EXPORTERS AND DESTROYERS.—Drawback shall be allowed under paragraph (1) with respect to a manufactured or produced article that is exported or destroyed only if the exporter or destroyer received that article, directly or indirectly, from the manufacturer or producer.

''(C) EVIDENCE OF TRANSFER.—Transfers of merchandise under subparagraph (A) and transfers of articles under subparagraph (B) may be evidenced by business records kept in the normal course of business and no additional certificates of transfer or manufacture shall be required.

''(3) SUBMISSION OF BILL OF MATERIALS OR FORMULA.—

''(A) IN GENERAL.—Drawback shall be allowed under paragraph (1) with respect to an article manufactured or produced using imported merchandise or other merchandise classifiable under the same 8-digit HTS subheading number as such imported merchandise only if the person making the drawback claim submits with the claim a bill of materials or formula identifying the merchandise and article by the

8-digit HTS subheading number and the quantity of the merchandise.

''(B) BILL OF MATERIALS AND FORMULA DEFINED.—In this paragraph, the terms 'bill of materials' and 'formula' mean records kept in the normal course of business that identify each component incorporated into a manufactured or produced article or that identify the quantity of each element, material, chemical, mixture, or other substance incorporated into a manufactured article.

''(4) SPECIAL RULE FOR SOUGHT CHEMICAL ELEMENTS.—

''(A) IN GENERAL.—For purposes of paragraph (1), a sought chemical element may be—

''(i) considered imported merchandise, or merchandise classifiable under the same 8-digit HTS subheading number as such imported merchandise, used in the manufacture or production of an article as described in paragraph (1); and

''(ii) substituted for source material containing that sought chemical element, without regard to whether the sought chemical element and the source material

are classifiable under the same 8-digit HTS subheading number, and apportioned quantitatively, as appropriate.

''(B) SOUGHT CHEMICAL ELEMENT DEFINED.—In this paragraph, the term 'sought chemical element' means an element listed in the Periodic Table of Elements that is imported into the United States or a chemical compound consisting of those elements, either separately in elemental form or contained in source material.''.

(c) MERCHANDISE NOT CONFORMING TO SAMPLE OR SPECIFICATIONS.—Section 313(c) of the Tariff Act of 1930 (19 U.S.C. 1313(c)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (C)(ii), by striking ''under a certificate of delivery'' each place it appears;

(B) in subparagraph (D)—

(i) by striking ''3'' and inserting ''5''; and

(ii) by striking ''the Customs Service'' and inserting ''U.S. Customs and Border Protection''; and

(C) in the flush text at the end, by striking ''the full amount of the duties paid upon such merchandise, less 1 percent,'' and inserting ''an amount calculated pursuant to regulations prescribed by the Secretary of the Treasury under subsection (l)'';

(2) in paragraph (2), by striking ''the Customs Service'' and inserting ''U.S. Customs and Border Protection''; and

(3) by amending paragraph (3) to read as follows:

''(3) EVIDENCE OF TRANSFERS.—Transfers of merchandise under paragraph (1) may be evidenced by business records kept in the normal course of business and no additional certificates of transfer shall be required.''.

(d) PROOF OF EXPORTATION.—Section 313(i) of the Tariff Act of 1930 (19 U.S.C. 1313(i)) is amended to read as follows:

''(i) PROOF OF EXPORTATION.—A person claiming drawback under this section based on the exportation of an article shall provide proof of the exportation of the article. Such proof of exportation—

''(1) shall establish fully the date and fact of exportation and the identity of the exporter; and

''(2) may be established through the use of records kept in the normal course of business or through an electronic export system of the United States Government, as determined by the Commissioner of U.S. Customs and Border Protection.''.

(e) UNUSED MERCHANDISE DRAWBACK.—Section 313(j) of the Tariff Act of 1930 (19 U.S.C. 1313(j)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (A), in the matter preceding clause (i)—

(i) by striking ''3-year'' and inserting ''5-year''; and

(ii) by inserting ''and before the drawback claim is filed'' after ''the date of importation''; and

(B) in the flush text at the end, by striking ''99 percent of the amount of each duty, tax, or fee so paid'' and inserting ''an amount calculated pursuant to regulations prescribed by the Secretary of the Treasury under subsection (l)'';

(2) in paragraph (2)—

(A) in the matter preceding subparagraph (A), by striking ''paragraph (4)'' and inserting ''paragraphs (4), (5), and (6)'';

(B) in subparagraph (A), by striking ''commercially interchangeable with'' and inserting ''classifiable under the same 8-digit HTS subheading number as'';

(C) in subparagraph (B)—

(i) by striking ''3-year'' and inserting ''5-year''; and

(ii) by inserting ''and before the drawback claim is filed'' after ''the imported merchandise'';

(D) in subparagraph (C)(ii), by striking subclause (II) and inserting the following:

''(II) received the imported merchandise, other merchandise classifiable under the same 8-digit HTS subheading number as such imported merchandise, or any combination of such imported merchandise and such other merchandise, directly or indirectly from the person who imported and paid any duties, taxes, and fees imposed under Federal law upon im-

portation or entry and due on the imported merchandise (and any such transferred merchandise, regardless of its origin, will be treated as the imported merchandise and any retained merchandise will be treated as domestic merchandise);''; and

(E) in the flush text at the end—

(i) by striking ''the amount of each such duty, tax, and fee'' and all that follows through ''99 percent of that duty, tax, or fee'' and inserting ''an amount calculated pursuant to regulations prescribed by the Secretary of the Treasury under subsection (l) shall be refunded as drawback''; and

(ii) by striking the last sentence and inserting the following: ''Notwithstanding subparagraph (A), drawback shall be allowed under this paragraph with respect to wine if the imported wine and the exported wine are of the same color and the price variation between the imported wine and the exported wine does not exceed 50 percent. Transfers of merchandise may be evi-

denced by business records kept in the normal course of business and no additional certificates of transfer shall be required.'';

(3) in paragraph (3)(B), by striking ''the commercially interchangeable merchandise'' and inserting ''merchandise classifiable under the same 8-digit HTS subheading number as such imported merchandise''; and

(4) by adding at the end the following:

''(5)(A) For purposes of paragraph (2) and except as provided in subparagraph (B), merchandise may not be substituted for imported merchandise for drawback purposes based on the 8-digit HTS subheading number if the article description for the 8-digit HTS subheading number under which the imported merchandise is classified begins with the term 'other'.

''(B) In cases described in subparagraph (A), merchandise may be substituted for imported merchandise for drawback purposes if—

''(i) the other merchandise and such imported merchandise are classifiable under the same 10-digit HTS statistical reporting number; and

''(ii) the article description for that 10-digit HTS statistical reporting number does not begin with the term 'other'.

''(6)(A) For purposes of paragraph (2), a drawback claimant may use the first 8 digits of the 10-digit Schedule B number for merchandise or an article to determine if the merchandise or article is classifiable under the same 8-digit HTS subheading number as the imported merchandise, without regard to whether the Schedule B number corresponds to more than one 8-digit HTS subheading number.

''(B) In this paragraph, the term 'Schedule B' means the Department of Commerce Schedule B, Statistical Classification of Domestic and Foreign Commodities Exported from the United States.''.

(f) LIABILITY FOR DRAWBACK CLAIMS.—Section 313(k) of the Tariff Act of 1930 (19 U.S.C. 1313(k)) is amended to read as follows:

''(k) LIABILITY FOR DRAWBACK CLAIMS.—

''(1) IN GENERAL.—Any person making a claim for drawback under this section shall be liable for the full amount of the drawback claimed.

''(2) LIABILITY OF IMPORTERS.—An importer shall be liable for any drawback claim made by another person with respect to merchandise imported

by the importer in an amount equal to the lesser of—

''(A) the amount of duties, taxes, and fees that the person claimed with respect to the imported merchandise; or

''(B) the amount of duties, taxes, and fees that the importer authorized the other person to claim with respect to the imported merchandise.

''(3) JOINT AND SEVERAL LIABILITY.—Persons described in paragraphs (1) and (2) shall be jointly and severally liable for the amount described in paragraph (2).''.

(g) REGULATIONS.—Section 313(l) of the Tariff Act of 1930 (19 U.S.C. 1313(l)) is amended to read as follows:

''(l) REGULATIONS.—

''(1) IN GENERAL.—Allowance of the privileges provided for in this section shall be subject to compliance with such rules and regulations as the Secretary of the Treasury shall prescribe.

''(2) CALCULATION OF DRAWBACK.—

''(A) IN GENERAL.—Not later than the date that is 2 years after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, the Secretary shall pre-

scribe regulations for determining the calculation of amounts refunded as drawback under this section.

''(B) CLAIMS WITH RESPECT TO UNUSED MERCHANDISE.—The regulations required by subparagraph (A) for determining the calculation of amounts refunded as drawback under this section shall provide for a refund of equal to 99 percent of the duties, taxes, and fees paid on the imported merchandise, which were imposed under Federal law upon entry or importation of the imported merchandise, and may require the claim to be based upon the average per unit duties, taxes, and fees as reported on the entry summary line item or, if not reported on the entry summary line item, as otherwise allocated by U.S. Customs and Border Protection, except that where there is substitution of the merchandise, then—

''(i) in the case of an article that is exported, the amount of the refund shall be equal to 99 percent of the lesser of—

''(I) the amount of duties, taxes, and fees paid with respect to the imported merchandise; or

''(II) the amount of duties, taxes, and fees that would apply to the exported article if the exported article were imported; and

''(ii) in the case of an article that is destroyed, the amount of the refund shall be an amount that is—

''(I) equal to 99 percent of the lesser of—

''(aa) the amount of duties, taxes, and fees paid with respect to the imported merchandise; and

''(bb) the amount of duties, taxes, and fees that would apply to the destroyed article if the destroyed article were imported; and

''(II) reduced by the value of materials recovered during destruction as provided in subsection (x).

''(C) CLAIMS WITH RESPECT TO MANUFACTURED ARTICLES INTO WHICH IMPORTED OR SUBSTITUTE MERCHANDISE IS INCORPORATED.—The regulations required by subparagraph (A) for determining the calculation

of amounts refunded as drawback under this section shall provide for a refund of equal to 99 percent of the duties, taxes, and fees paid on the imported merchandise incorporated into an article that is exported or destroyed, which were imposed under Federal law upon entry or importation of the imported merchandise incorporated into an article that is exported or destroyed, and may require the claim to be based upon the average per unit duties, taxes, and fees as reported on the entry summary line item, or if not reported on the entry summary line item, as otherwise allocated by U.S. Customs and Border Protection, except that where there is substitution of the imported merchandise, then—

''(i) in the case of an article that is exported, the amount of the refund shall be equal to 99 percent of the lesser of—

''(I) the amount of duties, taxes, and fees paid with respect to the imported merchandise; or

''(II) the amount of duties, taxes, and fees that would apply to the sub-

stituted merchandise if the substituted merchandise were imported; and

''(ii) in the case of an article that is destroyed, the amount of the refund shall be an amount that is—

''(I) equal to 99 percent of the lesser of—

''(aa) the amount of duties, taxes, and fees paid with respect to the imported merchandise; and

''(bb) the amount of duties, taxes, and fees that would apply to the substituted merchandise if the substituted merchandise were imported; and

''(II) reduced by the value of materials recovered during destruction as provided in subsection (x).

''(D) EXCEPTIONS.—The calculations set forth in subparagraphs (B) and (C) shall not apply to claims for wine based on subsection (j)(2) and claims based on subsection (p) and instead—

''(i) for any drawback claim for wine based on subsection (j)(2), the amount of

the refund shall be equal to 99 percent of the duties, taxes, and fees paid with respect to the imported merchandise, without regard to the limitations in subparagraphs (B)(i) and (B)(ii); and

''(ii) for any drawback claim based on subsection (p), the amount of the refund shall be subject to the limitations set out in paragraph (4) of that subsection and without regard to subparagraph (B)(i), (B)(ii), (C)(i), or (C)(ii).

''(3) STATUS REPORTS ON REGULATIONS.—Not later than the date that is one year after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, and annually thereafter until the regulations required by paragraph (2) are final, the Secretary shall submit to Congress a report on the status of those regulations.''.

(h) SUBSTITUTION OF FINISHED PETROLEUM DERIVATIVES.—Section 313(p) of the Tariff Act of 1930 (19 U.S.C. 1313(p)) is amended—

(1) by striking ''Harmonized Tariff Schedule of the United States'' each place it appears and inserting ''HTS''; and

(2) in paragraph (3)(A)—

(A) in clause (ii)(III), by striking ", as so certified in a certificate of delivery or certificate of manufacture and delivery"; and

(B) in the flush text at the end—

(i) by striking ", so designated on the certificate of delivery or certificate of manufacture and delivery"; and

(ii) by striking the last sentence and inserting the following: "The party transferring the merchandise shall maintain records kept in the normal course of business to demonstrate the transfer.".

