Roy Blunt

109TH CONGRESS
1ST SESSION

H. R. 4340

IN THE HOUSE OF REPRESENTATIVES

Mr. Blunt (for himself and M. Rangel) (by request) introduced the following bill; which was referred to the Committee on _____

A BILL

To implement the United States-Bahrain Free Trade Agreement.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the "United States-Bahrain Free Trade Agreement Implementation Act".

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

Sec. 1. Short title; table of contents.
Sec. 2. Purposes.
Sec. 3. Definitions.

TITLE I—APPROVAL OF, AND GENERAL PROVISIONS RELATING TO, THE AGREEMENT

Sec. 101. Approval and entry into force of the Agreement.
Sec. 102. Relationship of the agreement to United States and State law.
Sec. 103. Implementing actions in anticipation of entry into force and initial regulations.
Sec. 104. Consultation and layover provisions for, and effective date of, proclaimed actions.
Sec. 105. Administration of dispute settlement proceedings.
Sec. 106. Effective dates; effect of termination.

TITLE II—CUSTOMS PROVISIONS

Sec. 201. Tariff modifications.
Sec. 202. Rules of origin.
Sec. 203. Customs user fees.
Sec. 204. Enforcement relating to trade in textile and apparel goods.
Sec. 205. Regulations.

TITLE III—RELIEF FROM IMPORTS

Sec. 301. Definitions.

Subtitle A—Relief From Imports Benefiting From the Agreement

Sec. 311. Commencing of action for relief.
Sec. 312. Commission action on petition.
Sec. 313. Provision of relief.
Sec. 314. Termination of relief authority.
Sec. 315. Compensation authority.
Sec. 316. Confidential business information.

Subtitle B—Textile and Apparel Safeguard Measures

Sec. 321. Commencement of action for relief.
Sec. 322. Determination and provision of relief.
Sec. 323. Period of relief.
Sec. 324. Articles exempt from relief.
Sec. 325. Rate after termination of import relief.
Sec. 326. Termination of relief authority.
Sec. 327. Compensation authority.
Sec. 328. Confidential business information.

TITLE IV—PROCUREMENT

Sec. 401. Eligible products.

1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are—

3 (1) to approve and implement the Free Trade

4 Agreement between the United States and Bahrain

5 entered into under the authority of section 2103(b)

of the Bipartisan Trade Promotion Authority Act of 2002 (19 U.S.C. 3803(b));

(2) to strengthen and develop economic relations between the United States and Bahrain for their mutual benefit;

(3) to establish free trade between the 2 nations through the reduction and elimination of barriers to trade in goods and services; and

(4) to lay the foundation for further cooperation to expand and enhance the benefits of such Agreement.

SEC. 3. DEFINITIONS.

In this Act:

(1) AGREEMENT.—The term "Agreement" means the United States-Bahrain Free Trade Agreement approved by Congress under section 101(a)(1).

(2) HTS.—The term "HTS" means the Harmonized Tariff Schedule of the United States.

(3) TEXTILE OR APPAREL GOOD.—The term "textile or apparel good" means a good listed in the Annex to the Agreement on Textiles and Clothing referred to in section 101(d)(4) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(4)).

TITLE I—APPROVAL OF, AND GENERAL PROVISIONS RELATING TO, THE AGREEMENT

SEC. 101. APPROVAL AND ENTRY INTO FORCE OF THE AGREEMENT.

(a) APPROVAL OF AGREEMENT AND STATEMENT OF ADMINISTRATIVE ACTION.—Pursuant to section 2105 of the Bipartisan Trade Promotion Authority Act of 2002 (19 U.S.C. 3805) and section 151 of the Trade Act of 1974 (19 U.S.C. 2191), Congress approves—

(1) the United States-Bahrain Free Trade Agreement entered into on September 14, 2004, with Bahrain and submitted to Congress on November 16, 2005; and

(2) the statement of administrative action proposed to implement the Agreement that was submitted to Congress on November 16, 2005.

(b) CONDITIONS FOR ENTRY INTO FORCE OF THE AGREEMENT.—At such time as the President determines that Bahrain has taken measures necessary to bring it into compliance with those provisions of the Agreement that are to take effect on the date on which the Agreement enters into force, the President is authorized to exchange notes with the Government of Bahrain providing for the

1 entry into force, on or after January 1, 2006, of the
2 Agreement with respect to the United States.

