

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

**SECTION 301 OF THE CUSTOMS PROCEDURAL REFORM
AND SIMPLIFICATION ACT OF 1978**

SEC. 301. (a)(1) * * *

* * * * *

(3) By not later than the date on which the President submits to Congress the budget of the United States Government for a fiscal year, the Commissioner of Customs shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate the projected amount of funds for the succeeding fiscal year that will be necessary for the operations of the Customs Service as provided for in subsection (b).

(b) AUTHORIZATION OF APPROPRIATIONS.—

(1) FOR NONCOMMERCIAL OPERATIONS.—There are authorized to be appropriated for the salaries and expenses of the Customs Service that are incurred in noncommercial operations not to exceed the following:

[(A) \$516,217,000 for fiscal year 1991.

[(B) \$542,091,000 for fiscal year 1992.]

(A) \$886,513,000 for fiscal year 2002.

(B) \$909,471,000 for fiscal year 2003.

(2) FOR COMMERCIAL OPERATIONS.—(A) There are authorized to be appropriated for the salaries and expenses of the Customs Service that are incurred in commercial operations not less than the following:

[(i) \$672,021,000 for fiscal year 1991.

[(ii) \$705,793,000 for fiscal year 1992.]

(i) \$1,603,482,000 for fiscal year 2002.

(ii) \$1,645,009,000 for fiscal year 2003.

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(3) FOR AIR INTERDICTION.—There are authorized to be appropriated for the operation (including salaries and expenses) and maintenance of the air interdiction program of the Customs Service not to exceed the following:

[(A) \$143,047,000 for fiscal year 1991.

[(B) \$150,199,000 for fiscal year 1992.]

(A) \$181,860,000 for fiscal year 2002.

(B) \$186,570,000 for fiscal year 2003.

SECTION 5 OF THE ACT OF FEBRUARY 13, 1911

AN ACT To diminish the expense of proceedings on appeal and writ of error or of certiorari.

SEC. 5. OVERTIME AND PREMIUM PAY FOR CUSTOMS OFFICERS.**(a) OVERTIME PAY.—**

(1) **IN GENERAL.**—Subject to paragraph (2) and subsection (c), a customs officer who is officially assigned to perform work in excess of 40 hours in the administrative workweek of the officer or in excess of 8 hours in a day shall be compensated for that work at an hourly rate of pay that is equal to 2 times the hourly rate of the basic pay of the officer. *Overtime pay provided under this subsection shall not be paid to any customs officer unless such officer actually performed work during the time corresponding to such overtime pay. The preceding sentence shall not apply with respect to the payment of an award or settlement to a customs officer who was unable to perform overtime work as a result of a personnel action in violation of section 5596 of title 5, United States Code, section 6(d) of the Fair Labor Standards Act of 1938, or title VII of the Civil Rights Act of 1964.* For purposes of this paragraph, the hourly rate of basic pay for a customs officer does not include any premium pay provided for under subsection (b).

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(b) PREMIUM PAY FOR CUSTOMS OFFICERS.—**[(1) NIGHT WORK DIFFERENTIAL.—**

[(A) 3 P.M. TO MIDNIGHT SHIFTWORK.—If the majority of the hours of regularly scheduled work of a customs officer occurs during the period beginning at 3 p.m. and ending at 12 a.m., the officer is entitled to pay for work during such period (except for work to which paragraph (2) or (3) applies) at the officer's hourly rate of basic pay plus premium pay amounting to 15 percent of that basic rate.

[(B) 11 P.M. TO 8 A.M. SHIFTWORK.—If the majority of the hours of regularly scheduled work of a customs officer occurs during the period beginning at 11 p.m. and ending at 8 a.m., the officer is entitled to pay for work during such period (except for work to which paragraph (2) or (3) applies) at the officer's hourly rate of basic pay plus premium pay amounting to 20 percent of that basic rate.

[(C) 7:30 P.M. TO 3:30 A.M. SHIFTWORK.—If the regularly scheduled work assignment of a customs officer is 7:30 p.m. to 3:30 a.m., the officer is entitled to pay for work during such period (except for work to which paragraph (2) or (3) applies) at the officer's hourly rate of basic pay plus premium pay amounting to 15 percent of that basic rate for the period from 7:30 p.m. to 11:30 p.m. and at the officer's hourly rate of basic pay plus premium pay amounting to 20 percent of that basic rate for the period from 11:30 p.m. to 3:30 a.m.]