(i) PACKAGING MATERIAL.—Section 313(q) of the Tariff Act of 1930 (19 U.S.C. 1313(q)) is amended—

(1) in paragraph (1), by striking "of 99 percent of any duty, tax, or fee imposed under Federal law on such imported material" and inserting "in an amount calculated pursuant to regulations prescribed by the Secretary of the Treasury under subsection (l)";

(2) in paragraph (2), by striking "of 99 percent of any duty, tax, or fee imposed under Federal law on the imported or substituted merchandise used to manufacture or produce such material" and inserting "in an amount calculated pursuant to regula-

tions prescribed by the Secretary of the Treasury under subsection (l)''; and

(3) in paragraph (3), by striking ''they contain'' each place it appears and inserting ''it contains''.

(j) FILING OF DRAWBACK CLAIMS.—Section 313(r) of the Tariff Act of 1930 (19 U.S.C. 1313(r)) is amended—

(1) in paragraph (1)—

(A) by striking the first sentence and inserting the following: ''A drawback entry shall be filed or applied for, as applicable, not later than 5 years after the date on which merchandise on which drawback is claimed was imported.'';

(B) in the second sentence, by striking ''3-year'' and inserting ''5-year''; and

(C) in the third sentence, by striking ''the Customs Service'' and inserting ''U.S. Customs and Border Protection'';

(2) in paragraph (3)—

(A) in subparagraph (A)—

(i) in the matter preceding clause (i), by striking ''The Customs Service'' and inserting ''U.S. Customs and Border Protection'';

(ii) in clauses (i) and (ii), by striking ''the Customs Service'' each place it appears and inserting ''U.S. Customs and Border Protection''; and

(iii) in clause (ii)(I), by striking ''3-year'' and inserting ''5-year''; and

(B) in subparagraph (B), by striking ''the periods of time for retaining records set forth in subsection (t) of this section and'' and inserting ''the period of time for retaining records set forth in''; and

(3) by adding at the end the following:

''(4) All drawback claims filed on and after the date that is 2 years after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015 shall be filed electronically.''.

(k) DESIGNATION OF MERCHANDISE BY SUCCESSOR.—Section 313(s) of the Tariff Act of 1930 (19 U.S.C. 1313(s)) is amended—

(1) in paragraph (2), by striking subparagraph (B) and inserting the following:

''(B) subject to paragraphs (5) and (6) of subsection (j), imported merchandise, other merchandise classifiable under the same 8-digit HTS subheading number as such imported

merchandise, or any combination of such imported merchandise and such other merchandise, that the predecessor received, before the date of succession, from the person who imported and paid any duties, taxes, and fees due on the imported merchandise;''; and

(2) in paragraph (4), by striking ''certifies that'' and all that follows and inserting ''certifies that the transferred merchandise was not and will not be claimed by the predecessor.''.

(l) DRAWBACK CERTIFICATES.—Section 313 of the Tariff Act of 1930 (19 U.S.C. 1313) is amended by striking subsection (t).

(m) DRAWBACK FOR RECOVERED MATERIALS.—Section 313(x) of the Tariff Act of 1930 (19 U.S.C. 1313(x)) is amended by striking ''and (c)'' and inserting ''(c), and (j)''.

(n) DEFINITIONS.—Section 313 of the Tariff Act of 1930 (19 U.S.C. 1313) is amended by adding at the end the following:

''(z) DEFINITIONS.—In this section:

''(1) DIRECTLY.—The term 'directly' means a transfer of merchandise or an article from one person to another person without any intermediate transfer.

''(2) HTS.—The term 'HTS' means the Harmonized Tariff Schedule of the United States.

''(3) INDIRECTLY.—The term 'indirectly' means a transfer of merchandise or an article from one person to another person with one or more intermediate transfers.''.

(o) RECORDKEEPING.—Section 508(c)(3) of the Tariff Act of 1930 (19 U.S.C. 1508(c)(3)) is amended by striking ''payment'' and inserting ''liquidation''.

(p) GOVERNMENT ACCOUNTABILITY OFFICE REPORT.—

(1) IN GENERAL.—Not later than one year after the issuance of the regulations required by subsection (l)(2) of section 313 of the Tariff Act of 1930, as added by subsection (g) of this section, the Comptroller General of the United States shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on the modernization of drawback and refunds under section 313 of the Tariff Act of 1930, as amended by this section.

(2) CONTENTS.—The report required by paragraph (1) shall include the following:

(A) An assessment of the modernization of drawback and refunds under section 313 of the Tariff Act of 1930, as amended by this section.

(B) A description of drawback claims that were permissible before the effective date provided for in subsection (q) that are not permissible after that effective date and an identification of industries most affected.

(C) A description of drawback claims that were not permissible before the effective date provided for in subsection (q) that are permissible after that effective date and an identification of industries most affected.

(q) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall—

(A) take effect on the date of the enactment of this Act; and

(B) except as provided in paragraph (3), apply to drawback claims filed on or after the date that is 2 years after such date of enactment.

(2) REPORTING OF OPERABILITY OF AUTOMATED COMMERCIAL ENVIRONMENT COMPUTER SYSTEM.—Not later than one year after the date of the

enactment of this Act, and not later than 2 years after such date of enactment, the Secretary of the Treasury shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on—

(A) the date on which the Automated Commercial Environment will be ready to process drawback claims; and

(B) the date on which the Automated Export System will be ready to accept proof of exportation under subsection (i) of section 313 of the Tariff Act of 1930, as amended by subsection (d) of this section.

(3) TRANSITION RULE.—During the one-year period beginning on the date that is 2 years after the date of the enactment of this Act, a person may elect to file a claim for drawback under—

(A) section 313 of the Tariff Act of 1930, as amended by this section; or

(B) section 313 of the Tariff Act of 1930, as in effect on the day before the date of the enactment of this Act.

**SEC. 907. REPORT ON CERTAIN U.S. CUSTOMS AND BORDER PROTECTION AGREEMENTS.**

(a) IN GENERAL.—Not later than one year after entering into an agreement under a program specified in subsection (b), and annually thereafter until the termination of the program, the Commissioner shall submit to the Committee on Finance and the Committee on Homeland Security and Governmental Affairs of the Senate and the Committee on Ways and Means and the Committee on Homeland Security of the House of Representatives a report that includes the following:

(1) A description of the development of the program, including an identification of the authority under which the program operates.

(2) A description of the type of entity with which U.S. Customs and Border Protection entered into the agreement and the amount that entity reimbursed U.S. Customs and Border Protection under the agreement.

(3) An identification of the type of port of entry to which the agreement relates and an assessment of how the agreement provides economic benefits and security benefits (if applicable) at the port of entry.

(4) A description of the services provided by U.S. Customs and Border Protection under the

agreement during the year preceding the submission of the report.

(5) The amount of fees collected under the agreement during that year.

(6) The total operating expenses of the program during that year.

(7) A detailed accounting of how the fees collected under the agreement have been spent during that year.

(8) A summary of any complaints or criticism received by U.S. Customs and Border Protection during that year regarding the agreement.

(9) An assessment of the compliance of the entity described in paragraph (2) with the terms of the agreement.

(10) Recommendations with respect to how activities conducted pursuant to the agreement could function more effectively or better produce economic benefits and security benefits (if applicable).

(11) A summary of the benefits to and challenges faced by U.S. Customs and Border Protection and the entity described in paragraph (2) under the agreement.

(12) If the entity described in paragraph (2) is an operator of an airport—

(A) a detailed account of the revenue collected by U.S. Customs and Border Protection at the airport from—

(i) fees collected under the agreement; and

(ii) fees collected from sources other than under the agreement, including fees paid by passengers and air carriers; and

(B) an assessment of the revenue described in subparagraph (A) compared with the operating costs of U.S. Customs and Border Protection at the airport.

(b) PROGRAM SPECIFIED.—A program specified in this subsection is—

(1) the program for entering into reimbursable fee agreements for the provision of U.S. Customs and Border Protection services established by section 560 of the Department of Homeland Security Appropriations Act, 2013 (division D of Public Law 113–6; 127 Stat. 378);

(2) the pilot program authorizing U.S. Customs and Border Protection to enter into partnerships with private sector and government entities at ports of entry established by section 559 of the Department of Homeland Security Appropriations Act,

2014 (division F of Public Law 113–76; 6 U.S.C. 211 note);

(3) the program under which U.S. Customs and Border Protection collects a fee for the use of customs services at designated facilities under section 236 of the Trade and Tariff Act of 1984 (19 U.S.C. 58b); or

(4) the program established by subtitle B of title VIII of this Act authorizing U.S. Customs and Border Protection to establish preclearance operations in foreign countries.

**SEC. 908. CHARTER FLIGHTS.**

Section 13031(e)(1) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(e)(1)) is amended—

(1) by striking ''(1) Notwithstanding section 451 of the Tariff Act of 1930 (19 U.S.C. 1451) or any other provision of law (other than paragraph (2))'' and inserting the following:

''(1)(A) Notwithstanding section 451 of the Tariff Act of 1930 (19 U.S.C. 1451) or any other provision of law (other than subparagraph (B) and paragraph (2))''; and

(2) by adding at the end the following:

''(B)(i) An appropriate officer of U.S. Customs and Border Protection may assign a sufficient number of employees of U.S. Customs and Border Protection (if available) to perform services described in clause (ii) for a charter air carrier (as defined in section 40102 of title 49, United States Code) for a charter flight arriving after normal operating hours at an airport that is an established port of entry serviced by U.S. Customs and Border Protection, notwithstanding that overtime funds for those services are not available, if the charter air carrier—

''(I) not later than 4 hours before the flight arrives, specifically requests that such services be provided; and

''(II) pays any overtime fees incurred in connection with such services.

''(ii) Services described in this clause are customs services for passengers and their baggage or any other similar service that could lawfully be performed during regular hours of operation.''.

**SEC. 909. UNITED STATES-ISRAEL TRADE AND COMMERCIAL ENHANCEMENT.**

(a) FINDINGS.—Congress finds the following:

(1) Israel is America's dependable, democratic ally in the Middle East—an area of paramount strategic importance to the United States.

(2) The United States-Israel Free Trade Agreement formed the modern foundation of the bilateral commercial relationship between the two countries and was the first such agreement signed by the United States with a foreign country.

(3) The United States-Israel Free Trade Agreement has been instrumental in expanding commerce and the strategic relationship between the United States and Israel.

(4) More than $45,000,000,000 in goods and services is traded annually between the two countries, in addition to roughly $10,000,000,000 in United States foreign direct investment in Israel.

(5) The United States continues to look for and find new opportunities to enhance cooperation with Israel, including through the enactment of the United States-Israel Enhanced Security Cooperation Act of 2012 (Public Law 112–150; 22 U.S.C. 8601 et seq.) and the United States-Israel Strategic Partnership Act of 2014 (Public Law 113–296; 128 Stat. 4075).

(6) It has been the policy of the United States Government to combat all elements of the Arab League Boycott of Israel by—

(A) public statements of Administration officials;

(B) enactment of relevant sections of the Export Administration Act of 1979 (50 U.S.C. 4601 et seq.) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)), including sections to ensure foreign persons comply with applicable reporting requirements relating to the Boycott;

(C) enactment of the Tax Reform Act of 1976 (Public Law 94–455; 90 Stat. 1520) that denies certain tax benefits to entities abiding by the Boycott;

(D) ensuring through free trade agreements with Bahrain and Oman that such countries no longer participate in the Boycott; and

(E) ensuring as a condition of membership in the World Trade Organization that Saudi Arabia no longer enforces the secondary or tertiary elements of the Boycott.

(b) STATEMENTS OF POLICY.—Congress—

(1) supports the strengthening of economic cooperation between the United States and Israel and

recognizes the tremendous strategic, economic, and technological value of cooperation with Israel;

(2) recognizes the benefit of cooperation with Israel to United States companies, including by improving American competitiveness in global markets;

(3) recognizes the importance of trade and commercial relations to the pursuit and sustainability of peace, and supports efforts to bring together the United States, Israel, the Palestinian territories, and others in enhanced commerce;

(4) opposes politically motivated actions that penalize or otherwise limit commercial relations specifically with Israel, such as boycotts of, divestment from, or sanctions against Israel;

(5) notes that boycotts of, divestment from, and sanctions against Israel by governments, governmental bodies, quasi-governmental bodies, international organizations, and other such entities are contrary to principle of nondiscrimination under the GATT 1994 (as defined in section 2(1)(B) of the Uruguay Round Agreements Act (19 U.S.C. 3501(1)(B)));

(6) encourages the inclusion of politically motivated actions that penalize or otherwise limit commercial relations specifically with Israel such as boy-

cotts of, divestment from, or sanctions against Israel as a topic of discussion at the U.S.-Israel Joint Economic Development Group (JEDG) to support the strengthening of the United States-Israel commercial relationship and combat any commercial discrimination against Israel; and

(7) supports efforts to prevent investigations or prosecutions by governments or international organizations of United States persons solely on the basis of such persons doing business with Israel, with Israeli entities, or in any territory controlled by Israel.

