

103^D CONGRESS
1ST SESSION

H. R. 1233

To improve monitoring of the domestic uses made of certain foreign commodities after importation, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 4, 1993

Mr. PETERSON of Minnesota (for himself, Mr. POMEROY, Mr. WILLIAMS, Mr. ROSE, Ms. LONG, Mr. MINGE, Mr. KOPETSKI, Mr. LAROCO, Mr. VOLKMER, Mr. CONDIT, and Mr. SARPALIUS) introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To improve monitoring of the domestic uses made of certain foreign commodities after importation, and for other purposes.

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

3 **SECTION 1. MONITORING OF DOMESTIC USES MADE OF**
4 **CERTAIN FOREIGN COMMODITIES AFTER IM-**
5 **PORTATION.**

6 (a) DEFINITIONS.—For purposes of this section:

7 (1) ENTRY.—The term “entry” means the
8 entry into, or the withdrawal from warehouse for

1 consumption in, the customs territory of the United
2 States.

3 (2) FOREIGN COMMODITY.—The term “foreign
4 commodity” means any of the following, if a product
5 of any foreign country or instrumentality:

6 (A) Wheat provided for in heading 1001 of
7 the Harmonized Tariff Schedule of the United
8 States.

9 (B) Soybeans provided for in heading
10 1201.00.00 of such Schedule.

11 (C) Barley provided for in heading
12 1003.00 of such Schedule.

13 (D) Oats provided for in heading
14 1004.00.00 of such Schedule.

15 (E) Corn provided for in heading 1005 of
16 such Schedule.

17 (3) SECRETARY.—The term “Secretary” means
18 the Secretary of Agriculture.

19 (b) CERTIFICATION REQUIREMENTS REGARDING
20 FOREIGN COMMODITIES.—

21 (1) END-USE CERTIFICATE.—An end-use cer-
22 tificate that meets the requirements of subsection (c)
23 shall be included in the documentation covering the
24 entry of any foreign commodity.

1 (2) QUARTERLY REPORTS.—A consignee of any
2 imported foreign commodity shall submit to the Sec-
3 retary a quarterly report that certifies—

4 (A) what quantity of the foreign commod-
5 ity covered by an end-use certificate was used
6 by the consignee during the quarter; and

7 (B) that the commodity referred to in
8 paragraph (1) was used by the consignee for
9 the purpose stated in the end-use certificate.

10 (c) END-USE CERTIFICATE AND QUARTERLY RE-
11 PORT CONTENT.—The end-use certificates and quarterly
12 reports required under subsection (b) shall be in such
13 form, and require such information, as the Secretary con-
14 siders necessary or appropriate to carry out the purposes
15 of this section, including—

16 (1) in the case of the end-use certificate—

17 (A) the name and address of the importer
18 of record of the foreign commodity;

19 (B) the name and address of the consignee
20 of the commodity;

21 (C) the identification of the country of ori-
22 gin of the commodity;

23 (D) a description by class and quantity of
24 the commodity covered by the certificate;

1 (E) the sales price of the commodity in the
2 country of origin, if the Secretary considers
3 such datum necessary to facilitate the enforce-
4 ment of the trade laws and international agree-
5 ments of the United States;

6 (F) specification of the purpose for which
7 the consignee will use the commodity; and

8 (G) the identification of the transporter of
9 the commodity from the port of entry to the
10 processing facility of the consignee; and

11 (2) in the case of the quarterly report—

12 (A) the information referred to in subpara-
13 graphs (A) and (B) of paragraph (1);

14 (B) the identification of the end-use certifi-
15 cates currently held by the consignee;

16 (C) a statement of the quantity of the for-
17 eign commodity covered by each of the end-use
18 certificates identified under subparagraph (B)
19 that was used during the quarter; and

20 (D) a statement of the use made during
21 the quarter by the consignee of each quantity
22 referred to in subparagraph (C).

23 (d) REGULATIONS.—The Secretary shall prescribe
24 such requirements regarding the preparation and submis-
25 sion of the quarterly reports required under subsection

1 (b)(2) as may be necessary or appropriate to carry out
2 the purposes of this section.

3 (e) PENALTIES.—

4 (1) CUSTOMS PENALTIES.—End-use certificates
5 required under this section shall be treated as any
6 other customs documentation for purposes of apply-
7 ing the customs laws that prohibit the entry, or the
8 attempt to enter, merchandise by fraud, gross neg-
9 ligence, or negligence.

10 (2) CIVIL PENALTIES.—Any person who know-
11 ingly violates any requirement prescribed by the Sec-
12 retary to carry out this section is punishable by a
13 civil penalty in an amount not to exceed \$10,000.

14 (f) ENTRY PROHIBITED UNLESS END-USE CERTIFI-
15 CATE PRESENTED.—The Commissioner of Customs may
16 not permit the entry of any foreign commodity unless the
17 importer of record presents at the time of entry of the
18 commodity an end-use certificate that complies with the
19 applicable requirements of subsection (c).

20 **SEC. 2. SUSPENSION OR DEBARMENT FOR USE OF FOREIGN**
21 **AGRICULTURAL COMMODITIES IN CERTAIN**
22 **AGRICULTURAL TRADE PROGRAMS.**

23 (a) OPPORTUNITY FOR HEARING.—The Commodity
24 Credit Corporation shall provide a person with an oppor-
25 tunity for a hearing before suspending or debarring the

1 person from participation in an agricultural trade program
2 for using a foreign agricultural commodity in violation of
3 the terms and conditions of the program.

4 (b) WAIVER.—

5 (1) IN GENERAL.—The Commodity Credit Cor-
6 poration may waive the suspension or debarment of
7 a person from participation in an agricultural trade
8 program for using a foreign agricultural commodity
9 in violation of the terms and conditions of the pro-
10 gram if the person demonstrates, to the satisfaction
11 of the Corporation, that—

12 (A) the use of the commodity was uninten-
13 tional; and

14 (B) the quantity of the foreign agricultural
15 commodity used was less than 1 percent of the
16 total quantity of the commodity involved in the
17 transaction.

18 (2) OTHER PENALTIES.—Any waiver by the
19 Commodity Credit Corporation of a suspension or
20 debarment of a person under paragraph (1) shall
21 not affect the liability of the person for any other
22 penalty imposed under an agricultural trade pro-
23 gram for the quantity of the foreign agricultural
24 commodity involved.

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