3 **SEC. 102. RELATIONSHIP OF THE AGREEMENT TO UNITED**
4 **STATES AND STATE LAW.**

5 (a) RELATIONSHIP OF AGREEMENT TO UNITED
6 STATES LAW.—

7 (1) UNITED STATES LAW TO PREVAIL IN CON-
8 FLICT.—No provision of the Agreement, nor the ap-
9 plication of any such provision to any person or cir-
10 cumstance, which is inconsistent with any law of the
11 United States shall have effect.

12 (2) CONSTRUCTION.—Nothing in this Act shall
13 be construed—

14 (A) to amend or modify any law of the
15 United States; or

16 (B) to limit any authority conferred under
17 any law of the United States,

18 unless specifically provided for in this Act.

19 (b) RELATIONSHIP OF AGREEMENT TO STATE
20 LAW.—

21 (1) LEGAL CHALLENGE.—No State law, or the
22 application thereof, may be declared invalid as to
23 any person or circumstance on the ground that the
24 provision or application is inconsistent with the
25 Agreement, except in an action brought by the

1 United States for the purpose of declaring such law
2 or application invalid.
3 (2) DEFINITION OF STATE LAW.—For purposes
4 of this subsection, the term "State law" includes—
5 (A) any law of a political subdivision of a
6 State; and
7 (B) any State law regulating or taxing the
8 business of insurance.
9 (c) EFFECT OF AGREEMENT WITH RESPECT TO PRI-
10 VATE REMEDIES.—No person other than the United
11 States—
12 (1) shall have any cause of action or defense
13 under the Agreement or by virtue of congressional
14 approval thereof; or
15 (2) may challenge, in any action brought under
16 any provision of law, any action or inaction by any
17 department, agency, or other instrumentality of the
18 United States, any State, or any political subdivision
19 of a State, on the ground that such action or inac-
20 tion is inconsistent with the Agreement.
21 **SEC. 103. IMPLEMENTING ACTIONS IN ANTICIPATION OF**
22 **ENTRY INTO FORCE AND INITIAL REGULA-**
23 **TIONS.**
24 (a) IMPLEMENTING ACTIONS.—

1 (1) PROCLAMATION AUTHORITY.—After the
2 date of the enactment of this Act—
3 (A) the President may proclaim such ac-
4 tions, and
5 (B) other appropriate officers of the
6 United States Government may issue such reg-
7 ulations,
8 as may be necessary to ensure that any provision of
9 this Act, or amendment made by this Act, that takes
10 effect on the date on which the Agreement enters
11 into force is appropriately implemented on such
12 date, but no such proclamation or regulation may
13 have an effective date earlier than the date on which
14 the Agreement enters into force.
15 (2) EFFECTIVE DATE OF CERTAIN PROCLAIMED
16 ACTIONS.—Any action proclaimed by the President
17 under the authority of this Act that is not subject
18 to the consultation and layover provisions under sec-
19 tion 104 may not take effect before the 15th day
20 after the date on which the text of the proclamation
21 is published in the Federal Register.
22 (3) WAIVER OF 15-DAY RESTRICTION.—The 15-
23 day restriction in paragraph (2) on the taking effect
24 of proclaimed actions is waived to the extent that
25 the application of such restriction would prevent the

1 taking effect on the date on which the Agreement
2 enters into force of any action proclaimed under this
3 section.

4 (b) INITIAL REGULATIONS.—Initial regulations nec-
5 essary or appropriate to carry out the actions required by
6 or authorized under this Act or proposed in the statement
7 of administrative action submitted under section
8 101(a)(2) to implement the Agreement shall, to the max-
9 imum extent feasible, be issued within 1 year after the
10 date on which the Agreement enters into force. In the case
11 of any implementing action that takes effect on a date
12 after the date on which the Agreement enters into force,
13 initial regulations to carry out that action shall, to the
14 maximum extent feasible, be issued within 1 year after
15 such effective date.