(c) PRINCIPAL TRADE NEGOTIATING OBJECTIVES OF THE UNITED STATES.—

(1) COMMERCIAL PARTNERSHIPS.—Among the principal trade negotiating objectives of the United States for proposed trade agreements with foreign countries regarding commercial partnerships are the following:

(A) To discourage actions by potential trading partners that directly or indirectly prejudice or otherwise discourage commercial activity solely between the United States and Israel.

(B) To discourage politically motivated boycotts of, divestment from, and sanctions

against Israel and to seek the elimination of politically motivated nontariff barriers on Israeli goods, services, or other commerce imposed on Israel.

(C) To seek the elimination of state-sponsored unsanctioned foreign boycotts of Israel, or compliance with the Arab League Boycott of Israel, by prospective trading partners.

(2) EFFECTIVE DATE.—This subsection takes effect on the date of the enactment of this Act and applies with respect to negotiations commenced before, on, or after such date of enactment.

(d) REPORT ON POLITICALLY MOTIVATED ACTS OF BOYCOTT OF, DIVESTMENT FROM, AND SANCTIONS AGAINST ISRAEL.—

(1) IN GENERAL.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter, the President shall submit to Congress a report on politically motivated boycotts of, divestment from, and sanctions against Israel.

(2) MATTERS TO BE INCLUDED.—The report required by paragraph (1) shall include the following:

(A) A description of the establishment of barriers to trade, including nontariff barriers,

investment, or commerce by foreign countries or international organizations against United States persons operating or doing business in Israel, with Israeli entities, or in Israeli-controlled territories.

(B) A description of specific steps being taken by the United States to encourage foreign countries and international organizations to cease creating such barriers and to dismantle measures already in place, and an assessment of the effectiveness of such steps.

(C) A description of specific steps being taken by the United States to prevent investigations or prosecutions by governments or international organizations of United States persons solely on the basis of such persons doing business with Israel, with Israeli entities, or in Israeli-controlled territories.

(D) Decisions by foreign persons, including corporate entities and state-affiliated financial institutions, that limit or prohibit economic relations with Israel or persons doing business in Israel or in any territory controlled by Israel.

(e) CERTAIN FOREIGN JUDGMENTS AGAINST UNITED STATES PERSONS.—Notwithstanding any other

provision of law, no domestic court shall recognize or enforce any foreign judgment entered against a United States person that conducts business operations in Israel, or any territory controlled by Israel, if the domestic court determines that the foreign judgment is based, in whole or in part, on a determination by a foreign court that the United States person's conducting business operations in Israel or any territory controlled by Israel or with Israeli entities constitutes a violation of law.

(f) DEFINITIONS.—In this section:

(1) BOYCOTT OF, DIVESTMENT FROM, AND SANCTIONS AGAINST ISRAEL.—The term ''boycott of, divestment from, and sanctions against Israel'' means actions by states, nonmember states of the United Nations, international organizations, or affiliated agencies of international organizations that are politically motivated and are intended to penalize or otherwise limit commercial relations specifically with Israel or persons doing business in Israel or in any territory controlled by Israel.

(2) DOMESTIC COURT.—The term ''domestic court'' means a Federal court of the United States, or a court of any State or territory of the United States or of the District of Columbia.

(3) FOREIGN COURT.—The term ''foreign court'' means a court, an administrative body, or other tribunal of a foreign country.

(4) FOREIGN JUDGMENT.—The term ''foreign judgment'' means a final civil judgment rendered by a foreign court.

(5) FOREIGN PERSON.—The term ''foreign person'' means—

(A) an individual who is not a United States person or an alien lawfully admitted for permanent residence into the United States; or

(B) a corporation, partnership, or other nongovernmental entity which is not a United States person.

(6) PERSON.—

(A) IN GENERAL.—The term ''person'' means—

(i) a natural person;

(ii) a corporation, business association, partnership, society, trust, financial institution, insurer, underwriter, guarantor, and any other business organization, any other nongovernmental entity, organization, or group, and any governmental entity operating as a business enterprise; and

(iii) any successor to any entity described in clause (ii).

(B) APPLICATION TO GOVERNMENTAL ENTITIES.—The term ''person'' does not include a government or governmental entity that is not operating as a business enterprise.

(7) UNITED STATES PERSON.—The term ''United States person'' means—

(A) a natural person who is a national of the United States (as defined in section 101(a)(22) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(22))); or

(B) a corporation or other legal entity that is organized under the laws of the United States, any State or territory thereof, or the District of Columbia, if natural persons described in subparagraph (A) own, directly or indirectly, more than 50 percent of the outstanding capital stock or other beneficial interest in such legal entity.

**SEC. 910. ELIMINATION OF CONSUMPTIVE DEMAND EXCEPTION TO PROHIBITION ON IMPORTATION OF GOODS MADE WITH CONVICT LABOR, FORCED LABOR, OR INDENTURED LABOR; REPORT.**

(a) ELIMINATION OF CONSUMPTIVE DEMAND EXCEPTION.—

(1) IN GENERAL.—Section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) is amended by striking ''The provisions of this section'' and all that follows through ''of the United States.''.

(2) EFFECTIVE DATE.—The amendment made by paragraph (1) shall take effect on the date that is 15 days after the date of the enactment of this Act.

(b) REPORT REQUIRED.—Not later than 180 days after the date of the enactment of this Act, and annually thereafter, the Commissioner shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on compliance with section 307 of the Tariff Act of 1930 (19 U.S.C. 1307) that includes the following:

(1) The number of instances in which merchandise was denied entry pursuant to that section during the 1-year period preceding the submission of the report.

(2) A description of the merchandise denied entry pursuant to that section.

(3) Such other information as the Commissioner considers appropriate with respect to monitoring and enforcing compliance with that section.

**SEC. 911. VOLUNTARY RELIQUIDATIONS BY U.S. CUSTOMS AND BORDER PROTECTION.**

Section 501 of the Tariff Act of 1930 (19 U.S.C. 1501) is amended—

(1) in the section heading, by striking ''**THE CUSTOMS SERVICE**'' and inserting ''**U.S. CUSTOMS AND BORDER PROTECTION**'';

(2) by striking ''the Customs Service'' and inserting ''U.S. Customs and Border Protection''; and

(3) by striking ''on which notice of the original liquidation is given or transmitted to the importer, his consignee or agent'' and inserting ''of the original liquidation''.

**SEC. 912. TARIFF CLASSIFICATION OF RECREATIONAL PERFORMANCE OUTERWEAR.**

(a) REPEAL.—Section 601 of the Trade Preferences Extension Act of 2015 (Public Law 114–27; 129 Stat. 387) is repealed, and any provision of law amended by such section is restored as if such section had not been enacted into law.

(b) AMENDMENTS TO ADDITIONAL U.S. NOTES.—The additional U.S. notes to chapter 62 of the Harmonized Tariff Schedule of the United States are amended—

(1) in additional U.S. note 2—

(A) by striking ''For the purposes of subheadings'' and all that follows through ''6211.20.15'' and inserting ''For the purposes of subheadings 6201.92.17, 6201.92.35, 6201.93.47, 6201.93.60, 6202.92.05, 6202.92.30, 6202.93.07, 6202.93.48, 6203.41.01, 6203.41.25, 6203.43.03, 6203.43.11, 6203.43.55, 6203.43.75, 6204.61.05, 6204.61.60, 6204.63.02, 6204.63.09, 6204.63.55, 6204.63.75 and 6211.20.15'';

(B) by striking ''(see ASTM designations D 3600-81 and D 3781-79)'' and inserting ''(see current version of ASTM D7017)''; and

(C) by striking ''in accordance with AATCC Test Method 35-1985.'' and inserting ''in accordance with the current version of AATCC Test Method 35.''; and

(2) by adding at the end the following new note:

''3. (a) When used in a subheading of this chapter or immediate superior text thereto, the term 'recreational performance outerwear' means trousers (including, but not limited to, ski or snowboard pants, and ski or snowboard pants intended for sale as parts of ski-suits), coveralls, bib and brace overalls, jackets (including, but not limited to, full zip jackets, ski jackets and ski jackets intended for sale as parts of ski-suits), windbreakers and similar articles (including padded, sleeveless jackets), the foregoing of fabrics of cotton, wool, hemp, bamboo, silk or manmade fibers, or a combination of such fibers; that are either water resistant within the meaning of additional U.S. note 2 to this chapter or treated with plastics, or both; with critically sealed seams, and with 5 or more of the following features (as further provided herein):

''(i) insulation for cold weather protection;

''(ii) pockets, at least one of which has a zippered, hook and loop, or other type of closure;

''(iii) elastic, draw cord or other means of tightening around the waist or leg hems, including hidden leg sleeves with a means of tightening at the ankle for trousers and tightening around the waist or bottom hem for jackets;

''(iv) venting, not including grommet(s);

''(v) articulated elbows or knees;

''(vi) reinforcement in one of the following areas: the elbows, shoulders, seat, knees, ankles or cuffs;

''(vii) weatherproof closure at the waist or front;

''(viii) multi-adjustable hood or adjustable collar;

''(ix) adjustable powder skirt, inner protective skirt or adjustable inner protective cuff at sleeve hem;

''(x) construction at the arm gusset that utilizes fabric, design or patterning to allow radial arm movement; or

''(xi) odor control technology.

The term 'recreational performance outerwear' does not include occupational outerwear.

''(b) For purposes of this note, the following terms have the following meanings:

''(i) The term 'treated with plastics' refers to textile fabrics impregnated, coated, covered or laminated with plastics, as described in note 2 to chapter 59.

''(ii) The term 'sealed seams' means seams that have been covered by means of taping, gluing, bonding, cementing, fusing, welding or a similar process

so that air and water cannot pass through the seams when tested in accordance with the current version of AATCC Test Method 35.

''(iii) The term 'critically sealed seams' means—

''(A) for jackets, windbreakers and similar articles (including padded, sleeveless jackets), sealed seams that are sealed at the front and back yokes, or at the shoulders, arm holes, or both, where applicable; and

''(B) for trousers, overalls and bib and brace overalls and similar articles, sealed seams that are sealed at the front (up to the zipper or other means of closure) and back rise.

''(iv) The term 'insulation for cold weather protection' means insulation that meets a minimum clo value of 1.5 per ASTM F 2732.

''(v) The term 'venting' refers to closeable or permanent constructed openings in a garment (excluding front, primary zipper closures and grommet(s)) to allow increased expulsion of built-up heat during outdoor activities. In a jacket, such openings are often positioned on the underarm seam of a garment but may also be placed along other seams in the front or back of a garment. In trousers, such

openings are often positioned on the inner or outer leg seams of a garment but may also be placed along other seams in the front or back of a garment.

''(vi) The term 'articulated elbows or knees' refers to the construction of a sleeve (or pant leg) to allow improved mobility at the elbow (or knee) through the use of extra seams, darts, gussets or other means.

''(vii) The term 'reinforcement' refers to the use of a double layer of fabric or section(s) of fabric that is abrasion-resistant or otherwise more durable than the face fabric of the garment.

''(viii) The term 'weatherproof closure' means a closure (including, but not limited to, laminated or coated zippers, storm flaps or other weatherproof construction) that has been reinforced or engineered in a manner to reduce the penetration or absorption of moisture or air through an opening in the garment.

''(ix) The term 'multi-adjustable hood or adjustable collar' means, in the case of a hood, a hood into which is incorporated two or more draw cords, adjustment tabs or elastics, or, in the case of a collar, a collar into which is incorporated at least one draw cord, adjustment tab, elastic or similar compo-

nent, to allow volume adjustments around a helmet, or the crown of the head, neck or face.

''(x) The terms 'adjustable powder skirt' and 'inner protective skirt' refer to a partial lower inner lining with means of tightening around the waist for additional protection from the elements.

''(xi) The term 'arm gusset' means construction at the arm of a gusset that utilizes an extra fabric piece in the underarm, usually diamond- or triangular-shaped, designed or patterned to allow radial arm movement.

''(xii) The term 'radial arm movement' refers to unrestricted, 180-degree range of motion for the arm while wearing performance outerwear.

