

104TH CONGRESS
1ST SESSION

H. R. 1654

To renew the Generalized System of Preferences.

IN THE HOUSE OF REPRESENTATIVES

MAY 17, 1995

Mr. CRANE (for himself and Mr. RANGEL) introduced the following bill; which
was referred to the Committee on Ways and Means

A BILL

To renew the Generalized System of Preferences.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “GSP Renewal Act of
5 1995”.

6 **SEC. 2. GENERALIZED SYSTEM OF PREFERENCES.**

7 (a) IN GENERAL.—Title V of the Trade Act of 1974
8 is amended to read as follows:

1 **“TITLE V—GENERALIZED**
2 **SYSTEM OF PREFERENCES**

3 **“SEC. 501. AUTHORITY TO EXTEND PREFERENCES.**

4 “The President may provide duty-free treatment for
5 any eligible article from any beneficiary developing coun-
6 try in accordance with the provisions of this title. In tak-
7 ing any such action, the President shall have due regard
8 for—

9 “(1) the effect such action will have on further-
10 ing the economic development of developing coun-
11 tries through the expansion of their exports;

12 “(2) the extent to which other major developed
13 countries are undertaking a comparable effort to as-
14 sist developing countries by granting generalized
15 preferences with respect to imports of products of
16 such countries;

17 “(3) the anticipated impact of such action on
18 United States producers of like or directly competi-
19 tive products; and

20 “(4) the extent of the beneficiary developing
21 country’s competitiveness with respect to eligible ar-
22 ticles.

23 **“SEC. 502. DESIGNATION OF BENEFICIARY DEVELOPING**
24 **COUNTRIES.**

25 “(a) AUTHORITY TO DESIGNATE COUNTRIES.—

1 “(1) BENEFICIARY DEVELOPING COUNTRIES.—
2 The President is authorized to designate countries
3 as beneficiary developing countries for purposes of
4 this title.

5 “(2) LEAST-DEVELOPED BENEFICIARY DEVEL-
6 OPING COUNTRIES.—The President is authorized to
7 designate countries as least-developed beneficiary de-
8 veloping countries for purposes of this title, based on
9 the considerations in section 501 and subsection (c)
10 of this section.

11 “(b) COUNTRIES INELIGIBLE FOR COUNTRY DES-
12 IGNATION.—

13 “(1) SPECIFIC COUNTRIES.—The following
14 countries may not be designated as beneficiary devel-
15 oping countries for purposes of this title:

16 “(A) Australia.

17 “(B) Canada.

18 “(C) European Union member states.

19 “(D) Iceland.

20 “(E) Japan.

21 “(F) Monaco.

22 “(G) New Zealand.

23 “(H) Norway.

24 “(I) Switzerland.

1 “(2) OTHER BASES FOR INELIGIBILITY.—The
2 President shall not designate any country a bene-
3 ficiary developing country under this title if any of
4 the following applies:

5 “(A) Such country is a Communist coun-
6 try, unless—

7 “(i) the products of such country re-
8 ceive nondiscriminatory treatment,

9 “(ii) such country is a WTO Member
10 (as such term is defined in section 2 of the
11 Uruguay Round Agreements Act,) and a
12 member of the International Monetary
13 Fund, and

14 “(iii) such country is not dominated
15 or controlled by international communism.

16 “(B) Such country is a party to an ar-
17 rangement of countries and participates in any
18 action pursuant to such arrangement, the effect
19 of which is—

20 “(i) to withhold supplies of vital com-
21 modity resources from international trade
22 or to raise the price of such commodities
23 to an unreasonable level, and

24 “(ii) to cause serious disruption of the
25 world economy.

1 “(C) Such country affords preferential
2 treatment to the products of a developed coun-
3 try, other than the United States, which has, or
4 is likely to have, a significant adverse effect on
5 United States commerce.