16 **SEC. 104. CONSULTATION AND LAYOVER PROVISIONS FOR,**
17 **AND EFFECTIVE DATE OF, PROCLAIMED AC-**
18 **TIONS.**

19 If a provision of this Act provides that the implemen-
20 tation of an action by the President by proclamation is
21 subject to the consultation and layover requirements of
22 this section, such action may be proclaimed only if—

23 (1) the President has obtained advice regarding
24 the proposed action from—

1 (A) the appropriate advisory committees
2 established under section 135 of the Trade Act
3 of 1974 (19 U.S.C. 2155); and
4 (B) the United States International Trade
5 Commission;
6 (2) the President has submitted to the Com-
7 mittee on Finance of the Senate and the Committee
8 on Ways and Means of the House of Representatives
9 a report that sets forth—
10 (A) the action proposed to be proclaimed
11 and the reasons therefor; and
12 (B) the advice obtained under paragraph
13 (1);
14 (3) a period of 60 calendar days, beginning on
15 the first day on which the requirements set forth in
16 paragraphs (1) and (2) have been met has expired;
17 and
18 (4) the President has consulted with the Com-
19 mittees referred to in paragraph (2) regarding the
20 proposed action during the period referred to in
21 paragraph (3).
22 **SEC. 105. ADMINISTRATION OF DISPUTE SETTLEMENT PRO-**
23 **CEEDINGS.**
24 (a) ESTABLISHMENT OR DESIGNATION OF OFFICE.—
25 The President is authorized to establish or designate with-

1 in the Department of Commerce an office that shall be
2 responsible for providing administrative assistance to pan-
3 els established under chapter 19 of the Agreement. The
4 office may not be considered to be an agency for purposes
5 of section 552 of title 5, United States Code.

6 (b) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated for each fiscal year after
8 fiscal year 2005 to the Department of Commerce such
9 sums as may be necessary for the establishment and oper-
10 ations of the office established or designated under sub-
11 section (a) and for the payment of the United States share
12 of the expenses of panels established under chapter 19 of
13 the Agreement.

14 **SEC. 106. EFFECTIVE DATES; EFFECT OF TERMINATION.**

15 (a) EFFECTIVE DATES.—Except as provided in sub-
16 section (b), the provisions of this Act and the amendments
17 made by this Act take effect on the date on which the
18 Agreement enters into force.

19 (b) EXCEPTIONS.—Sections 1 through 3 and this
20 title take effect on the date of the enactment of this Act.

21 (c) TERMINATION OF THE AGREEMENT.—On the
22 date on which the Agreement terminates, the provisions
23 of this Act (other than this subsection) and the amend-
24 ments made by this Act shall cease to be effective.

TITLE II—CUSTOMS PROVISIONS

SEC. 201. TARIFF MODIFICATIONS.

(a) TARIFF MODIFICATIONS PROVIDED FOR IN THE AGREEMENT.—

(1) PROCLAMATION AUTHORITY.—The President may proclaim—

(A) such modifications or continuation of any duty,

(B) such continuation of duty-free or excise treatment, or

(C) such additional duties,

as the President determines to be necessary or appropriate to carry out or apply articles 2.3, 2.5, 2.6, 3.2.8, and 3.2.9, and Annex 2–B of the Agreement.

(2) EFFECT ON BAHRAINI GSP STATUS.—Notwithstanding section 502(a)(1) of the Trade Act of 1974 (19 U.S.C. 2462(a)(1)), the President shall, on the date on which the Agreement enters into force, terminate the designation of Bahrain as a beneficiary developing country for purposes of title V of the Trade Act of 1974 (19 U.S.C. 2461 et seq.).

(b) OTHER TARIFF MODIFICATIONS.—Subject to the consultation and layover provisions of section 104, the President may proclaim—

1 (1) such modifications or continuation of any
2 duty,
3 (2) such modifications as the United States
4 may agree to with Bahrain regarding the staging of
5 any duty treatment set forth in Annex 2–B of the
6 Agreement,
7 (3) such continuation of duty-free or excise
8 treatment, or
9 (4) such additional duties,
10 as the President determines to be necessary or appropriate
11 to maintain the general level of reciprocal and mutually
12 advantageous concessions with respect to Bahrain pro-
13 vided for by the Agreement.
14 (c) CONVERSION TO AD VALOREM RATES.—For pur-
15 poses of subsections (a) and (b), with respect to any good
16 for which the base rate in the Tariff Schedule of the
17 United States to Annex 2–B of the Agreement is a specific
18 or compound rate of duty, the President may substitute
19 for the base rate an ad valorem rate that the President
20 determines to be equivalent to the base rate.
21 **SEC. 202. RULES OF ORIGIN.**
22 (a) APPLICATION AND INTERPRETATION.—In this
23 section:
24 (1) TARIFF CLASSIFICATION.—The basis for
25 any tariff classification is the HTS.