''(xiii) The term 'odor control technology' means the incorporation into a fabric or garment of materials, including, but not limited to, activated carbon, silver, copper or any combination thereof, capable of adsorbing, absorbing or reacting with human odors, or effective in reducing the growth of odor-causing bacteria.

''(xiv) The term 'occupational outerwear' means outerwear garments, including uniforms, of a kind principally used in the work place and specially designed to provide protection from work place hazards

such as fire, electrical, abrasion or chemical hazards, or impacts, cuts and punctures.

''(c) The importer of goods entered as 'recreational performance outerwear' under a particular subheading of this chapter shall maintain records demonstrating that the entered goods meet the terms of this note, including such information as is necessary to demonstrate the presence of the specific features that render the goods eligible for classification as 'recreational performance outerwear'.''.

(c) TARIFF CLASSIFICATIONS.—Chapter 62 of the Harmonized Tariff Schedule of the United States is amended as follows:

(1)(A) By striking subheadings 6201.91.10 through 6201.91.20 and inserting the following, with the superior text to subheading 6201.91.03 having the same degree of indentation as the article description for subheading 6201.91.10 (as in effect on the day before the effective date of this section):

| | | | | | |
|---|---|---|---|---|---|
| " | | Recreational performance outerwear: | | | |
| | 6201.91.03 | Padded, sleeveless jackets .. | 8.5% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 2.5% (OM) | 58.5% |
| | 6201.91.05 | Other ..... | 49.7¢/kg + 19.7% | Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 14.9¢/kg +5.9% (OM) | 52.9¢/kg + 58.5% |
| | | Other: | | | |

| | | | | | |
|---|---|---|---|---|---|
| 6201.91.25 | Padded, sleeveless jackets .. | 8.5% | Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 2.5% (OM) | 58.5% | |
| 6201.91.40 | Other ..... | 49.7¢/kg + 19.7% | Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 14.9¢/kg +5.9% (OM) | 52.9¢/kg + 58.5% | ". |

(B) The staged reductions in the special rate of duty proclaimed for subheading 6201.91.10 of the Harmonized Tariff Schedule of the United States before the effective date of this section shall apply to subheadings 6201.91.03 and 6201.91.25 of such Schedule, as added by subparagraph (A), on and after such effective date.

(C) The staged reductions in the special rate of duty proclaimed for subheading 6201.91.20 of such Schedule before the effective date of this section shall apply to subheadings 6201.91.05 and 6201.91.40 of such Schedule, as added by subparagraph (A), on and after such effective date.

(2) By striking subheadings 6201.92.10 through 6201.92.20 and inserting the following, with the superior text to subheading 6201.92.05 having the same degree of indentation as the article description for subheading 6201.92.10 (as in effect on the day before the effective date of this section):

| | | | | | |
|---|---|---|---|---|---|
| " | | Recreational performance outerwear: | | | |
| | 6201.92.05 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down ..... | 4.4% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 60% |
| | | Other: | | | |

| | | | | | |
|---|---|---|---|---|---|
| 6201.92.17 | Water resistant | 6.2% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 37.5% | |
| 6201.92.19 | Other | 9.4% | Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 90% | |
| | Other: | | | | |
| 6201.92.30 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down | 4.4% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 60% | |
| | Other: | | | | |
| 6201.92.35 | Water resistant | 6.2% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 37.5% | |
| 6201.92.45 | Other | 9.4% | Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 90% | ". |

(3) By striking subheadings 6201.93.10 through 6201.93.35 and inserting the following, with the superior text to subheading 6201.93.15 having the same degree of indentation as the article description for subheading 6201.93.10 (as in effect on the day before the effective date of this section):

"

| | | | | |
|---|---|---|---|---|
| | Recreational performance outerwear: | | | |
| 6201.93.15 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down ..... | 4.4% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 60% |
| | Other: | | | |
| 6201.93.18 | Padded, sleeveless jackets | 14.9% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 76% |
| | Other: | | | |
| 6201.93.45 | Containing 36 percent or more by weight of wool or fine animal hair ..... | 49.5¢/kg + 19.6% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 52.9¢/kg + 58.5% |
| | Other: | | | |
| 6201.93.47 | Water resistant ..... | 7.1% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 65% |
| 6201.93.49 | Other ..... | 27.7% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 90% |
| | Other: | | | |

| | | | | | |
|---|---|---|---|---|---|
| 6201.93.50 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down ..... | 4.4% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 60% | |
| | Other: | | | | |
| 6201.93.52 | Padded, sleeveless jackets | 14.9% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 76% | |
| | Other: | | | | |
| 6201.93.55 | Containing 36 percent or more by weight of wool or fine animal hair ..... | 49.5¢/kg + 19.6% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 52.9¢/kg + 58.5% | |
| | Other: | | | | |
| 6201.93.60 | Water resistant ..... | 7.1% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 65% | |
| 6201.93.65 | Other ..... | 27.7% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 90% | ". |

(4) By striking subheadings 6201.99.10 through 6201.99.90 and inserting the following, with the superior text to subheading 6201.99.05 having the same degree of indentation as the article description for subheading 6201.99.10 (as in effect on the day before the effective date of this section):

| | | | | | | |
|---|---|---|---|---|---|---|
| " | | Recreational performance outerwear: | | | | |
| | 6201.99.05 | Containing 70 percent or more by weight of silk or silk waste .... | Free | | 35% | |
| | 6201.99.15 | Other ..... | 4.2% | Free (AU,BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 35% | |
| | | Other: | | | | |
| | 6201.99.50 | Containing 70 percent or more by weight of silk or silk waste .... | Free | | 35% | |
| | 6201.99.80 | Other ..... | 4.2% | Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 35% | ". |

(5)(A) By striking subheadings 6202.91.10 through 6202.91.20 and inserting the following, with the superior text to subheading 6202.91.03 having the same degree of indentation as the article description for subheading 6202.91.10 (as in effect on the day before the effective date of this section):

| | | | | | |
|---|---|---|---|---|---|
| " | | Recreational performance outerwear: | | | |
| | 6202.91.03 | Padded, sleeveless jackets ..... | 14% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 4.2% (OM) | 58.5% |
| | 6202.91.15 | Other ..... | 36¢/kg + 16.3% | Free (AU,BH,CA, CL,CO,IL,JO,KR, MA,MX,P, PA,PE,SG) 10.8¢/kg + 4.8% (OM). | 46.3¢/kg +58.5% |
| | | Other: | | | |

| | | | | | |
|---|---|---|---|---|---|
| 6202.91.60 | Padded, sleeveless jackets | 14% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 4.2% (OM) | 58.5% | |
| 6202.91.90 | Other | 36¢/kg + 16.3% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 10.8¢/kg + 4.8% (OM) | 46.3¢/kg + 58.5% | ". |

(B) The staged reductions in the special rate of duty proclaimed for subheading 6202.91.10 of the Harmonized Tariff Schedule of the United States before the effective date of this section shall apply to subheadings 6202.91.03 and 6202.91.60 of such Schedule, as added by subparagraph (A), on and after such effective date.

(C) The staged reductions in the special rate of duty proclaimed for subheading 6202.91.20 of such Schedule before the effective date of this section shall apply to subheadings 6202.91.15 and 6202.91.90 of such Schedule, as added by subparagraph (A), on and after such effective date.

(6) By striking subheadings 6202.92.10 through 6202.92.20 and inserting the following, with the superior text to subheading 6202.92.03 having the same degree of indentation as the article description for subheading 6202.92.10 (as in effect on the day before the effective date of this section):

"

| | | | | |
|---|---|---|---|---|
| | Recreational performance outerwear: | | | |
| 6202.92.03 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down ..... | 4.4% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 60% |
| | Other: | | | |
| 6202.92.05 | Water resistant ..... | 6.2% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 37.5% |
| 6202.92.12 | Other ..... | 8.9% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX,OM, P, PA,PE, SG) | 90% |
| | Other: | | | |
| 6202.92.25 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down ..... | 4.4% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 60% |
| | Other: | | | |
| 6202.92.30 | Water resistant ..... | 6.2% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 37.5% |
| 6202.92.90 | Other ..... | 8.9% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 90% |

".

(7) By striking subheadings 6202.93.10 through 6202.93.50 and inserting the following, with

the superior text to subheading 6202.93.01 having the same degree of indentation as the article description for subheading 6202.93.10 (as in effect on the day before the effective date of this section):

| | | | | | |
|---|---|---|---|---|---|
| " | | Recreational performance outerwear: | | | |
| | 6202.93.01 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down ..... | 4.4% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 60% |
| | | Other: | | | |
| | 6202.93.03 | Padded, sleeveless jackets | 14.9% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 76% |
| | | Other: | | | |
| | 6202.93.05 | Containing 36 percent or more by weight of wool or fine animal hair ..... | 43.4¢/kg + 19.7% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 46.3¢/kg + 58.5% |
| | | Other: | | | |
| | 6202.93.07 | Water resistant ..... | 7.1% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 65% |
| | 6202.93.09 | Other ..... | 27.7% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 90% |
| | | Other: | | | |
| | 6202.93.15 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down ..... | 4.4% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 60% |
| | | Other: | | | |

| | | | | | |
|---|---|---|---|---|---|
| 6202.93.25 | Padded, sleeveless jackets | 14.9% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 76% | |
| | Other: | | | | |
| 6202.93.45 | Containing 36 percent or more by weight of wool or fine animal hair | 43.4¢/kg + 19.7% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 46.3¢/kg + 58.5% | |
| | Other: | | | | |
| 6202.93.48 | Water resistant | 7.1% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 65% | |
| 6202.93.55 | Other | 27.7% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 90% | ". |

(8) By striking subheadings 6202.99.10 through 6202.99.90 and inserting the following, with the superior text to subheading 6202.99.03 having the same degree of indentation as the article description for subheading 6202.99.10 (as in effect on the day before the effective date of this section):

| | | | | | |
|---|---|---|---|---|---|
| " | | Recreational performance outerwear: | | | |
| | 6202.99.03 | Containing 70 percent or more by weight of silk or silk waste | Free | | 35% |
| | 6202.99.15 | Other | 2.8% | Free (AU,BH, CA, CL, CO, E*, IL, JO, KR, MA,MX, OM, P, PA, PE,SG) | 35% |
| | | Other: | | | |
| | 6202.99.60 | Containing 70 percent or more by weight of silk or silk waste | Free | | 35% |
| | 6202.99.80 | Other | 2.8% | Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 35% ". |

(9)(A) By striking subheadings 6203.41 through 6203.41.20 and inserting the following, with the article description for subheading 6203.41 having the same degree of indentation as the article description for subheading 6203.41 (as in effect on the day before the effective date of this section):

| | | | | | |
|---|---|---|---|---|---|
| " | 6203.41 | Of wool or fine animal hair: | | | |
| | | Recreational performance outerwear: | | | |
| | | Trousers, breeches and shorts: | | | |
| | 6203.41.01 | Trousers, breeches, containing elastomeric fiber, water resistant, without belt loops, weighing more than 9 kg per dozen ..... | 7.6% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 2.2% (OM) | 52.9¢/kg + 58.5% |
| | | Other: | | | |
| | 6203.41.03 | Trousers of worsted wool fabric, made of wool yarn having an average fiber diameter of 18.5 microns or less ..... | 41.9¢/kg + 16.3% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 12.5¢/kg + 4.8% (OM) | 52.9¢/kg +58.5% |
| | 6203.41.06 | Other ..... | 41.9¢/kg + 16.3% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 12.5¢/kg + 4.8% (OM) | 52.9¢/kg + 58.5% |
| | 6203.41.08 | Bib and brace overalls .... | 8.5% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE, SG) 2.5% (OM) | 63% |
| | | Other: | | | |
| | | Trousers, breeches and shorts: | | | |

| | | | | | |
|---|---|---|---|---|---|
| 6203.41.25 | Trousers and breeches, containing elastomeric fiber, water resistant, without belt loops, weighing more than 9 kg per dozen ..... | 7.6% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 2.2% (OM) | 52.9¢/kg +58.5% | |
| | Other: | | | | |
| 6203.41.30 | Trousers of worsted wool fabric, made of wool yarn having an average fiber diameter of 18.5 microns or less ..... | 41.9¢/kg +16.3% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 12.5¢/kg + 4.8% (OM) | 52.9¢/kg +58.5% | |
| 6203.41.60 | Other ..... | 41.9¢/kg +16.3% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 12.5¢/kg + 4.8% (OM) | 52.9¢/kg +58.5% | |
| 6203.41.80 | Bib and brace overalls .... | 8.5% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, P, PA, PE,SG) 2.5% (OM) | 63% | ". |

(B) The staged reductions in the special rate of duty proclaimed for subheading 6203.41.05 of the Harmonized Tariff Schedule of the United States before the effective date of this section shall apply to subheadings 6203.41.01 and 6203.41.25 of such Schedule, as added by subparagraph (A), on and after such effective date.