6 “(D)(i) Such country—

7 “(I) has nationalized, expropriated, or
8 otherwise seized ownership or control of
9 property, including patents, trademarks, or
10 copyrights, owned by a United States citi-
11 zen or by a corporation, partnership, or as-
12 sociation which is 50 percent or more ben-
13 efiticially owned by United States citizens,

14 “(II) has taken steps to repudiate or
15 nullify an existing contract or agreement
16 with a United States citizen or a corpora-
17 tion, partnership, or association which is
18 50 percent or more beneficially owned by
19 United States citizens, the effect of which
20 is to nationalize, expropriate, or otherwise
21 seize ownership or control of property, in-
22 cluding patents, trademarks, or copyrights,
23 so owned, or

24 “(III) has imposed or enforced taxes
25 or other exactions, restrictive maintenance

1 or operational conditions, or other meas-
2 ures with respect to property, including
3 patents, trademarks, or copyrights, so
4 owned, the effect of which is to nationalize,
5 expropriate, or otherwise seize ownership
6 or control of such property,

7 unless clause (ii) applies.

8 “(ii) This clause applies if the President
9 determines that—

10 “(I) prompt, adequate, and effective
11 compensation has been or is being made to
12 the citizen, corporation, partnership, or as-
13 sociation referred to in clause (i),

14 “(II) good faith negotiations to pro-
15 vide prompt, adequate, and effective com-
16 pensation under the applicable provisions
17 of international law are in progress, or the
18 country described in clause (i) is otherwise
19 taking steps to discharge its obligations
20 under international law with respect to
21 such citizen, corporation, partnership, or
22 association, or

23 “(III) a dispute involving such citizen,
24 corporation, partnership, or association
25 over compensation for such a seizure has

1 been submitted to arbitration under the
2 provisions of the Convention for the Settle-
3 ment of Investment Disputes, or in an-
4 other mutually agreed upon forum,
5 and the President promptly furnishes a copy of
6 such determination to the Senate and House of
7 Representatives.

8 “(E) Such country fails to act in good
9 faith in recognizing as binding or in enforcing
10 arbitral awards in favor of United States citi-
11 zens or a corporation, partnership, or associa-
12 tion which is 50 percent or more beneficially
13 owned by United States citizens, which have
14 been made by arbitrators appointed for each
15 case or by permanent arbitral bodies to which
16 the parties involved have submitted their dis-
17 pute.

18 “(F) Such country aids or abets, by grant-
19 ing sanctuary from prosecution to, any individ-
20 ual or group which has committed an act of
21 international terrorism.

22 “(G) Such country has not taken or is not
23 taking steps to afford internationally recognized
24 worker rights to workers in the country (includ-
25 ing any designated zone in that country).

1 Subparagraphs (D), (E), (F), and (G) shall not pre-
2 vent the designation of any country as a beneficiary
3 developing country under this title if the President
4 determines that such designation will be in the na-
5 tional economic interest of the United States and re-
6 ports such determination to the Congress with the
7 reasons therefor.

8 “(c) FACTORS AFFECTING COUNTRY DESIGNA-
9 TION.—In determining whether to designate any country
10 as a beneficiary developing country under this title, the
11 President shall take into account—

12 “(1) an expression by such country of its desire
13 to be so designated;

14 “(2) the level of economic development of such
15 country, including its per capita gross national prod-
16 uct, the living standards of its inhabitants, and any
17 other economic factors which the President deems
18 appropriate;

19 “(3) the extent to which other major developed
20 countries are extending generalized preferential tar-
21 iff treatment to such country;

22 “(4) the extent to which such country has as-
23 sured the United States that it will provide equitable
24 and reasonable access to the markets and basic com-
25 modity resources of such country and the extent to

1 which such country has assured the United States
2 that it will refrain from engaging in unreasonable
3 export practices;

4 “(5) whether such country is providing ade-
5 quate and effective protection of intellectual property
6 rights;

7 “(6) the extent to which such country has taken
8 action to—

9 “(A) reduce trade distorting investment
10 practices and policies (including export per-
11 formance requirements); and

12 “(B) reduce or eliminate barriers to trade
13 in services; and

14 “(7) whether or not such country has taken or
15 is taking steps to afford to workers in that country
16 (including any designated zone in that country)
17 internationally recognized worker rights.