1 (2) REFERENCE TO HTS.—Whenever in this
2 section there is a reference to a heading or sub-
3 heading, such reference shall be a reference to a
4 heading or subheading of the HTS.
5 (b) ORIGINATING GOODS.—
6 (1) IN GENERAL.—For purposes of this Act
7 and for purposes of implementing the preferential
8 tariff treatment provided for under the Agreement,
9 a good is an originating good if—
10 (A) the good is imported directly—
11 (i) from the territory of Bahrain into
12 the territory of the United States; or
13 (ii) from the territory of the United
14 States into the territory of Bahrain; and
15 (B)(i) the good is a good wholly the
16 growth, product, or manufacture of Bahrain or
17 the United States, or both;
18 (ii) the good (other than a good to which
19 clause (iii) applies) is a new or different article
20 of commerce that has been grown, produced, or
21 manufactured in Bahrain or the United States,
22 or both, and meets the requirements of para-
23 graph (2); or
24 (iii)(I) the good is a good covered by
25 Annex 3–A or 4–A of the Agreement;

1 (II)(aa) each of the nonoriginating mate-
2 rials used in the production of the good under-
3 goes an applicable change in tariff classification
4 specified in such Annex as a result of produc-
5 tion occurring entirely in the territory of Bah-
6 rain or the United States, or both; or
7 (bb) the good otherwise satisfies the re-
8 quirements specified in such Annex; and
9 (III) the good satisfies all other applicable
10 requirements of this section.
11 (2) REQUIREMENTS.—A good described in
12 paragraph (1)(B)(ii) is an originating good only if
13 the sum of—
14 (A) the value of each material produced in
15 the territory of Bahrain or the United States,
16 or both, and
17 (B) the direct costs of processing oper-
18 ations performed in the territory of Bahrain or
19 the United States, or both,
20 is not less than 35 percent of the appraised value of
21 the good at the time the good is entered into the ter-
22 ritory of the United States.
23 (c) CUMULATION.—
24 (1) ORIGINATING GOOD OR MATERIAL INCOR-
25 PORATED INTO GOODS OF OTHER COUNTRY.—An

1 originating good, or a material produced in the terri-
2 tory of Bahrain or the United States, or both, that
3 is incorporated into a good in the territory of the
4 other country shall be considered to originate in the
5 territory of the other country.

6 (2) MULTIPLE PRODUCERS.—A good that is
7 grown, produced, or manufactured in the territory of
8 Bahrain or the United States, or both, by 1 or more
9 producers, is an originating good if the good satis-
10 fies the requirements of subsection (b) and all other
11 applicable requirements of this section.

12 (d) VALUE OF MATERIALS.—

13 (1) IN GENERAL.—Except as provided in para-
14 graph (2), the value of a material produced in the
15 territory of Bahrain or the United States, or both,
16 includes the following:

17 (A) The price actually paid or payable for
18 the material by the producer of the good.

19 (B) The freight, insurance, packing, and
20 all other costs incurred in transporting the ma-
21 terial to the producer's plant, if such costs are
22 not included in the price referred to in subpara-
23 graph (A).

24 (C) The cost of waste or spoilage resulting
25 from the use of the material in the growth, pro-

1 duction, or manufacture of the good, less the
2 value of recoverable scrap.
3 (D) Taxes or customs duties imposed on
4 the material by Bahrain or the United States,
5 or both, if the taxes or customs duties are not
6 remitted upon exportation from the territory of
7 Bahrain or the United States, as the case may
8 be.
9 (2) EXCEPTION.—If the relationship between
10 the producer of a good and the seller of a material
11 influenced the price actually paid or payable for the
12 material, or if there is no price actually paid or pay-
13 able by the producer for the material, the value of
14 the material produced in the territory of Bahrain or
15 the United States, or both, includes the following:
16 (A) All expenses incurred in the growth,
17 production, or manufacture of the material, in-
18 cluding general expenses.
19 (B) A reasonable amount for profit.
20 (C) Freight, insurance, packing, and all
21 other costs incurred in transporting the mate-
22 rial to the producer's plant.
23 (e) PACKAGING AND PACKING MATERIALS AND CON-
24 TAINERS FOR RETAIL SALE AND FOR SHIPMENT.—Pack-
25 aging and packing materials and containers for retail sale

1 and shipment shall be disregarded in determining whether
2 a good qualifies as an originating good, except to the ex-
3 tent that the value of such packaging and packing mate-
4 rials and containers has been included in meeting the re-
5 quirements set forth in subsection (b)(2).

6 (f) INDIRECT MATERIALS.—Indirect materials shall
7 be disregarded in determining whether a good qualifies as
8 an originating good, except that the cost of such indirect
9 materials may be included in meeting the requirements set
10 forth in subsection (b)(2).