(1) NIGHT WORK DIFFERENTIAL.—

(A) 5 P.M. TO MIDNIGHT.—(i) *If any hours of regularly scheduled work of a customs officer occur during the hours*

of 5 p.m. and 12 a.m., the officer is entitled to pay for such hours of work (except for work to which paragraph (2) or (3) applies) at the officer's hourly rate of basic pay plus premium pay amounting to not less than 18 percent of that basic rate.

(ii) If the regularly scheduled work of a customs officer is 4 p.m. to 12:00 a.m., the officer is entitled to pay for work during such period (except for work to which paragraph (2) or (3) applies) at the officer's hourly rate of basic pay plus premium pay amounting to not less than 18 percent of that basic rate.

(B) MIDNIGHT TO 6 A.M.—(i) If any hours of regularly scheduled work of a customs officer occur during the hours of 12 a.m. and 6 a.m., the officer is entitled to pay for such hours of work (except for work to which paragraph (2) or (3) applies) at the officer's hourly rate of basic pay plus premium pay amounting to 25 percent of that basic rate.

(ii) If the regularly scheduled work of a customs officer is 12 a.m. to 8:00 a.m., the officer is entitled to pay for work during such period (except for work to which paragraph (2) or (3) applies) at the officer's hourly rate of basic pay plus premium pay amounting to 25 percent of that basic rate.

* * * * *

(4) TREATMENT OF PREMIUM PAY.—Premium pay provided for under this subsection may not be treated as being overtime pay or compensation for any purpose. *Premium pay provided under this subsection shall not be paid to any customs officer unless such officer actually performed work during the time corresponding to such premium pay. The preceding sentence shall not apply with respect to the payment of an award or settlement to a customs officer who was unable to perform work during the time described in the preceding sentence as a result of a personnel action in violation of section 5596 of title 5, United States Code, section 6(d) of the Fair Labor Standards Act of 1938, or title VII of the Civil Rights Act of 1964.*

(c) LIMITATIONS.—

[(1) FISCAL YEAR CAP.—The aggregate of overtime pay under subsection (a) (including commuting compensation under subsection (a)(2)(B)) and premium pay under subsection (b) that a customs officer may be paid in any fiscal year may not exceed \$25,000; except that the Commissioner of Customs or his designee may waive this limitation in individual cases in order to prevent excessive costs or to meet emergency requirements of the Customs Service.]

(1) FISCAL YEAR CAP.—*The aggregate of overtime pay under subsection (a) (including commuting compensation under subsection (a)(2)(B)) that a customs officer may be paid in any fiscal year may not exceed \$30,000, except that—*

(A) the Commissioner of Customs or his or her designee may waive this limitation in individual cases in order to prevent excessive costs or to meet emergency requirements of the Customs Service; and

(B) upon certification by the Commissioner of Customs to the Chairmen of the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate that the Customs Service has in operation a system that provides accurate and reliable data on a daily basis on overtime and premium pay that is being paid to customs officers, the Commissioner is authorized to pay any customs officer for one work assignment that would result in the overtime pay of that officer exceeding the \$30,000 limitation imposed by this paragraph, in addition to any overtime pay that may be received pursuant to a waiver under subparagraph (A).

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(e) USE OF SAVINGS FROM PAYMENT OF PREMIUM PAY.—

(1) USE OF AMOUNTS.—For fiscal year 2002, the Secretary of the Treasury—

(A) shall determine under paragraph (2) the amount of savings from the payment of premium pay to customs officers; and

(B) shall use an amount from the Customs User Fee Account equal to such amount determined under paragraph (2) for additional premium pay described in clauses (i) and (ii) of subsection (b)(1)(A).

(2) DETERMINATION OF SAVINGS AMOUNT.—The Secretary shall calculate an amount equal to the difference between—

(A) the estimated cost for premium pay that would have been incurred during fiscal year 2002 if this section, as in effect on the day before the date of the enactment of section 123 of the Customs Border Security Act of 2001, had governed such costs; and

(B) the actual cost for premium pay that is incurred during fiscal year 2002 under this section, as amended by section 123 of the Customs Border Security Act of 2001.