18 A country may be found to not provide adequate and effec-
19 tive protection of intellectual property rights under para-
20 graph (5) and section 503(d)(2)(B), notwithstanding the
21 fact that it may be in compliance with the specific obliga-
22 tions of the Agreement on Trade-Related Aspects of Intel-
23 lectual Property Rights referred to in section 101(d)(15)
24 of the Uruguay Round Agreements Act.

1 “(d) WITHDRAWAL, SUSPENSION, OR LIMITATION OF
2 COUNTRY DESIGNATION.—

3 “(1) IN GENERAL.—The President may with-
4 draw, suspend, or limit the application of the duty-
5 free treatment accorded under this title with respect
6 to any country. In taking any action under this sub-
7 section, the President shall consider the factors set
8 forth in section 501 and subsection (c) of this sec-
9 tion.

10 “(2) CHANGED CIRCUMSTANCES.—The Presi-
11 dent shall, after complying with the requirements of
12 subsection (f)(2), withdraw or suspend the designa-
13 tion of any country as a beneficiary developing coun-
14 try if, after such designation, the President deter-
15 mines that as the result of changed circumstances
16 such country would be barred from designation as a
17 beneficiary developing country under subsection
18 (b)(2). Such country shall cease to be a beneficiary
19 developing country on the day on which the Presi-
20 dent issues an Executive order or Presidential proc-
21 lamation revoking the designation of such country
22 under this title.

23 “(e) MANDATORY GRADUATION OF BENEFICIARY
24 DEVELOPING COUNTRIES.—If during any calendar year
25 the official statistics of the International Bank for Recon-

1 struction and Development demonstrate that a beneficiary
2 developing country has become a ‘high income’ country,
3 as defined by such Bank, then the President shall termi-
4 nate the designation of such country as a beneficiary de-
5 veloping country for purposes of this title, effective on the
6 day after December 31 of the year following such calendar
7 year.

8 “(f) CONGRESSIONAL NOTIFICATION.—

9 “(1) NOTIFICATION OF DESIGNATION.—(A) Be-
10 fore the President designates any country as a bene-
11 ficiary developing country under this title, the Presi-
12 dent shall notify the Congress of the President’s in-
13 tention to make such designation, together with the
14 considerations entering into such decision.

15 “(B) At least 60 days before the President des-
16 ignates any country as a least-developed beneficiary
17 developing country, the President shall notify the
18 Congress of the President’s intention to make such
19 designation.

20 “(2) NOTIFICATION OF TERMINATION.—If the
21 President has designated any country as a bene-
22 ficiary developing country under this title, the Presi-
23 dent shall not terminate such designation unless, at
24 least 60 days before such termination, the President
25 has notified the Congress and has notified such

1 country of the President's intention to terminate
2 such designation, together with the considerations
3 entering into such decision.

4 **“SEC. 503. DESIGNATION OF ELIGIBLE ARTICLES.**

5 “(a) ELIGIBLE ARTICLES.—

6 “(1) DESIGNATION.—

7 “(A) IN GENERAL.—Except as provided in
8 subsection (b), the President is authorized to
9 designate articles as eligible articles for all ben-
10 efitary developing countries for purposes of
11 this title by Executive order or Presidential
12 proclamation after receiving the advice of the
13 International Trade Commission in accordance
14 with subsection (e).

15 “(B) LEAST-DEVELOPED BENEFICIARY DE-
16 VELOPING COUNTRIES.—Except as provided in
17 subsection (b), the President is authorized to
18 designate additional articles as eligible articles
19 only for countries designated as least-developed
20 beneficiary developing countries under section
21 502(a)(2) if, after receiving the advice of the
22 International Trade Commission in accordance
23 with subsection (e) of this section, the Presi-
24 dent determines that such articles are not im-

1 port-sensitive in the context of imports from
2 least-developed beneficiary developing countries.