(C) The staged reductions in the special rate of duty proclaimed for subheading 6203.41.12 of such Schedule before the effective date of this section shall apply to subheadings 6203.41.03 and

6203.41.30 of such Schedule, as added by subparagraph (A), on and after such effective date.

(D) The staged reductions in the special rate of duty proclaimed for subheading 6203.41.18 of such Schedule before the effective date of this section shall apply to subheadings 6203.41.06 and 6203.41.60 of such Schedule, as added by subparagraph (A), on and after such effective date.

(E) The staged reductions in the special rate of duty proclaimed for subheading 6203.41.20 of such Schedule before the effective date of this section shall apply to subheadings 6203.41.08 and 6203.41.80 of such Schedule, as added by subparagraph (A), on and after such effective date.

(10)(A) By striking subheadings 6203.42.10 through 6203.42.40 and inserting the following, with the superior text to subheading 6203.42.03 having the same degree of indentation as the article description for subheading 6203.42.10 (as in effect on the day before the effective date of this section):

| | | | | | |
|---|---|---|---|---|---|
| " | | Recreational performance outerwear: | | | |
| | 6203.42.03 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down ..... | Free | | 60% |
| | | Other: | | | |
| | 6203.42.05 | Bib and brace overalls ..... | 10.3% | Free (AU,BH, CA, CL,CO, IL, JO,KR, MA,MX,OM, P, PA,PE, SG) | 90% |

| | | | | | |
|---|---|---|---|---|---|
| 6203.42.07 | Other ..... | 16.6% | Free (AU,BH, CA, CL,CO, IL, JO, MA,MX,OM, P, PA,PE, SG) 9.9% (KR) | 90% | |
| | Other: | | | | |
| 6203.42.17 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down ..... | Free | | 60% | |
| | Other: | | | | |
| 6203.42.25 | Bib and brace overalls ..... | 10.3% | Free (AU,BH, CA, CL,CO, IL, JO,KR, MA,MX,OM, P, PA,PE, SG) | 90% | |
| 6203.42.45 | Other ..... | 16.6% | Free (AU,BH, CA, CL,CO, IL, JO, MA, MX, OM, P, PA,PE, SG) 9.9% (KR) | 90% | ". |

(B) The staged reductions in the special rate of duty proclaimed for subheading 6203.42.40 of the Harmonized Tariff Schedule of the United States before the effective date of this section shall apply to subheadings 6203.42.07 and 6203.42.45 of such Schedule, as added by subparagraph (A), on and after such effective date.

(11)(A) By striking subheadings 6203.43.10 through 6203.43.40 and inserting the following, with the superior text to subheading 6203.43.01 having the same degree of indentation as the article description for subheading 6203.43.10 (as in effect on the day before the effective date of this section):

| | | | | | |
|---|---|---|---|---|---|
| " | | Recreational performance outerwear: | | | |
| | 6203.43.01 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down | Free | | 60% |
| | | Other: | | | |
| | | Bib and brace overalls: | | | |
| | 6203.43.03 | Water resistant | 7.1% | Free (AU,BH, CA, CL, CO, IL, JO, KR, MA,MX,OM, P, PA,PE,SG) | 65% |
| | 6203.43.05 | Other | 14.9% | Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX,OM, P, PA, PE,SG) | 76% |
| | | Other: | | | |
| | 6203.43.09 | Containing 36 percent or more by weight of wool or fine animal hair | 49.6¢/kg + 19.7% | Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX,OM, P, PA,PE,SG) | 52.9¢/kg + 58.5% |
| | | Other: | | | |
| | 6203.43.11 | Water resistant trousers or breeches | 7.1% | Free (AU,BH, CA, CL, CO, IL, JO, MA, MX,OM, P, PA,PE,SG) 1.4% (KR) | 65% |
| | 6203.43.13 | Other | 27.9% | Free (AU,BH, CA, CL, CO, IL, JO, MA, MX,OM, P, PA, PE,SG) 5.5% (KR) | 90% |
| | | Other: | | | |
| | 6203.43.45 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down | Free | | 60% |
| | | Other: | | | |
| | | Bib and brace overalls: | | | |

| | | | | | |
|---|---|---|---|---|---|
| 6203.43.55 | Water resistant ..... | 7.1% | Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX,OM, P, PA, PE,SG) | 65% | |
| 6203.43.60 | Other ..... | 14.9% | Free (AU,BH, CA, CL, CO,IL,JO, KR, MA, MX,OM, P, PA, PE,SG) | 76% | |
| | Other: | | | | |
| 6203.43.65 | Certified hand-loomed and folklore products ..... | 12.2% | Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX,OM, P, PA, PE,SG) | 76% | |
| | Other: | | | | |
| 6203.43.70 | Containing 36 percent or more by weight of wool or fine animal hair ..... | 49.6¢/kg + 19.7% | Free (AU,BH, CA, CL, CO, IL, JO, KR, MA, MX,OM, P, PA, PE,SG) | 52.9¢/kg + 58.5% | |
| | Other: | | | | |
| 6203.43.75 | Water resistant trousers or breeches ..... | 7.1% | Free (AU,BH, CA, CL, CO, IL, JO, MA, MX,OM, P, PA,PE,SG) 1.4% (KR) | 65% | |
| 6203.43.90 | Other ..... | 27.9% | Free (AU,BH, CA, CL, CO, IL, JO, MA, MX,OM, P, PA, PE,SG) 5.5% (KR) | 90% | ". |

(B) The staged reductions in the special rate of duty proclaimed for subheading 6203.43.35 of the Harmonized Tariff Schedule of the United States before the effective date of this section shall apply to subheadings 6203.43.11 and 6203.43.75 of such Schedule, as added by subparagraph (A), on and after such effective date.

(C) The staged reductions in the special rate of duty proclaimed for subheading 6203.43.40 of such Schedule before the effective date of this section shall apply to subheadings 6203.43.13 and 6203.43.90 of such Schedule, as added by subparagraph (A), on and after such effective date.

(12)(A) By striking subheadings 6203.49.10 through 6203.49.80 and the immediate superior text to subheading 6203.49.10, and inserting the following, with the superior text to subheading 6203.49.01 having the same degree of indentation as the article description for subheading 6203.49.10 (as in effect on the day before the effective date of this section):

| | | | | | | |
|---|---|---|---|---|---|---|
| " | | Recreational performance outerwear: | | | | |
| | | Of artificial fibers: | | | | |
| | 6203.49.01 | Bib and brace overalls ..... | 8.5% | Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX,OM, P, PA,PE, SG) | 76% | |
| | 6203.49.05 | Trousers, breeches and shorts ..... | 27.9% | Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX,OM, P,PA,PE, SG) | 90% | |

| | | | | | |
|---|---|---|---|---|---|
| | Of other textile materials: ..... | | | | |
| 6203.49.07 | Containing 70 percent or more by weight of silk or silk waste ..... | Free | | 35% | |
| 6203.49.09 | Other ..... | 2.8% | Free (AU,BH, CA, CL, CO, E*, IL, JO,MA, MX,OM, P, PA,PE, SG) 0.5% (KR) | 35% | |
| | Other: | | | | |
| | Of artificial fibers: | | | | |
| 6203.49.25 | Bib and brace overalls ..... | 8.5% | Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX,OM, P, PA,PE, SG) | 76% | |
| | Trousers, breeches and shorts: | | | | |
| 6203.49.35 | Certified hand-loomed and folklore products ..... | 12.2% | Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX,OM, P,PA,PE, SG) | 76% | |
| 6203.49.50 | Other ..... | 27.9% | Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX,OM, P,PA,PE, SG) | 90% | |
| | Of other textile materials: ..... | | | | |
| 6203.49.60 | Containing 70 percent or more by weight of silk or silk waste ..... | Free | | 35% | |
| 6203.49.90 | Other ..... | 2.8% | Free (AU,BH, CA, CL, CO, E*, IL, JO,MA, MX,OM, P,PA,PE, SG) 0.5% (KR) | 35% | ". |

(B) The staged reductions in the special rate of duty proclaimed for subheading 6203.49.80 of the Harmonized Tariff Schedule of the United States before the effective date of this section shall apply to subheadings 6203.49.09 and 6203.49.90 of such Schedule, as added by subparagraph (A), on and after such effective date.

(13)(A) By striking subheadings 6204.61.10 through 6204.61.90 and inserting the following, with the superior text to subheading 6204.61.05 having the same degree of indentation as the article description for subheading 6204.61.10 (as in effect on the day before the effective date of this section):

| | | | | | | |
|---|---|---|---|---|---|---|
| “ | | Recreational performance outerwear: | | | | |
| | 6204.61.05 | Trousers and breeches, containing elastomeric fiber, water resistant, without belt loops, weighing more than 6 kg per dozen | 7.6% | Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX, P, PA, PE, SG) 2.2% (OM) | 58.5% | |
| | 6204.61.15 | Other | 13.6% | Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX, P, PA, PE, SG) 4% (OM) | 58.5% | |
| | | Other: | | | | |
| | 6204.61.60 | Trousers and breeches, containing elastomeric fiber, water resistant, without belt loops, weighing more than 6 kg per dozen | 7.6% | Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX, P, PA, PE, SG) 2.2% (OM) | 58.5% | |
| | 6204.61.80 | Other | 13.6% | Free (AU,BH, CA, CL, CO, IL,JO, KR, MA, MX, P, PA, PE, SG) 4% (OM) | 58.5% | ”. |

(B) The staged reductions in the special rate of duty proclaimed for subheading 6204.61.10 of the Harmonized Tariff Schedule of the United States before the effective date of this section shall apply to subheadings 6204.61.05 and 6204.61.60 of such Schedule, as added by subparagraph (A), on and after such effective date.

(C) The staged reductions in the special rate of duty proclaimed for subheading 6204.61.90 of such Schedule before the effective date of this section shall apply to subheadings 6204.61.15 and 6204.61.80 of such Schedule, as added by subparagraph (A), on and after such effective date.

(14)(A) By striking subheadings 6204.62.10 through 6204.62.40 and inserting the following, with the superior text to subheading 6204.62.03 having the same degree of indentation as the article description for subheading 6204.62.10 (as in effect on the day before the effective date of this section):

| | | | | | | |
|---|---|---|---|---|---|---|
| "| | Recreational performance outerwear: | | | | |
| | 6204.62.03 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down ..... | Free | | 60% | |
| | | Other: | | | | |
| | 6204.62.05 | Bib and brace overalls ..... | 8.9% | Free (AU,BH, CA, CL,CO, IL, JO,KR, MA,MX, OM, P, PA, PE, SG) | 90% | |
| | 6204.62.15 | Other ..... | 16.6% | Free (AU,BH, CA, CL,CO, IL, JO, MA, MX,OM, P, PA,PE, SG) 9.9% (KR) | 90% | |
| | | Other: | | | | |
| | 6204.62.50 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down ..... | Free | | 60% | |
| | | Other: | | | | |
| | 6204.62.60 | Bib and brace overalls ..... | 8.9% | Free (AU,BH, CA, CL,CO, IL, JO,KR, MA,MX, OM, P, PA, PE, SG) | 90% | |
| | | Other: | | | | |
| | 6204.62.70 | Certified hand-loomed and folklore products ..... | 7.1% | Free (AU,BH, CA, CL,CO, E, IL, JO,KR, MA,MX, OM, P, PA, PE, SG) | 37.5% | |
| | 6204.62.80 | Other ..... | 16.6% | Free (AU,BH, CA, CL,CO, IL, JO, MA, MX,OM, P, PA,PE, SG) 9.9% (KR) | 90% | ". |

(B) The staged reductions in the special rate of duty proclaimed for subheading 6204.62.40 of the Harmonized Tariff Schedule of the United States before the effective date of this section shall apply to subheadings 6204.62.15 and 6204.62.80 of such Schedule, as added by subparagraph (A), on and after such effective date.