[(e)] *(f) DEFINITIONS.—As used in this section:*

*(1) * * **

* * * * *

SECTION 3061 OF THE REVISED STATUTES OF THE UNITED STATES

SEC. 3061. *(a) Any of the officers or persons authorized to board or search vessels may stop, search, and examine, as well without as within their respective districts, any vehicle, beast, or person, on which or whom he or they shall suspect there is merchandise which is subject to duty, or shall have been introduced into the United States in any manner contrary to law, whether by the person in possession or charge, or by, in, or upon such vehicle or beast, or otherwise, and to search any trunk or envelope, wherever found, in which he may have a reasonable cause to suspect there is merchandise which was imported contrary to law; and if any such officer or other person so authorized shall find any merchandise on or about any such vehicle, beast, or person, or in any*

such trunk or envelope, which he shall have reasonable cause to believe is subject to duty, or to have been unlawfully introduced into the United States, whether by the person in possession or charge, or by, in, or upon such vehicle, beast, or otherwise, he shall seize and secure the same for trial.

(b) Any officer or employee of the United States conducting a search of a person pursuant to subsection (a) shall not be held liable for any civil damages as a result of such search if the officer or employee performed the search in good faith.

TARIFF ACT OF 1930

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TITLE III—SPECIAL PROVISIONS

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Part II—United States Tariff Commission

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SEC. 318. EMERGENCIES.

(a) Whenever the President shall by proclamation declare an emergency to exist by reason of a state of war, or otherwise, he may authorize the Secretary of the Treasury to extend during the continuance of such emergency the time herein prescribed for the performance of any act, and may authorize the Secretary of the Treasury to permit, under such regulations as the Secretary of the Treasury may prescribe, the importation free of duty of food, clothing, and medical, surgical, and other supplies for use in emergency relief work. The Secretary of the Treasury shall report to the Congress any action taken under the provisions of this section.

(b)(1) Notwithstanding any other provision of law, the Secretary of the Treasury, when necessary to respond to a national emergency declared under the National Emergencies Act (50 U.S.C. 1601 et seq.) or to a specific threat to human life or national interests, is authorized to take the following actions on a temporary basis:

(A) Eliminate, consolidate, or relocate any office or port of entry of the Customs Service.

(B) Modify hours of service, alter services rendered at any location, or reduce the number of employees at any location.

(C) Take any other action that may be necessary to directly respond to the national emergency or specific threat.

(2) Notwithstanding any other provision of law, the Commissioner of Customs, when necessary to respond to a specific threat to human life or national interests, is authorized to close temporarily any Customs office or port of entry or take any other lesser action that may be necessary to respond to the specific threat.

(3) The Secretary of the Treasury or the Commissioner of Customs, as the case may be, shall notify the Committee on Ways and Means of the House of Representatives and the Committee on Fi-

nance of the Senate not later than 72 hours after taking any action under paragraph (1) or (2).

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SEC. 330. ORGANIZATION OF THE COMMISSION.

(a) * * *

* * * * *

(e) AUTHORIZATION OF APPROPRIATIONS.—(1) * * *

(2)(A) There are authorized to be appropriated to the Commission for necessary expenses (including the rental of conference rooms in the District of Columbia and elsewhere) not to exceed the following:

- [(i) \$41,170,000 for fiscal year 1991.
- [(ii) \$44,052,000 for fiscal year 1992.]
- (i) \$51,400,000 for fiscal year 2002.
- (ii) \$53,400,000 for fiscal year 2003.

* * * * *

(4) By not later than the date on which the President submits to Congress the budget of the United States Government for a fiscal year, the Commission shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate the projected amount of funds for the succeeding fiscal year that will be necessary for the Commission to carry out its functions.

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TITLE IV—ADMINISTRATIVE PROVISIONS

**PART I—DEFINITIONS AND NATIONAL CUSTOMS
AUTOMATION PROGRAM**

Subpart A—Definitions

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SEC. 401. MISCELLANEOUS.

When used in this title or in Part I of Title III—

(a) * * *

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(t) The term “land, air, or vessel carrier” means a land, air, or vessel carrier, as the case may be, that transports goods or passengers for payment or other consideration, including money or services rendered.