3 “(C) THREE-YEAR RULE.—If, after receiv-
4 ing the advice of the International Trade Com-
5 mission under subsection (e), an article has
6 been formally considered for designation as an
7 eligible article under this title and denied such
8 designation, such article may not be reconsid-
9 ered for such designation for a period of three
10 years after such denial.

11 “(2) RULE OF ORIGIN.—

12 “(A) GENERAL RULE.—The duty-free
13 treatment provided under this title shall apply
14 to any eligible article which is the growth, prod-
15 uct, or manufacture of a beneficiary developing
16 country if—

17 “(i) that article is imported directly
18 from a beneficiary developing country into
19 the customs territory of the United States;
20 and

21 “(ii) the sum of—

22 “(I) the cost or value of the ma-
23 terials produced in the beneficiary de-
24 veloping country or any two or more
25 countries which are members of the

1 same association of countries which is
2 treated as one country under section
3 506(2), plus

4 “(II) the direct costs of process-
5 ing operations performed in such ben-
6 eficiary developing country or such
7 member countries,

8 is not less than 35 percent of the appraised
9 value of such article at the time it is entered.

10 “(B) EXCLUSIONS.—An article shall not
11 be treated as the growth, product, or manufac-
12 ture of a beneficiary developing country by vir-
13 tue of having merely undergone—

14 “(i) simple combining or packaging
15 operations, or

16 “(ii) mere dilution with water or mere
17 dilution with another substance that does
18 not materially alter the characteristics of
19 the article.

20 “(3) REGULATIONS.—The Secretary of the
21 Treasury, after consulting with the United States
22 Trade Representative, shall prescribe such regula-
23 tions as may be necessary to carry out paragraph
24 (2), including, but not limited to, regulations provid-

1 ing that, in order to be eligible for duty-free treat-
2 ment under this title, an article—

3 “(A) must be wholly the growth, product,
4 or manufacture of a beneficiary developing
5 country, or

6 “(B) must be a new or different article of
7 commerce which has been grown, produced, or
8 manufactured in the beneficiary developing
9 country.

10 “(b) ARTICLES THAT MAY NOT BE DESIGNATED AS
11 ELIGIBLE ARTICLES.—

12 “(1) IMPORT SENSITIVE ARTICLES.—The Presi-
13 dent may not designate any article as an eligible ar-
14 ticle under subsection (a) if such article is within
15 one of the following categories of import-sensitive
16 articles:

17 “(A) Textile and apparel articles which
18 were not eligible articles for purposes of this
19 title on January 1, 1994.

20 “(B) Watches, except those watches that
21 the President specifically determines, after pub-
22 lic notice and comment, will not cause material
23 injury to watch or watch band, strap, or brace-
24 let manufacturing and assembly operations in

1 the United States or the United States insular
2 possessions.

3 “(C) Import-sensitive electronic articles.

4 “(D) Import-sensitive steel articles.

5 “(E) Footwear, handbags, luggage, flat
6 goods, work gloves, and leather wearing apparel
7 which were not eligible articles for purposes of
8 this title on January 1, 1995.

9 “(F) Import-sensitive semimanufactured
10 and manufactured glass products.

11 “(G) Any other articles which the Presi-
12 dent determines to be import-sensitive in the
13 context of the Generalized System of Pref-
14 erences.

15 “(2) ARTICLES AGAINST WHICH OTHER AC-
16 TIONS TAKEN.—An article shall not be an eligible
17 article for purposes of this title for any period dur-
18 ing which such article is the subject of any action
19 proclaimed pursuant to section 203 of this Act (19
20 U.S.C. 2253) or section 232 or 351 of the Trade
21 Expansion Act of 1962 (19 U.S.C. 1862, 1981).

22 “(3) AGRICULTURAL PRODUCTS.—No quantity
23 of an agricultural product subject to a tariff-rate
24 quota that exceeds the in-quota quantity shall be eli-
25 gible for duty-free treatment under this title.