11 (g) TRANSIT AND TRANSSHIPMENT.—A good shall
12 not be considered to meet the requirement of subsection
13 (b)(1)(A) if, after exportation from the territory of Bah-
14 rain or the United States, the good undergoes production,
15 manufacturing, or any other operation outside the terri-
16 tory of Bahrain or the United States, other than unload-
17 ing, reloading, or any other operation necessary to pre-
18 serve the good in good condition or to transport the good
19 to the territory of Bahrain or the United States.

20 (h) TEXTILE AND APPAREL GOODS.—

21 (1) DE MINIMIS AMOUNTS OF NONORIGINATING
22 MATERIALS.—

23 (A) IN GENERAL.—Except as provided in
24 subparagraph (B), a textile or apparel good
25 that is not an originating good because certain

1 fibers or yarns used in the production of the
2 component of the good that determines the tar-
3 iff classification of the good do not undergo an
4 applicable change in tariff classification set out
5 in Annex 3–A of the Agreement shall be consid-
6 ered to be an originating good if the total
7 weight of all such fibers or yarns in that com-
8 ponent is not more than 7 percent of the total
9 weight of that component.

10 (B) CERTAIN TEXTILE OR APPAREL
11 GOODS.—A textile or apparel good containing
12 elastomeric yarns in the component of the good
13 that determines the tariff classification of the
14 good shall be considered to be an originating
15 good only if such yarns are wholly formed in
16 the territory of Bahrain or the United States.

17 (C) YARN, FABRIC, OR GROUP OF FI-
18 BERS.—For purposes of this paragraph, in the
19 case of a textile or apparel good that is a yarn,
20 fabric, or group of fibers, the term "component
21 of the good that determines the tariff classifica-
22 tion of the good" means all of the fibers in the
23 yarn, fabric, or group of fibers.

24 (2) GOODS PUT UP IN SETS FOR RETAIL
25 SALE.—Notwithstanding the rules set forth in Annex

1 3–A of the Agreement, textile or apparel goods clas-
2 sifiable as goods put up in sets for retail sale as pro-
3 vided for in General Rule of Interpretation 3 of the
4 HTS shall not be considered to be originating goods
5 unless each of the goods in the set is an originating
6 good or the total value of the nonoriginating goods
7 in the set does not exceed 10 percent of the value
8 of the set determined for purposes of assessing cus-
9 toms duties.
10 (i) DEFINITIONS.—In this section:
11 (1) DIRECT COSTS OF PROCESSING OPER-
12 ATIONS.—
13 (A) IN GENERAL.—The term "direct costs
14 of processing operations", with respect to a
15 good, includes, to the extent they are includable
16 in the appraised value of the good when im-
17 ported into Bahrain or the United States, as
18 the case may be, the following:
19 (i) All actual labor costs involved in
20 the growth, production, or manufacture of
21 the good, including fringe benefits, on-the-
22 job training, and the cost of engineering,
23 supervisory, quality control, and similar
24 personnel.

1 (ii) Tools, dies, molds, and other indi-
2 rect materials, and depreciation on ma-
3 chinery and equipment that are allocable
4 to the good.
5 (iii) Research, development, design,
6 engineering, and blueprint costs, to the ex-
7 tent that they are allocable to the good.
8 (iv) Costs of inspecting and testing
9 the good.
10 (v) Costs of packaging the good for
11 export to the territory of the other country.
12 (B) EXCEPTIONS.—The term "direct costs
13 of processing operations" does not include costs
14 that are not directly attributable to a good or
15 are not costs of growth, production, or manu-
16 facture of the good, such as—
17 (i) profit; and
18 (ii) general expenses of doing business
19 that are either not allocable to the good or
20 are not related to the growth, production,
21 or manufacture of the good, such as ad-
22 ministrative salaries, casualty and liability
23 insurance, advertising, and sales staff sala-
24 ries, commissions, or expenses.