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**Part II—Report, Entry, and Unlading of Vessels and
Vehicles**

SEC. 431. MANIFEST—REQUIREMENT, FORM, AND CONTENTS.

(a) * * *

(b) PRODUCTION OF MANIFEST.—(1) Any manifest required by the Customs Service shall be signed, produced, delivered or electronically transmitted by the master or person in charge of the ves-

sel, aircraft, or vehicle, or by any other authorized agent of the owner or operator of the vessel, aircraft, or vehicle in accordance with the requirements prescribed under subsection (d). A manifest may be supplemented by bill of lading data supplied by the issuer of such bill. If any irregularity of omission or commission occurs in any way in respect to any manifest or bill of lading data, the owner or operator of the vessel, aircraft or vehicle, or any party responsible for such irregularity, shall be liable for any fine or penalty prescribed by law with respect to such irregularity. The Customs Service may take appropriate action against any of the parties.

(2) *In addition to any other requirement under this section, for each land, air, or vessel carrier required to make entry or obtain clearance under the customs laws of the United States, the pilot, the master, operator, or owner of such carrier (or the authorized agent of such operator or owner) shall provide by electronic transmission cargo manifest information in advance of such entry or clearance in such manner, time, and form as prescribed under regulations by the Secretary. The Secretary may exclude any class of land, air, or vessel carrier for which the Secretary concludes the requirements of this subparagraph are not necessary.*

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(d) REGULATIONS.—

(1) IN GENERAL.—The Secretary shall by regulation—

(A) specify the form for, and the information and data that must be contained in, the manifest required by subsection (a) or subsection (b)(2);

* * * * *

(C) prescribe the manner of production for, and the delivery or electronic transmittal of the manifest required by subsection (a) or subsection (b)(2); and

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SEC. 432. PASSENGER AND CREW MANIFEST INFORMATION REQUIRED FOR LAND, AIR, OR VESSEL CARRIERS.

(a) *IN GENERAL.—For every person arriving or departing on a land, air, or vessel carrier required to make entry or obtain clearance under the customs laws of the United States, the pilot, the master, operator, or owner of such carrier (or the authorized agent of such operator or owner) shall provide by electronic transmission manifest information described in subsection (b) in advance of such entry or clearance in such manner, time, and form as prescribed under regulations by the Secretary.*

(b) *INFORMATION DESCRIBED.—The information described in this subsection shall include for each person described in subsection (a), the person's—*

- (1) *full name;*
- (2) *date of birth and citizenship;*
- (3) *gender;*
- (4) *passport number and country of issuance;*
- (5) *United States visa number or resident alien card number, as applicable;*
- (6) *passenger name record; and*

(7) such additional information that the Secretary, by regulation, determines is reasonably necessary to ensure aviation and maritime safety pursuant to the laws enforced or administered by the Customs Service.

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SEC. 509. EXAMINATION OF BOOKS AND WITNESSES.

(a) * * *

(b) REGULATORY AUDIT PROCEDURES.—

(1) * * *

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(6)(A) If during the course of any audit concluded under this subsection, the Customs Service identifies overpayments of duties or fees or over-declarations of quantities or values that are within the time period and scope of the audit that the Customs Service has defined, then in calculating the loss of revenue or monetary penalties under section 592, the Customs Service shall treat the overpayments or over-declarations on finally liquidated entries as an offset to any underpayments or underdeclarations also identified on finally liquidated entries if such overpayments or over-declarations were not made by the person being audited for the purpose of violating any provision of law.

(B) Nothing in this paragraph shall be construed to authorize a refund not otherwise authorized under section 520.

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SEC. 583. EXAMINATION OF OUTBOUND MAIL.

(a) EXAMINATION.—

(1) IN GENERAL.—For purposes of ensuring compliance with the Customs laws of the United States and other laws enforced by the Customs Service, including the provisions of law described in paragraph (2), a Customs officer may, subject to the provisions of this section, stop and search at the border, without a search warrant, mail of domestic origin transmitted for export by the United States Postal Service and foreign mail transiting the United States that is being imported or exported by the United States Postal Service.

(2) PROVISIONS OF LAW DESCRIBED.—The provisions of law described in this paragraph are the following:

(A) Section 5316 of title 31, United States Code (relating to reports on exporting and importing monetary instruments).

(B) Sections 1461, 1463, 1465, and 1466 and chapter 110 of title 18, United States Code (relating to obscenity and child pornography).