(15)(A) By striking subheadings 6204.63.10 through 6204.63.35 and inserting the following, with the superior text to subheading 6204.63.01 having the same degree of indentation as the article description for subheading 6204.63.10 (as in effect on the day before the effective date of this section):

| | | | | | |
|---|---|---|---|---|---|
| " | | Recreational performance outerwear: | | | |
| | 6204.63.01 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down | Free | | 60% |
| | | Other: | | | |
| | | Bib and brace overalls: | | | |
| | 6204.63.02 | Water resistant | 7.1% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, OM,P, PA,PE, SG) | 65% |
| | 6204.63.03 | Other | 14.9% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, OM,P, PA,PE, SG) | 76% |
| | | Other: | | | |
| | 6204.63.08 | Containing 36 percent or more by weight of wool or fine animal hair | 13.6% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX,OM,P, PA,PE, SG) | 58.5% |
| | | Other: | | | |

| | | | | | |
|---|---|---|---|---|---|
| 6204.63.09 | Water resistant trousers or breeches | 7.1% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX,OM,P, PA,PE, SG) | 65% | |
| 6204.63.11 | Other | 28.6% | Free (AU,BH,CA, CL,CO, IL,JO, MA,MX,OM,P, PA,PE, SG) 5.7% (KR) | 90% | |
| | Other: | | | | |
| 6204.63.50 | Containing 15 percent or more by weight of down and waterfowl plumage and of which down comprises 35 percent or more by weight; containing 10 percent or more by weight of down | Free | | 60% | |
| | Other: | | | | |
| | Bib and brace overalls: | | | | |
| 6204.63.55 | Water resistant | 7.1% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, OM,P, PA,PE, SG) | 65% | |
| 6204.63.60 | Other | 14.9% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, OM,P, PA,PE, SG) | 76% | |
| 6204.63.65 | Certified hand-loomed and folklore products | 11.3% | Free (AU, BH, CA, CL, CO, E, IL, JO,KR, MA,MX,OM,P, PA,PE, SG) | 76% | |
| | Other: | | | | |
| 6204.63.70 | Containing 36 percent or more by weight of wool or fine animal hair | 13.6% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, OM,P, PA,PE, SG) | 58.5% | |
| | Other: | | | | |
| 6204.63.75 | Water resistant trousers or breeches | 7.1% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, OM,P, PA,PE, SG) | 65% | |
| 6204.63.90 | Other | 28.6% | Free (AU, BH, CA, CL, CO,IL, JO, MA, MX,OM, P, PA, PE,SG) 5.7% (KR) | 90% | ". |

(B) The staged reductions in the special rate of duty proclaimed for subheading 6204.63.35 of the Harmonized Tariff Schedule of the United States

before the effective date of this section shall apply to subheadings 6204.63.11 and 6204.63.90 of such Schedule, as added by subparagraph (A), on and after such effective date.

(16) By striking subheadings 6204.69.10 through 6204.69.90 and the immediate superior text to subheading 6204.69.10, and inserting the following, with the first superior text having the same degree of indentation as the article description of subheading 6204.69.10 (as in effect on the day before the date of enactment of this Act):

| | | | | | |
|---|---|---|---|---|---|
| " | | Recreational performance outerwear: | | | |
| | | Of artificial fibers: | | | |
| | 6204.69.01 | Bib and brace overalls ..... | 13.6% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 76% |
| | | Trousers, breeches and shorts: | | | |
| | 6204.69.02 | Containing 36 percent or more by weight of wool or fine animal hair ..... | 13.6% | Free (AU,BH, CA, CL,CO, IL, JO,KR, MA, MX, OM, P, PA, PE, SG) | 58.5% |
| | 6204.69.03 | Other ..... | 28.6% | Free (AU,BH, CA, CL,CO, IL, JO,KR, MA, MX, OM, P, PA, PE, SG) | 90% |
| | | Of silk or silk waste: | | | |
| | 6204.69.04 | Containing 70 percent or more by weight of silk or silk waste | 1.1% | Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 65% |
| | 6204.69.05 | Other ..... | 7.1% | Free (AU,BH, CA, CL,CO, E*, IL, JO, KR,MA,MX, OM, P,PA, PE, SG) | 65% |

| | | | | | |
|---|---|---|---|---|---|
| 6204.69.06 | Other | 2.8% | Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 35% | |
| | Other: | | | | |
| | Of artificial fibers: | | | | |
| 6204.69.15 | Bib and brace overalls | 13.6% | Free (AU,BH, CA, CL,CO, IL, JO,KR, MA, MX, OM, P, PA, PE, SG) | 76% | |
| | Trousers, breeches and shorts: | | | | |
| 6204.69.22 | Containing 36 percent or more by weight of wool or fine animal hair | 13.6% | Free (AU,BH, CA, CL,CO, IL, JO,KR, MA, MX, OM, P, PA, PE, SG) | 58.5% | |
| 6204.69.28 | Other | 28.6% | Free (AU,BH, CA, CL,CO, IL, JO,KR, MA, MX, OM, P, PA, PE, SG) | 90% | |
| | Of silk or silk waste: | | | | |
| 6204.69.45 | Containing 70 percent or more by weight of silk or silk waste | 1.1% | Free (AU,BH, CA, CL,CO, E, IL, JO, KR, MA, MX, OM, P,PA, PE, SG) | 65% | |
| 6204.69.65 | Other | 7.1% | Free (AU,BH, CA, CL,CO, E*,IL, JO, KR,MA,MX, OM, P,PA, PE, SG) | 65% | |
| 6204.69.80 | Other | 2.8% | Free (AU,BH, CA, CL,CO, E*, IL, JO, KR,MA,MX, OM, P,PA, PE, SG) | 35% | ”. |

(17) By striking subheadings 6210.40.30 through 6210.40.90 and the immediate superior text to subheading 6210.40.30, and inserting the following, with the first superior text having the same degree of indentation as the immediate superior text to subheading 6210.40.30 (as in effect on the day before the effective date of this section):

| | | | | | |
|---|---|---|---|---|---|
| " | | Recreational performance outerwear: | | | |
| | | Of man-made fibers: | | | |
| | 6210.40.15 | Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric | 3.8% | Free (AU, BH, CA, CL, CO,IL, JO,KR, MA,MX, OM,P, PA,PE, SG) | 65% |
| | 6210.40.25 | Other | 7.1% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 65% |
| | | Other: | | | |
| | 6210.40.28 | Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric | 3.3% | Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 37.5% |
| | 6210.40.29 | Other | 6.2% | Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 37.5% |
| | | Other: | | | |
| | | Of man-made fibers: | | | |
| | 6210.40.35 | Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric | 3.8% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 65% |

| | | | | | |
|---|---|---|---|---|---|
| 6210.40.55 | Other | 7.1% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 65% | |
| | Other: | | | | |
| 6210.40.75 | Having an outer surface impregnated, coated, covered or laminated with rubber or plasties material which completely obscures the underlying fabric | 3.3% | Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 37.5% | |
| 6210.40.80 | Other | 6.2% | Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 37.5% | ". |

(18) By striking subheadings 6210.50.30 through 6210.50.90 and the immediate superior text to subheading 6210.50.30, and inserting the following, with the first superior text having the same degree of indentation as the immediate superior text to subheading 6210.50.30 (as in effect on the day before the effective date of this section):

"

| | | | | |
|---|---|---|---|---|
| | Recreational performance outerwear: | | | |
| | Of man-made fibers: | | | |
| 6210.50.03 | Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric | 3.8% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM,P, PA, PE, SG) | 65% |
| 6210.50.05 | Other | 7.1% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM,P, PA, PE, SG) | 65% |
| | Other: | | | |
| 6210.50.12 | Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric | 3.3% | Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA,PE, SG) | 37.5% |
| 6210.50.22 | Other | 6.2% | Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P,PA, PE, SG) | 37.5% |
| | Other: | | | |
| | Of man-made fibers: | | | |
| 6210.50.35 | Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric | 3.8% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM,P, PA, PE, SG) | 65% |
| 6210.50.55 | Other | 7.1% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM,P, PA, PE, SG) | 65% |

| | | | | | |
|---|---|---|---|---|---|
| | Other: | | | | |
| 6210.50.75 | Having an outer surface impregnated, coated, covered or laminated with rubber or plastics material which completely obscures the underlying fabric | 3.3% | Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 37.5% | |
| 6210.50.80 | Other | 6.2% | Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 37.5% | ". |

(19) By striking subheading 6211.32.00 and inserting the following, with the article description for subheading 6211.32 having the same degree of indentation as the article description for subheading 6211.32.00 (as in effect on the day before the effective date of this section):

| | | | | | |
|---|---|---|---|---|---|
| " | 6211.32 | Of cotton: | | | |
| | 6211.32.50 | Recreational performance outerwear | 8.1% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 90% |
| | 6211.32.90 | Other | 8.1% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 90% ". |

(20)(A) By striking subheading 6211.33.00 and inserting the following, with the article description for subheading 6211.33 having the same degree of indentation as the article description for subheading 6211.33.00 (as in effect on the day before the effective date of this section):

| | | | | | | |
|---|---|---|---|---|---|---|
| " | 6211.33 | Of man-made fibers: | | | | |
| | 6211.33.50 | Recreational performance outerwear | 16% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA ,PE, SG) 4.8% (OM) | 76% | |
| | 6211.33.90 | Other | 16% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 4.8% (OM) | 76% | ". |

(B) The staged reductions in the special rate of duty proclaimed for subheading 6211.33.00 of the Harmonized Tariff Schedule of the United States before the effective date of this section shall apply to subheadings 6211.33.50 and 6211.33.90 of such Schedule, as added by subparagraph (A), on and after such effective date.

(21)(A) By striking subheadings 6211.39.05 through 6211.39.90 and inserting the following, with the first superior text having the same degree of indentation as the article description for subheading 6211.39.05 (as in effect on the day before the effective date of this section):

| | | | | | | |
|---|---|---|---|---|---|---|
| “ | | Recreational performance outerwear: | | | | |
| | 6211.39.03 | Of wool or fine animal hair ..... | 12% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 3.6% (OM) | 58.5% | |
| | 6211.39.07 | Containing 70 percent or more by weight of silk or silk waste .... | 0.5% | Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 35% | |
| | 6211.39.15 | Other ..... | 2.8% | Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PE, SG) | 35% | |
| | | Other: | | | | |
| | 6211.39.30 | Of wool or fine animal hair ..... | 12% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 3.6% (OM) | 58.5% | |
| | 6211.39.60 | Containing 70 percent or more by weight of silk or silk waste .... | 0.5% | Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 35% | |
| | 6211.39.80 | Other ..... | 2.8% | Free (AU, BH, CA, CL, CO, E*, IL, JO, KR, MA, MX, OM, P, PE, SG) | 35% | ”. |

(B) The staged reductions in the special rate of duty proclaimed for subheading 6211.39.05 of the Harmonized Tariff Schedule of the United States before the effective date of this section shall apply to subheadings 6211.39.03 and 6211.39.30 of such Schedule, as added by subparagraph (A), on and after such effective date.

(22) By striking subheading 6211.42.00 and inserting the following, with the article description for subheading 6211.42 having the same degree of indentation as the article description for subheading

6211.42.00 (as in effect on the day before the effective date of this section):

| | | | | | | |
|---|---|---|---|---|---|---|
| " | 6211.42 | Of cotton: | | | | |
| | 6211.42.05 | Recreational performance outerwear | 8.1% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 90% | |
| | 6211.42.10 | Other | 8.1% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 90% | ". |

(23)(A) By striking subheading 6211.43.00 and inserting the following, with the article description for subheading 6211.43 having the same degree of indentation as the article description for subheading 6211.43.00 (as in effect on the day before the effective date of this section):

| | | | | | | |
|---|---|---|---|---|---|---|
| " | 6211.43 | Of man-made fibers: | | | | |
| | 6211.43.05 | Recreational performance outerwear | 16% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 4.8% (OM) | 90% | |
| | 6211.43.10 | Other | 16% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE, SG) 4.8% (OM) | 90% | ". |

(B) The staged reductions in the special rate of duty proclaimed for subheading 6211.43.00 of the Harmonized Tariff Schedule of the United States before the effective date of this section shall apply to subheadings 6211.43.05 and 6211.43.10 of such

Schedule, as added by subparagraph (A), on and after such effective date.

(24)(A) By striking subheadings 6211.49.10 through 6211.49.90 and inserting the following, with the first superior text having the same degree of indentation as the article description for subheading 6211.49.90 (as in effect on the day before the effective date of this section):

| | | | | | | |
|---|---|---|---|---|---|---|
| " | | Recreational performance outerwear: | | | | |
| | 6211.49.03 | Containing 70 percent or more by weight of silk or silk waste .... | 1.2% | Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA,PE, SG) | 35% | |
| | 6211.49.15 | Of wool or fine animal hair ..... | 12% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA ,MX, P, PA, PE, SG) 3.6% (OM) | 58.5% | |
| | 6211.49.25 | Other ..... | 7.3% | Free (AU, BH, CA, CL, CO, E, IL, JO, MA, MX, OM, P, PA, PE, SG) 1.4% (KR) | 35% | |
| | | Other: | | | | |
| | 6211.49.50 | Containing 70 percent or more by weight of silk or silk waste .... | 1.2% | Free (AU, BH, CA, CL, CO, E, IL, JO, KR, MA, MX, OM, P, PA, PE, SG) | 35% | |
| | 6211.49.60 | Of wool or fine animal hair ..... | 12% | Free (AU, BH, CA, CL, CO, IL, JO, KR, MA, MX, P, PA, PE,SG) 3.6% (OM) | 58.5% | |
| | 6211.49.80 | Other ..... | 7.3% | Free (AU, BH, CA, CL, CO, E, IL, JO, MA, MX,OM, P, PA, PE, SG) 1.4% (KR) | 35% | ". |

(B) The staged reductions in the special rate of duty proclaimed for subheading 6211.49.41 of the

Harmonized Tariff Schedule of the United States before the effective date of this section shall apply to subheadings 6211.49.15 and 6211.49.60 of such Schedule, as added by subparagraph (A), on and after such effective date.