1 (2) GOOD.—The term "good" means any mer-
2 chandise, product, article, or material.
3 (3) GOOD WHOLLY THE GROWTH, PRODUCT, OR
4 MANUFACTURE OF BAHRAIN OR THE UNITED
5 STATES, OR BOTH.—The term "good wholly the
6 growth, product, or manufacture of Bahrain or the
7 United States, or both" means—
8 (A) a mineral good extracted in the terri-
9 tory of Bahrain or the United States, or both;
10 (B) a vegetable good, as such a good is
11 provided for in the HTS, harvested in the terri-
12 tory of Bahrain or the United States, or both;
13 (C) a live animal born and raised in the
14 territory of Bahrain or the United States, or
15 both;
16 (D) a good obtained from live animals
17 raised in the territory of Bahrain or the United
18 States, or both;
19 (E) a good obtained from hunting, trap-
20 ping, or fishing in the territory of Bahrain or
21 the United States, or both;
22 (F) a good (fish, shellfish, and other ma-
23 rine life) taken from the sea by vessels reg-
24 istered or recorded with Bahrain or the United
25 States and flying the flag of that country;

1 (G) a good produced from goods referred
2 to in subparagraph (F) on board factory ships
3 registered or recorded with Bahrain or the
4 United States and flying the flag of that coun-
5 try;
6 (H) a good taken by Bahrain or the
7 United States or a person of Bahrain or the
8 United States from the seabed or beneath the
9 seabed outside territorial waters, if Bahrain or
10 the United States, as the case may be, has
11 rights to exploit such seabed;
12 (I) a good taken from outer space, if such
13 good is obtained by Bahrain or the United
14 States or a person of Bahrain or the United
15 States and not processed in the territory of a
16 country other than Bahrain or the United
17 States;
18 (J) waste and scrap derived from—
19 (i) production or manufacture in the
20 territory of Bahrain or the United States,
21 or both; or
22 (ii) used goods collected in the terri-
23 tory of Bahrain or the United States, or
24 both, if such goods are fit only for the re-
25 covery of raw materials;

1 (K) a recovered good derived in the terri-
2 tory of Bahrain or the United States from used
3 goods and utilized in the territory of that coun-
4 try in the production of remanufactured goods;
5 and
6 (L) a good produced in the territory of
7 Bahrain or the United States, or both,
8 exclusively—
9 (i) from goods referred to in subpara-
10 graphs (A) through (J), or
11 (ii) from the derivatives of goods re-
12 ferred to in clause (i),
13 at any stage of production.
14 (4) INDIRECT MATERIAL.—The term "indirect
15 material" means a good used in the growth, produc-
16 tion, manufacture, testing, or inspection of a good
17 but not physically incorporated into the good, or a
18 good used in the maintenance of buildings or the op-
19 eration of equipment associated with the growth,
20 production, or manufacture of a good, including—
21 (A) fuel and energy;
22 (B) tools, dies, and molds;
23 (C) spare parts and materials used in the
24 maintenance of equipment and buildings;

1 (D) lubricants, greases, compounding ma-
2 terials, and other materials used in the growth,
3 production, or manufacture of a good or used
4 to operate equipment and buildings;
5 (E) gloves, glasses, footwear, clothing,
6 safety equipment, and supplies;
7 (F) equipment, devices, and supplies used
8 for testing or inspecting the good;
9 (G) catalysts and solvents; and
10 (H) any other goods that are not incor-
11 porated into the good but the use of which in
12 the growth, production, or manufacture of the
13 good can reasonably be demonstrated to be a
14 part of that growth, production, or manufac-
15 ture.
16 (5) MATERIAL.—The term "material" means a
17 good, including a part or ingredient, that is used in
18 the growth, production, or manufacture of another
19 good that is a new or different article of commerce
20 that has been grown, produced, or manufactured in
21 Bahrain or the United States, or both.
22 (6) MATERIAL PRODUCED IN THE TERRITORY
23 OF BAHRAIN OR THE UNITED STATES, OR BOTH.—
24 The term "material produced in the territory of
25 Bahrain or the United States, or both" means a

1 good that is either wholly the growth, product, or
2 manufacture of Bahrain or the United States, or
3 both, or a new or different article of commerce that
4 has been grown, produced, or manufactured in the
5 territory of Bahrain or the United States, or both.
6 (7) NEW OR DIFFERENT ARTICLE OF COM-
7 MERCE.—
8 (A) IN GENERAL.—The term "new or dif-
9 ferent article of commerce" means, except as
10 provided in subparagraph (B), a good that—
11 (i) has been substantially transformed
12 from a good or material that is not wholly
13 the growth, product, or manufacture of
14 Bahrain or the United States, or both; and
15 (ii) has a new name, character, or use
16 distinct from the good or material from
17 which it was transformed.
18 (B) EXCEPTION.—A good shall not be con-
19 sidered a new or different article of commerce
20 by virtue of having undergone simple combining
21 or packaging operations, or mere dilution with
22 water or another substance that does not mate-
23 rially alter the characteristics of the good.