(C) Section 1003 of the Controlled Substances Import and Export Act (21 U.S.C. 953; relating to exportation of controlled substances).

(D) The Export Administration Act of 1979 (50 U.S.C. app. 2401 et seq.).

(E) Section 38 of the Arms Export Control Act (22 U.S.C. 2778).

(F) The International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

(b) *SEARCH OF MAIL NOT SEALED AGAINST INSPECTION AND OTHER MAIL.*—Mail not sealed against inspection under the postal laws and regulations of the United States, mail which bears a customs declaration, and mail with respect to which the sender or addressee has consented in writing to search, may be searched by a Customs officer.

(c) *SEARCH OF MAIL SEALED AGAINST INSPECTION.*—(1) Mail sealed against inspection under the postal laws and regulations of the United States may be searched by a Customs officer, subject to paragraph (2), upon reasonable cause to suspect that such mail contains one or more of the following:

(A) Monetary instruments, as defined in section 1956 of title 18, United States Code.

(B) A weapon of mass destruction, as defined in section 2332a(b) of title 18, United States Code.

(C) A drug or other substance listed in schedule I, II, III, or IV in section 202 of the Controlled Substances Act (21 U.S.C. 812).

(D) National defense and related information transmitted in violation of any of sections 793 through 798 of title 18, United States Code.

(E) Merchandise mailed in violation of section 1715 or 1716 of title 18, United States Code.

(F) Merchandise mailed in violation of any provision of chapter 71 (relating to obscenity) or chapter 110 (relating to sexual exploitation and other abuse of children) of title 18, United States Code.

(G) Merchandise mailed in violation of the Export Administration Act of 1979 (50 U.S.C. app. 2401 et seq.).

(H) Merchandise mailed in violation of section 38 of the Arms Export Control Act (22 U.S.C. 2778).

(I) Merchandise mailed in violation of the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.).

(J) Merchandise mailed in violation of the Trading with the Enemy Act (50 U.S.C. app. 1 et seq.).

(K) Merchandise subject to any other law enforced by the Customs Service.

(2) No person acting under authority of paragraph (1) shall read, or authorize any other person to read, any correspondence contained in mail sealed against inspection unless prior to so reading—

(A) a search warrant has been issued pursuant to Rule 41, Federal Rules of Criminal Procedure; or

(B) the sender or addressee has given written authorization for such reading.

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SECTION 141 OF THE TRADE ACT OF 1974

SEC. 141. OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE.

(a) * * *

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(g)(1)(A) There are authorized to be appropriated to the Office for the purposes of carrying out its functions **[not to exceed]** the following:

- [(i) \$23,250,000 for fiscal year 1991.**
- [(ii) \$21,077,000 for fiscal year 1992.]**
- (i) \$30,000,000 for fiscal year 2002.*
- (ii) \$31,000,000 for fiscal year 2003.*

(B) Of the amounts authorized to be appropriated under subparagraph (A) for any fiscal year—

- (i) not to exceed \$98,000 may be used for entertainment and representation expenses of the Office; *and*
- [(ii) not to exceed \$2,050,000 may be used to pay the United States share of the expenses of binational panels and extraordinary challenge committees convened pursuant to chapter 19 of the United States-Canada Free-Trade Agreement; and]**
- [(iii) (i) not to exceed \$1,000,000 shall remain available until expended.**

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(3) By not later than the date on which the President submits to Congress the budget of the United States Government for a fiscal year, the United States Trade Representative shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate the projected amount of funds for the succeeding fiscal year that will be necessary for the Office to carry out its functions.

HARMONIZED TARIFF SCHEDULE OF THE UNITED STATES

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CHAPTER 98—SPECIAL CLASSIFICATION PROVISIONS

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Subchapter IV—Personal Exemptions Extended to Residents and Nonresidents

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Heading/ Subheading	Article Description	Rates of Duty		
		1		2
		General	Special	
9804.00.65	Articles, accompanying a person, not over [\$400] \$800 in aggregate fair retail value in the country of acquisition, including (but only in the case of an individual who has attained the age of 21) not more than 1 liter of alcoholic beverages and including not more than 200 cigarettes and 100 cigars	Free	Free
	* * *	* * *	* * *	* * *