1 “(c) WITHDRAWAL, SUSPENSION, OR LIMITATION OF
2 DUTY-FREE TREATMENT; COMPETITIVE NEED LIMITA-
3 TION.—

4 “(1) IN GENERAL.—The President may with-
5 draw, suspend, or limit the application of the duty-
6 free treatment accorded under this title with respect
7 to any article, except that no rate of duty may be
8 established with respect to any article pursuant to
9 this subsection other than the rate which would
10 apply but for this title. In taking any action under
11 this subsection, the President shall consider the fac-
12 tors set forth in sections 501 and 502(c).

13 “(2) COMPETITIVE NEED LIMITATION.—

14 “(A) BASIS FOR WITHDRAWAL OF DUTY-
15 FREE TREATMENT.—Except as provided in this
16 paragraph and subject to subsection (d), when-
17 ever the President determines that a beneficiary
18 developing country has exported (directly or in-
19 directly) to the United States during any cal-
20 endar year beginning after December 31,
21 1994—

22 “(i) a quantity of an eligible article
23 having an appraised value in excess of
24 \$75,000,000, except that, in applying this
25 clause, the amount of \$75,000,000 shall be

1 increased by \$5,000,000 on January 1 of
2 each calendar year after calendar year
3 1995, or

4 “(ii) a quantity of an eligible article
5 equal to or exceeding 50 percent of the ap-
6 praised value of the total imports of that
7 article into the United States during the
8 calendar year,

9 then the President shall, not later than July 1
10 of the next calendar year, terminate the duty-
11 free treatment for that article from that bene-
12 ficiary developing country.

13 “(B) COUNTRY DEFINED.—For purposes
14 of this paragraph, the term ‘country’ does not
15 include an association of countries which is
16 treated as one country under section 506(2),
17 but does include a country which is a member
18 of any such association.

19 “(C) REDESIGNATIONS.—A country which
20 is no longer treated as a beneficiary developing
21 country with respect to an eligible article by
22 reason of subparagraph (A) may be redesign-
23 nated a beneficiary developing country with re-
24 spect to such article, subject to the consider-
25 ations set forth in sections 501 and 502, if im-

1 ports of such article from such country did not
2 exceed the limitations in subparagraph (A) dur-
3 ing the preceding calendar year.

4 “(D) LEAST-DEVELOPED BENEFICIARY
5 DEVELOPING COUNTRIES.—Subparagraph (A)
6 shall not apply to any least-developed bene-
7 ficiary developing country.

8 “(E) ARTICLES NOT PRODUCED IN THE
9 UNITED STATES EXCLUDED.—Subparagraph
10 (A)(ii) shall not apply with respect to any eligi-
11 ble article if a like or directly competitive article
12 was not produced in the United States on Jan-
13 uary 1, 1995.

14 “(F) DE MINIMIS WAIVERS.—The Presi-
15 dent may disregard subparagraph (A)(ii) with
16 respect to any eligible article from any bene-
17 ficiary developing country if the appraised value
18 of the total imports of such article into the
19 United States during calendar year 1995 or any
20 calendar year thereafter does not exceed
21 \$13,000,000, except that, in applying this sub-
22 paragraph, the amount of \$13,000,000 shall be
23 increased by \$500,000 on January 1 of each
24 calendar year after calendar year 1995.

25 “(d) WAIVER OF COMPETITIVE NEED LIMITATION.—

1 “(1) IN GENERAL.—The President may waive
2 the application of subsection (c)(2) with respect to
3 any eligible article of any beneficiary developing
4 country if, before July 1 of the calendar year begin-
5 ning after the calendar year for which a determina-
6 tion described in subsection (c)(2)(A) was made with
7 respect to such eligible article, the President—

8 “(A) receives the advice of the Inter-
9 national Trade Commission under section 332
10 of the Tariff Act of 1930 on whether any indus-
11 try in the United States is likely to be adversely
12 affected by such waiver,

13 “(B) determines, based on the consider-
14 ations described in sections 501 and 502(c) and
15 the advice described in subparagraph (A), that
16 such waiver is in the national economic interest
17 of the United States, and

18 “(C) publishes the determination described
19 in subparagraph (B) in the Federal Register.