1 (8) RECOVERED GOODS.—The term "recovered
2 goods" means materials in the form of individual
3 parts that result from—
4 (A) the complete disassembly of used goods
5 into individual parts; and
6 (B) the cleaning, inspecting, testing, or
7 other processing of those parts that is necessary
8 for improvement to sound working condition.
9 (9) REMANUFACTURED GOOD.—The term "re-
10 manufactured good" means an industrial good that
11 is assembled in the territory of Bahrain or the
12 United States and that—
13 (A) is entirely or partially comprised of re-
14 covered goods;
15 (B) has a similar life expectancy to, and
16 meets similar performance standards as, a like
17 good that is new; and
18 (C) enjoys a factory warranty similar to
19 that of a like good that is new.
20 (10) SIMPLE COMBINING OR PACKAGING OPER-
21 ATIONS.—The term "simple combining or packaging
22 operations" means operations such as adding bat-
23 teries to devices, fitting together a small number of
24 components by bolting, gluing, or soldering, and re-
25 packing or packaging components together.

1 (11) SUBSTANTIALLY TRANSFORMED.—The
2 term "substantially transformed" means, with re-
3 spect to a good or material, changed as the result
4 of a manufacturing or processing operation so
5 that—
6 (A)(i) the good or material is converted
7 from a good that has multiple uses into a good
8 or material that has limited uses;
9 (ii) the physical properties of the good or
10 material are changed to a significant extent; or
11 (iii) the operation undergone by the good
12 or material is complex by reason of the number
13 of different processes and materials involved
14 and the time and level of skill required to per-
15 form those processes; and
16 (B) the good or material loses its separate
17 identity in the manufacturing or processing op-
18 eration.
19 (j) PRESIDENTIAL PROCLAMATION AUTHORITY.—
20 (1) IN GENERAL.—The President is authorized
21 to proclaim, as part of the HTS—
22 (A) the provisions set forth in Annex 3–A
23 and Annex 4–A of the Agreement; and

1 (B) any additional subordinate category
2 that is necessary to carry out this title, con-
3 sistent with the Agreement.
4 (2) MODIFICATIONS.—
5 (A) IN GENERAL.—Subject to the consulta-
6 tion and layover provisions of section 104, the
7 President may proclaim modifications to the
8 provisions proclaimed under the authority of
9 paragraph (1)(A), other than provisions of
10 chapters 50 through 63 of the HTS (as in-
11 cluded in Annex 3–A of the Agreement).
12 (B) ADDITIONAL PROCLAMATIONS.—Not-
13 withstanding subparagraph (A), and subject to
14 the consultation and layover provisions of sec-
15 tion 104, the President may proclaim—
16 (i) modifications to the provisions pro-
17 claimed under the authority of paragraph
18 (1)(A) as are necessary to implement an
19 agreement with Bahrain pursuant to arti-
20 cle 3.2.5 of the Agreement; and
21 (ii) before the end of the 1-year period
22 beginning on the date of the enactment of
23 this Act, modifications to correct any typo-
24 graphical, clerical, or other nonsubstantive
25 technical error regarding the provisions of

1 chapters 50 through 63 of the HTS (as in-
2 cluded in Annex 3–A of the Agreement).

3 **SEC. 203. CUSTOMS USER FEES.**

4 Section 13031(b) of the Consolidated Omnibus Budg-
5 et Reconciliation Act of 1985 (19 U.S.C. 58c(b)) is
6 amended—

7 (1) in each of paragraphs (13) and (15), by
8 moving the text 2 ems to the left; and

9 (2) by adding after paragraph (15) the fol-
10 lowing:

11 "(16) No fee may be charged under subsection (a)
12 (9) or (10) with respect to goods that qualify as origi-
13 nating goods under section 202 of the United States-Bah-
14 rain Free Trade Agreement Implementation Act. Any
15 service for which an exemption from such fee is provided
16 by reason of this paragraph may not be funded with
17 money contained in the Customs User Fee Account.".