(C) The staged reductions in the special rate of duty proclaimed for subheading 6211.49.90 of such Schedule before the effective date of this section shall apply to subheadings 6211.49.25 and 6211.49.80 of such Schedule, as added by subparagraph (A), on and after such effective date.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), this section and the amendments made by this section—

(A) shall take effect on the 180th day after the date of the enactment of this Act; and

(B) shall apply to articles entered, or withdrawn from warehouse for consumption, on or after such 180th day.

(2) SUBSECTION (a).—Subsection (a) shall take effect on the date of the enactment of this Act.

**SEC. 913. MODIFICATIONS TO DUTY TREATMENT OF PROTECTIVE ACTIVE FOOTWEAR.**

(a) IN GENERAL.—Chapter 64 of the Harmonized Tariff Schedule of the United States is amended—

(1) by redesignating the Additional U.S. Note added by section 602(a) of the Trade Preferences Extension Act of 2015 (Public Law 114–27; 129 Stat. 413) as Additional U.S. Note 6;

(2) in subheading 6402.91.42, by striking the matter in the column 1 special rate of duty column and inserting the following: ''Free (AU, BH, CA, CL, D, IL, JO, MA, MX, P, R, SG) 1%(PA) 6%(OM) 6%(PE) 12%(CO) 20%(KR)''; and

(3) in subheading 6402.99.32, by striking the matter in the column 1 special rate of duty column and inserting the following: ''Free (AU, BH, CA, CL, D, IL, JO, MA, MX, P, R, SG) 1%(PA) 6%(OM) 6%(PE) 12%(CO) 20%(KR)''.

(b) STAGED RATE REDUCTIONS.—Section 602(c) of the Trade Preferences Extension Act of 2015 (Public Law 114–27; 129 Stat. 414) is amended to read as follows:

''(c) STAGED RATE REDUCTIONS.—Beginning in calendar year 2016, the staged reductions in special rates of duty proclaimed before the date of the enactment of this Act—

''(1) for subheading 6402.91.90 of the Harmonized Tariff Schedule of the United States shall be applied to subheading 6402.91.42 of such Schedule, as added by subsection (b)(1); and

''(2) for subheading 6402.99.90 of such Schedule shall be applied to subheading 6402.99.32 of such Schedule, as added by subsection (b)(2).''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect as if included in the enactment of the Trade Preferences Extension Act of 2015 (Public Law 114–27; 129 Stat. 362).

(2) RETROACTIVE APPLICATION FOR CERTAIN LIQUIDATIONS AND RELIQUIDATIONS.—

(A) IN GENERAL.—Notwithstanding section 514 of the Tariff Act of 1930 (19 U.S.C. 1514) or any other provision of law and subject to subparagraph (B), any entry of an article classified under subheading 6402.91.42 or 6402.99.32 of the Harmonized Tariff Schedule of the United States, that—

(i) was made—

(I) after the effective date specified in section 602(d) of the Trade Preferences Extension Act of 2015

(Public Law 114–27; 129 Stat. 414), and

(II) before the date of the enactment of this Act, and

(ii) to which a lower rate of duty would be applicable if the entry were made after such date of enactment,

shall be liquidated or reliquidated as though such entry occurred on such date of enactment.

(B) REQUESTS.—A liquidation or reliquidation may be made under subparagraph (A) with respect to an entry only if a request therefor is filed with U.S. Customs and Border Protection not later than 180 days after the date of the enactment of this Act that contains sufficient information to enable U.S. Customs and Border Protection—

(i) to locate the entry; or

(ii) to reconstruct the entry if it cannot be located.

(C) PAYMENT OF AMOUNTS OWED.—Any amounts owed by the United States pursuant to the liquidation or reliquidation of an entry of an article under subparagraph (A) shall be paid, without interest, not later than 90 days

after the date of the liquidation or reliquidation (as the case may be).

**SEC. 914. AMENDMENTS TO BIPARTISAN CONGRESSIONAL TRADE PRIORITIES AND ACCOUNTABILITY ACT OF 2015.**

(a) IMMIGRATION LAWS OF THE UNITED STATES.—Section 102(a) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Public Law 114–26; 19 U.S.C. 4201(a)) is amended—

(1) in paragraph (12), by striking ''and'' at the end;

(2) in paragraph (13), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(14) to ensure that trade agreements do not require changes to the immigration laws of the United States or obligate the United States to grant access or expand access to visas issued under section 101(a)(15) of the Immigration and Nationality Act (8 U.S.C. 1101(a)(15)).''.

(b) GREENHOUSE GAS EMISSIONS MEASURES.—Section 102(a) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Public Law 114–26; 19 U.S.C. 4201(a)), as amended by subsection (a) of this section, is further amended—

(1) in paragraph (13), by striking ''and'' at the end;

(2) in paragraph (14), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(15) to ensure that trade agreements do not establish obligations for the United States regarding greenhouse gas emissions measures, including obligations that require changes to United States laws or regulations or that would affect the implementation of such laws or regulations, other than those fulfilling the other negotiating objectives in this section.''.

(c) FISHERIES NEGOTIATIONS.—Section 102(b) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Public Law 114–26; 19 U.S.C. 4201(b)) is amended by adding at the end the following:

''(22) FISHERIES NEGOTIATIONS.—The principal negotiating objectives of the United States with respect to trade in fish, seafood, and shellfish products are—

''(A) to obtain competitive opportunities for United States exports of fish, seafood, and shellfish products in foreign markets substantially equivalent to the competitive opportunities

afforded foreign exports of fish, seafood, and shellfish products in United States markets and to achieve fairer and more open conditions of trade in fish, seafood, and shellfish products, including by reducing or eliminating tariff and nontariff barriers;

''(B) to eliminate fisheries subsidies that distort trade, including subsidies of the type referred to in paragraph 9 of Annex D to the Ministerial Declaration adopted by the World Trade Organization at the Sixth Ministerial Conference at Hong Kong, China on December 18, 2005;

''(C) to pursue transparency in fisheries subsidies programs; and

''(D) to address illegal, unreported, and unregulated fishing.''.

(d) ACCREDITATION.—Section 104 of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Public Law 114–26; 19 U.S.C. 4203) is amended—

(1) in subsection (b)(3), by striking ''an official'' and inserting ''a delegate and official''; and

(2) in subsection (c)(2)(C)—

(A) by striking ''an official'' each place it appears and inserting ''a delegate and official''; and

(B) by inserting after the first sentence the following: ''In addition, the chairmen and ranking members described in subparagraphs (A)(i) and (B)(i) shall each be permitted to designate up to 3 personnel with proper security clearances to serve as delegates and official advisers to the United States delegation in negotiations for any trade agreement to which this title applies.''.

(e) TRAFFICKING IN PERSONS.—

(1) IN GENERAL.—Section 106(b)(6) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Public Law 114–26; 19 U.S.C. 4205(b)(6)) is amended by striking subparagraph (B) and inserting the following:

''(B) EXCEPTION.—

''(i) INVOKING EXCEPTION.—If the President submits to the appropriate congressional committees a letter stating that a country to which subparagraph (A) applies has taken concrete actions to implement the principal recommendations with

respect to that country in the most recent annual report on trafficking in persons, the prohibition under subparagraph (A) shall not apply with respect to a trade agreement or trade agreements with that country.

''(ii) CONTENT OF LETTER; PUBLIC AVAILABILITY.—A letter submitted under clause (i) with respect to a country shall—

''(I) include a description of the concrete actions that the country has taken to implement the principal recommendations described in clause (i);

''(II) be accompanied by supporting documentation providing credible evidence of each such concrete action, including copies of relevant laws or regulations adopted or modified, and any enforcement actions taken, by that country, where appropriate; and

''(III) be made available to the public.

''(C) SPECIAL RULE FOR CHANGES IN CERTAIN DETERMINATIONS.—If a country is listed as a tier 3 country in an annual report on traf-

ficking in persons submitted in calendar year 2014 or any calendar year thereafter and, in the annual report on trafficking in persons submitted in the next calendar year, is listed on the tier 2 watch list, the President shall submit a detailed description of the credible evidence supporting the change in listing of the country, accompanied by copies of documents providing such evidence, where appropriate, to the appropriate congressional committees—

''(i) in the case of a change in listing reflected in the annual report on trafficking in persons submitted in calendar year 2015, not later than 90 days after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015; and

''(ii) in the case of a change in listing reflected in an annual report on trafficking in persons submitted in calendar year 2016 or any calendar year thereafter, not later than 90 days after the submission of that report.

''(D) SENSE OF CONGRESS.—It is the sense of Congress that the integrity of the proc-

ess for making the determinations in the annual report on trafficking in persons, including determinations with respect to country rankings and the substance of the assessments in the report, should be respected and not affected by unrelated considerations.

''(E) DEFINITIONS.—In this paragraph:

''(i) ANNUAL REPORT ON TRAFFICKING IN PERSONS.—The term 'annual report on trafficking in persons' means the annual report on trafficking in persons required under section 110(b)(1) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7107(b)(1)).

''(ii) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term 'appropriate congressional committees' means—

''(I) the Committee on Ways and Means and the Committee on Foreign Affairs of the House of Representatives; and

''(II) the Committee on Finance and the Committee on Foreign Relations of the Senate.

''(iii) TIER 2 WATCH LIST.—The term 'tier 2 watch list' means the list of countries required under section 110(b)(2)(A)(iii) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7107(b)(2)(A)(iii)).

''(iv) TIER 3 COUNTRY.—The term 'tier 3 country' means a country on the list of countries required under section 110(b)(1)(C) of the Trafficking Victims Protection Act of 2000 (22 U.S.C. 7107(b)(1)(C)).''.

(2) CONFORMING AMENDMENT.—Section 106(b)(6)(A) of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Public Law 114–26; 19 U.S.C. 4205(b)(6)(A)) is amended by striking ''to which the minimum'' and all that follows through ''7107(b)(1))'' and inserting ''listed as a tier 3 country in the most recent annual report on trafficking in persons''.

(f) TECHNICAL AMENDMENTS.—The Bipartisan Congressional Trade Priorities and Accountability Act of 2015 is amended—

(1) in section 105(b)(3) (Public Law 114–26; 129 Stat. 346; 19 U.S.C. 4204(b)(3))—

(A) in subparagraph (A)(ii), by striking ''section 102(b)(16)'' and inserting ''section 102(b)(17)''; and

(B) in subparagraph (B)(ii), by striking ''section 102(b)(16)'' and inserting ''section 102(b)(17)''; and

(2) in section 106(b)(5) (Public Law 114–26; 129 Stat. 354; 19 U.S.C. 4205(b)(5)), by striking ''section 102(b)(15)(C)'' and inserting ''section 102(b)(16)(C)''.

(g) EFFECTIVE DATE.—The amendments made by this section shall take effect as if included in the enactment of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Public Law 114–26; 129 Stat. 320; 19 U.S.C. 4201 et seq.).

**SEC. 915. TRADE PREFERENCES FOR NEPAL.**

(a) FINDINGS.—Congress makes the following findings:

(1) Nepal is among the least developed countries in the world, with a per capita gross national income of $730 in 2014.

(2) Nepal suffered a devastating earthquake in April 2015, with subsequent aftershocks. More than 9,000 people died and approximately 23,000 people were injured.

(b) ELIGIBILITY REQUIREMENTS.—

(1) IN GENERAL.—The President may authorize the provision of preferential treatment under this section to articles that are imported directly from Nepal into the customs territory of the United States pursuant to subsection (c) if the President determines—

(A) that Nepal meets the requirements set forth in paragraphs (1), (2), and (3) of section 104(a) of the African Growth and Opportunity Act (19 U.S.C. 3703(a)); and

(B) after taking into account the factors set forth in paragraphs (1) through (7) of subsection (c) of section 502 of the Trade Act of 1974 (19 U.S.C. 2462), that Nepal meets the eligibility requirements of such section 502.

(2) WITHDRAWAL, SUSPENSION, OR LIMITATION OF PREFERENTIAL TREATMENT; MANDATORY GRADUATION.—The provisions of subsections (d) and (e) of section 502 of the Trade Act of 1974 (19 U.S.C. 2462) shall apply with respect to Nepal to the same extent and in the same manner as such provisions apply with respect to beneficiary developing countries under title V of that Act (19 U.S.C. 2461 et seq.).