20 “(2) CONSIDERATIONS BY THE PRESIDENT.—In
21 making any determination under paragraph (1), the
22 President shall give great weight to—

23 “(A) the extent to which the beneficiary
24 developing country has assured the United
25 States that such country will provide equitable

1 and reasonable access to the markets and basic
2 commodity resources of such country, and

3 “(B) the extent to which such country pro-
4 vides adequate and effective protection of intel-
5 lectual property rights.

6 “(3) EFFECTIVE PERIOD OF WAIVER.—Any
7 waiver granted under this subsection shall remain in
8 effect until the President determines that such waiv-
9 er is no longer warranted due to changed cir-
10 cumstances.

11 “(e) INTERNATIONAL TRADE COMMISSION AD-
12 VICE.—Before designating articles as eligible articles
13 under section 503(a)(1), the President shall publish and
14 furnish the International Trade Commission with lists of
15 articles which may be considered for designation as eligible
16 articles for purposes of this title. The provisions of sec-
17 tions 131, 132, 133, and 134 shall be complied with as
18 though action under section 501 and this section were ac-
19 tion under section 123 to carry out a trade agreement en-
20 tered into under section 123.

21 “(f) SPECIAL RULE CONCERNING PUERTO RICO.—
22 No action under this title may affect any tariff duty im-
23 posed by the Legislature of Puerto Rico pursuant to sec-
24 tion 319 of the Tariff Act of 1930 on coffee imported into
25 Puerto Rico.

1 **“SEC. 504. REVIEW AND REPORTS TO CONGRESS.**

2 “(a) REPORT ON OPERATION OF TITLE.—On or be-
3 fore December 15, 1999, the President shall submit to the
4 Congress a full and complete report regarding the oper-
5 ation of this title.

6 “(b) ANNUAL REPORTS ON WORKER RIGHTS.—The
7 President shall submit an annual report to the Congress
8 on the status of internationally recognized worker rights
9 within each beneficiary developing country.

10 **“SEC. 505. DATE OF TERMINATION.**

11 “No duty-free treatment provided under this title
12 shall remain in effect after July 31, 2000.

13 **“SEC. 506. DEFINITIONS.**

14 “For purposes of this title:

15 “(1) BENEFICIARY DEVELOPING COUNTRY.—
16 The term ‘beneficiary developing country’ means any
17 country with respect to which there is in effect an
18 Executive order or Presidential proclamation by the
19 President designating such country as a beneficiary
20 developing country for purposes of this title.

21 “(2) COUNTRY.—The term ‘country’ means any
22 foreign country or territory, including any overseas
23 dependent territory or possession of a foreign coun-
24 try, or the Trust Territory of the Pacific Islands. In
25 the case of an association of countries which is a
26 free trade area or customs union, or which is con-

1 tributing to comprehensive regional economic inte-
2 gration among its members through appropriate
3 means, including, but not limited to, the reduction
4 of duties, the President may by Executive order or
5 Presidential proclamation provide that all members
6 of such association other than members which are
7 barred from designation under section 502(b) shall
8 be treated as one country for purposes of this title.

9 “(3) ENTERED.—The term ‘entered’ means en-
10 tered, or withdrawn from warehouse for consump-
11 tion, in the customs territory of the United States.

12 “(4) INTERNATIONALLY RECOGNIZED WORKER
13 RIGHTS.—The term ‘internationally recognized work-
14 er rights’ includes—

15 “(A) the right of association;

16 “(B) the right to organize and bargain col-
17 lectively;

18 “(C) a prohibition on the use of any form
19 of forced or compulsory labor;

20 “(D) a minimum age for the employment
21 of children; and

22 “(E) acceptable conditions of work with re-
23 spect to minimum wages, hours of work, and
24 occupational safety and health.