(c) ELIGIBLE ARTICLES.—

(1) IN GENERAL.—An article described in paragraph (2) may enter the customs territory of the United States free of duty.

(2) ARTICLES DESCRIBED.—

(A) IN GENERAL.—An article is described in this paragraph if—

(i)(I) the article is the growth, product, or manufacture of Nepal; and

(II) in the case of a textile or apparel article, Nepal is the country of origin of the article, as determined under section 102.21 of title 19, Code of Federal Regulations (as in effect on the day before the date of the enactment of this Act);

(ii) the article is imported directly from Nepal into the customs territory of the United States;

(iii) the article is classified under any of the following subheadings of the Harmonized Tariff Schedule of the United States (as in effect on the day before the date of the enactment of this Act):

| | | |
|---|---|---|
| 4202.11.00 | 4202.22.60 | 4202.92.08 |
| 4202.12.20 | 4202.22.70 | 4202.92.15 |
| 4202.12.40 | 4202.22.80 | 4202.92.20 |
| 4202.12.60 | 4202.29.50 | 4202.92.30 |
| 4202.12.80 | 4202.29.90 | 4202.92.45 |
| 4202.21.60 | 4202.31.60 | 4202.92.60 |

| | | |
|---|---|---|
| 4202.21.90 | 4202.32.40 | 4202.92.90 |
| 4202.22.15 | 4202.32.80 | 4202.99.90 |
| 4202.22.40 | 4202.32.95 | 4203.29.50 |
| 4202.22.45 | 4202.91.00 | |
| | | |
| 5701.10.90 | 5702.91.30 | 5703.10.80 |
| 5702.31.20 | 5702.91.40 | 5703.90.00 |
| 5702.49.20 | 5702.92.90 | 5705.00.20 |
| 5702.50.40 | 5702.99.15 | |
| 5702.50.59 | 5703.10.20 | |
| | | |
| 6117.10.60 | 6214.20.00 | 6217.10.85 |
| 6117.80.85 | 6214.40.00 | 6301.90.00 |
| 6214.10.10 | 6214.90.00 | 6308.00.00 |
| 6214.10.20 | 6216.00.80 | |
| | | |
| 6504.00.90 | 6505.00.30 | 6505.00.90 |
| 6505.00.08 | 6505.00.40 | 6506.99.30 |
| 6505.00.15 | 6505.00.50 | 6506.99.60 |
| 6505.00.20 | 6505.00.60 | |
| 6505.00.25 | 6505.00.80 | |

(iv) the President determines, after receiving the advice of the United States International Trade Commission in accordance with section 503(e) of the Trade Act of 1974 (19 U.S.C. 2463(e)), that the article is not import-sensitive in the context of imports from Nepal; and

(v) subject to subparagraph (C), the sum of the cost or value of the materials produced in, and the direct costs of processing operations performed in, Nepal or the customs territory of the United States is not less than 35 percent of the appraised value of the article at the time it is entered.

(B) EXCLUSIONS.—An article shall not be treated as the growth, product, or manufacture

of Nepal for purposes of subparagraph (A)(i)(I) by virtue of having merely undergone—

(i) simple combining or packaging operations; or

(ii) mere dilution with water or mere dilution with another substance that does not materially alter the characteristics of the article.

(C) LIMITATION ON UNITED STATES COST.—For purposes of subparagraph (A)(v), the cost or value of materials produced in, and the direct costs of processing operations performed in, the customs territory of the United States and attributed to the 35-percent requirement under that subparagraph may not exceed 15 percent of the appraised value of the article at the time it is entered.

(3) VERIFICATION WITH RESPECT TO TRANSSHIPMENT FOR TEXTILE AND APPAREL ARTICLES.—

(A) IN GENERAL.—Not later than January 1, April 1, July 1, and October 1 of each calendar year, the Commissioner shall verify that textile and apparel articles imported from Nepal to which preferential treatment is extended

under this section are not being unlawfully transshipped into the United States.

(B) REPORT TO PRESIDENT.—If the Commissioner determines under subparagraph (A) that textile and apparel articles imported from Nepal to which preferential treatment is extended under this section are being unlawfully transshipped into the United States, the Commissioner shall report that determination to the President.

(d) TRADE FACILITATION AND CAPACITY BUILDING.—

(1) FINDINGS.—Congress makes the following findings:

(A) As a land-locked least-developed country, Nepal has severe challenges reaching markets and developing capacity to export goods. As of 2015, exports from Nepal are approximately $800,000,000 per year, with India the major market at $450,000,000 annually. The United States imports about $80,000,000 worth of goods from Nepal, or 10 percent of the total goods exported from Nepal.

(B) The World Bank has found evidence that the overall export competitiveness of Nepal

has been declining since 2005. Indices compiled by the World Bank and the Organization for Economic Co-operation and Development found that export costs in Nepal are high with respect to both air cargo and container shipments relative to other low-income countries. Such indices also identify particular weaknesses in Nepal with respect to automation of customs and other trade functions, involvement of local exporters and importers in preparing regulations and trade rules, and export finance.

(C) Implementation by Nepal of the Agreement on Trade Facilitation of the World Trade Organization could directly address some of the weaknesses described in subparagraph (B).

(2) ESTABLISHMENT OF TRADE FACILITATION AND CAPACITY BUILDING PROGRAM.—Not later than 180 days after the date of the enactment of this Act, the President shall, in consultation with the Government of Nepal, establish a trade facilitation and capacity building program for Nepal—

(A) to enhance the central export promotion agency of Nepal to support successful exporters and to build awareness among potential exporters in Nepal about opportunities

abroad and ways to manage trade documentation and regulations in the United States and other countries;

(B) to provide export finance training for financial institutions in Nepal and the Government of Nepal;

(C) to assist the Government of Nepal in maintaining publication on the Internet of all trade regulations, forms for exporters and importers, tax and tariff rates, and other documentation relating to exporting goods and developing a robust public-private dialogue, through its National Trade Facilitation Committee, for Nepal to identify timelines for implementation of key reforms and solutions, as provided for under the Agreement on Trade Facilitation of the World Trade Organization; and

(D) to increase access to guides for importers and exporters, through publication of such guides on the Internet, including rules and documentation for United States tariff preference programs.

(e) REPORTING REQUIREMENT.—Not later than one year after the date of the enactment of this Act, and annually thereafter, the President shall monitor, review, and

report to Congress on the implementation of this section, the compliance of Nepal with subsection (b)(1), and the trade and investment policy of the United States with respect to Nepal.

(f) TERMINATION OF PREFERENTIAL TREATMENT.—No preferential treatment extended under this section shall remain in effect after December 31, 2025.

(g) EFFECTIVE DATE.—The provisions of this section shall take effect on the date that is 30 days after the date of the enactment of this Act.

**SEC. 916. AGREEMENT BY ASIA-PACIFIC ECONOMIC COOPERATION MEMBERS TO REDUCE RATES OF DUTY ON CERTAIN ENVIRONMENTAL GOODS.**

Section 107 of the Bipartisan Congressional Trade Priorities and Accountability Act of 2015 (Public Law 114–26; 19 U.S.C. 4206) is amended by adding at the end the following:

"(c) AGREEMENT BY ASIA-PACIFIC ECONOMIC COOPERATION MEMBERS TO REDUCE RATES OF DUTY ON CERTAIN ENVIRONMENTAL GOODS.—Notwithstanding the notification requirement described in section 103(a)(2), the President may exercise the proclamation authority provided for in section 103(a)(1)(B) to implement an agreement by members of the Asia-Pacific Economic Cooperation (APEC) to reduce any rate of duty on

certain environmental goods included in Annex C of the APEC Leaders Declaration issued on September 9, 2012, if (and only if) the President, as soon as feasible after the date of the enactment of the Trade Facilitation and Trade Enforcement Act of 2015, and before exercising proclamation authority under section 103(a)(1)(B), notifies Congress of the negotiations relating to the agreement and the specific United States objectives in the negotiations.''.

**SEC. 917. AMENDMENT TO TARIFF ACT OF 1930 TO REQUIRE COUNTRY OF ORIGIN MARKING OF CERTAIN CASTINGS.**

(a) IN GENERAL.—Section 304(e) of the Tariff Act of 1930 (19 U.S.C. 1304(e)) is amended—

(1) in the subsection heading, by striking ''MANHOLE RINGS OR FRAMES, COVERS, AND ASSEMBLIES THEREOF'' and inserting ''CASTINGS'';

(2) by inserting ''inlet frames, tree and trench grates, lampposts, lamppost bases, cast utility poles, bollards, hydrants, utility boxes,'' before ''manhole rings,''; and

(3) by adding at the end before the period the following: ''in a location such that it will remain visible after installation''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) take effect on the date of the enactment of this Act and apply with respect to the importation of castings described in such amendments on or after the date that is 180 days after such date of enactment.

**SEC. 918. INCLUSION OF CERTAIN INFORMATION IN SUBMISSION OF NOMINATION FOR APPOINTMENT AS DEPUTY UNITED STATES TRADE REPRESENTATIVE.**

Section 141(b) of the Trade Act of 1974 (19 U.S.C. 2171(b)) is amended by adding at the end the following:

''(5)(A) When the President submits to the Senate for its advice and consent a nomination of an individual for appointment as a Deputy United States Trade Representative under paragraph (2), the President shall include in that submission information on the country, regional offices, and functions of the Office of the United States Trade Representative with respect to which that individual will have responsibility.

''(B) The President shall notify the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate not less than 30 days prior to making any change to the responsibilities of any Deputy United States Trade Representative included in

a submission under subparagraph (A), including the reason for that change.''.

**SEC. 919. SENSE OF CONGRESS ON THE NEED FOR A MISCELLANEOUS TARIFF BILL PROCESS.**

(a) FINDINGS.—Congress makes the following findings:

(1) As of the date of the enactment of this Act, the Harmonized Tariff Schedule of the United States imposes duties on imported goods for which there is no domestic availability or insufficient domestic availability.

(2) The imposition of duties on such goods creates artificial distortions in the economy of the United States that negatively affect United States manufacturers and consumers.

(3) It would be in the interests of the United States if the Harmonized Tariff Schedule were updated regularly and predictably to eliminate such artificial distortions by suspending or reducing duties on such goods.

(4) The manufacturing competitiveness of the United States around the world would be enhanced if the Harmonized Tariff Schedule were updated regularly and predictably to suspend or reduce duties on such goods.

(b) SENSE OF CONGRESS.—It is the sense of Congress that, to remove the competitive disadvantage to United States manufacturers and consumers resulting from the imposition of such duties and to promote the competitiveness of United States manufacturers, the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives are urged to advance, as soon as possible, after consultation with the public and Members of the Senate and the House of Representatives, a regular and predictable legislative process for the temporary suspension and reduction of duties that is consistent with the rules of the Senate and the House.

**SEC. 920. CUSTOMS USER FEES.**

(a) IN GENERAL.—Section 13031(j)(3) of the Consolidated Omnibus Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3)) is amended—

(1) in subparagraph (A), by striking ''July 7, 2025'' and inserting ''September 30, 2025''; and

(2) by striking subparagraph (D).

(b) RATE FOR MERCHANDISE PROCESSING FEES.—Section 503 of the United States–Korea Free Trade Agreement Implementation Act (Public Law 112–41; 19 U.S.C. 3805 note) is amended—

(1) by striking ''June 30, 2025'' and inserting ''September 30, 2025''; and

(2) by striking subsection (c).

**SEC. 921. INCREASE IN PENALTY FOR FAILURE TO FILE RETURN OF TAX.**

(a) IN GENERAL.—Section 6651(a) of the Internal Revenue Code of 1986 is amended by striking ''$135'' in the last sentence and inserting ''$205''.

(b) CONFORMING AMENDMENT.—Section 6651(i) of such Code is amended by striking ''$135'' and inserting ''$205''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to returns required to be filed in calendar years after 2015.

**SEC. 922. PERMANENT MORATORIUM ON INTERNET ACCESS TAXES AND ON MULTIPLE AND DISCRIMINATORY TAXES ON ELECTRONIC COMMERCE.**

(a) PERMANENT MORATORIUM.—Section 1101(a) of the Internet Tax Freedom Act (47 U.S.C. 151 note) is amended by striking ''during the period beginning November 1, 2003, and ending October 1, 2015''.

(b) TEMPORARY EXTENSION.—Section 1104(a)(2)(A) of the Internet Tax Freedom Act (47

1 U.S.C. 151 note) is amended by striking ''October 1,
2 2015'' and inserting ''June 30, 2020''.

And the House agree to the same.

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