1 “(5) LEAST DEVELOPED BENEFICIARY DEVEL-
2 OPING COUNTRY.—The term ‘least developed bene-
3 ficiary developing country’ means a beneficiary de-
4 veloping country that is designated as a least devel-
5 oped beneficiary developing country under section
6 502(a)(2).”.

7 (b) TABLE OF CONTENTS.—The items relating to
8 title V in the table of contents of the Trade Act of 1974
9 are amended to read as follows:

 “TITLE V—GENERALIZED SYSTEM OF PREFERENCES

- “Sec. 501. Authority to extend preferences.
- “Sec. 502. Designation of beneficiary developing countries.
- “Sec. 503. Designation of eligible articles.
- “Sec. 504. Review and reports to Congress.
- “Sec. 505. Date of termination.
- “Sec. 506. Definitions.”.

10 **SEC. 3. CONFORMING AMENDMENTS.**

11 (a) TRADE LAWS.—

12 (1) Section 1211(b) of the Omnibus Trade and
13 Competitiveness Act of 1988 (19 U.S.C. 3011(b)) is
14 amended—

15 (A) in paragraph (1), by striking “(19
16 U.S.C. 2463(a), 2464(c)(3))” and inserting
17 “(as in effect on the day before the date of the
18 enactment of the GSP Renewal Act of 1995)”;
19 and

20 (B) in paragraph (2), by striking “(19
21 U.S.C. 2464(c)(1))” and inserting the follow-
22 ing: “(as in effect on the day before the date

1 of the enactment of the GSP Renewal Act of
2 1995”.

3 (2) Section 203(c)(7) of the Andean Trade
4 Preference Act (19 U.S.C. 3202(c)(7)) is amended
5 by striking “502(a)(4)” and inserting “506(4)”.

6 (3) Section 212(b)(7) of the Caribbean Basin
7 Economic Recovery Act (19 U.S.C. 2702(b)(7)) is
8 amended by striking “502(a)(4)” and inserting
9 “506(4)”.

10 (4) Section 213(d) of the Caribbean Basin
11 Economic Recovery Act (19 U.S.C. 2703(d)) is
12 amended—

13 (A) in paragraph (1)(A) by striking
14 “504(c)(1)” and inserting “503(c)(1)”; and

15 (B) in paragraph (2) by inserting “(as in
16 effect on the day before the date of the enact-
17 ment of the GSP Renewal Act of 1995)” after
18 “1974”.

19 (5) General note 3(a)(iv)(C) of the Harmonized
20 Tariff Schedule of the United States is amended—

21 (A) by striking “503(b)” and inserting
22 “503(a)”; and

23 (B) by striking “504(c)” and inserting
24 “503 (c) and (d)”.

25 (b) OTHER LAWS.—

1 (1) Section 871(f)(2)(B) of the Internal Reve-
2 nue Code of 1986 (26 U.S.C. 871(f)(2)(B)) is
3 amended by striking “within the meaning of section
4 502” and inserting “under title V”.

5 (2) Section 2202(8) of the Export Enhance-
6 ment Act of 1988 (15 U.S.C. 4711(8)) is amended
7 by striking “502(a)(4)” and inserting “506(4)”.

8 (3) Section 231A(a) of the Foreign Assistance
9 Act of 1961 (22 U.S.C. 2191a(a)) is amended—

10 (A) in paragraph (1) by striking
11 “502(a)(4) of the Trade Act of 1974 (19
12 U.S.C. 2462(a)(4))” and inserting “506(4) of
13 the Trade Act of 1974”;

14 (B) in paragraph (2) by striking “505(c)
15 of the Trade Act of 1974 (19 U.S.C. 2465(c))”
16 and inserting “504(b) of the Trade Act of
17 1974”; and

18 (C) in paragraph (4) by striking
19 “502(a)(4)” and inserting “506(4)”.

○

HR 1654 IH—2