18 **SEC. 204. ENFORCEMENT RELATING TO TRADE IN TEXTILE**
19 **AND APPAREL GOODS.**

20 (a) ACTION DURING VERIFICATION.—

21 (1) IN GENERAL.—If the Secretary of the
22 Treasury requests the Government of Bahrain to
23 conduct a verification pursuant to article 3.3 of the
24 Agreement for purposes of making a determination
25 under paragraph (2), the President may direct the

1 Secretary to take appropriate action described in
2 subsection (b) while the verification is being con-
3 ducted.
4 (2) DETERMINATION.—A determination under
5 this paragraph is a determination—
6 (A) that an exporter or producer in Bah-
7 rain is complying with applicable customs laws,
8 regulations, procedures, requirements, or prac-
9 tices affecting trade in textile or apparel goods;
10 or
11 (B) that a claim that a textile or apparel
12 good exported or produced by such exporter or
13 producer—
14 (i) qualifies as an originating good
15 under section 202; or
16 (ii) is a good of Bahrain, is accurate.
17 (b) APPROPRIATE ACTION DESCRIBED.—Appropriate
18 action under subsection (a)(1) includes—
19 (1) suspension of liquidation of the entry of any
20 textile or apparel good exported or produced by the
21 person that is the subject of a verification referred
22 to in subsection (a)(1) regarding compliance de-
23 scribed in subsection (a)(2)(A), in a case in which
24 the request for verification was based on a reason-

1 able suspicion of unlawful activity related to such
2 good; and
3 (2) suspension of liquidation of the entry of a
4 textile or apparel good for which a claim has been
5 made that is the subject of a verification referred to
6 in subsection (a)(1) regarding a claim described in
7 subsection (a)(2)(B).
8 (c) ACTION WHEN INFORMATION IS INSUFFI-
9 CIENT.—If the Secretary of the Treasury determines that
10 the information obtained within 12 months after making
11 a request for a verification under subsection (a)(1) is in-
12 sufficient to make a determination under subsection
13 (a)(2), the President may direct the Secretary to take ap-
14 propriate action described in subsection (d) until such
15 time as the Secretary receives information sufficient to
16 make a determination under subsection (a)(2) or until
17 such earlier date as the President may direct.
18 (d) APPROPRIATE ACTION DESCRIBED.—Appro-
19 priate action referred to in subsection (c) includes—
20 (1) publication of the name and address of the
21 person that is the subject of the verification;
22 (2) denial of preferential tariff treatment under
23 the Agreement to—
24 (A) any textile or apparel good exported or
25 produced by the person that is the subject of a

1 verification referred to in subsection (a)(1) re-
2 garding compliance described in subsection
3 (a)(2)(A); or
4 (B) a textile or apparel good for which a
5 claim has been made that is the subject of a
6 verification referred to in subsection (a)(1) re-
7 garding a claim described in subsection
8 (a)(2)(B); and
9 (3) denial of entry into the United States of—
10 (A) any textile or apparel good exported or
11 produced by the person that is the subject of a
12 verification referred to in subsection (a)(1) re-
13 garding compliance described in subsection
14 (a)(2)(A); or
15 (B) a textile or apparel good for which a
16 claim has been made that is the subject of a
17 verification referred to in subsection (a)(1) re-
18 garding a claim described in subsection
19 (a)(2)(B).
20 **SEC. 205. REGULATIONS.**
21 The Secretary of the Treasury shall prescribe
22 such regulations as may be necessary to carry out—
23 (1) subsections (a) through (i) of section 202;
24 (2) the amendment made by section 203(2);
25 and

1 (3) proclamations issued under section 202(j).

2 TITLE III—RELIEF FROM 3 IMPORTS

4 **SEC. 301. DEFINITIONS.**

5 In this title:

6 (1) BAHRAINI ARTICLE.—The term "Bahraini
7 article" means an article that—

8 (A) qualifies as an originating good under
9 section 202(b); or

10 (B) receives preferential tariff treatment
11 under paragraphs 8 through 11 of article 3.2 of
12 the Agreement.

13 (2) BAHRAINI TEXTILE OR APPAREL ARTI-
14 CLE.—The term "Bahraini textile or apparel article"
15 means an article that—

16 (A) is listed in the Annex to the Agree-
17 ment on Textiles and Clothing referred to in
18 section 101(d)(4) of the Uruguay Round Agree-
19 ments Act (19 U.S.C. 3511(d)(4)); and

20 (B) is a Bahraini article.

21 (3) COMMISSION.—The term "Commission"
22 means the United States International Trade Com-
23 mission.

1 **Subtitle A—Relief From Imports**
2 **Benefiting From the Agreement**

3 **SEC. 311. COMMENCING OF ACTION FOR RELIEF.**

4 (a) FILING OF PETITION.—A petition requesting ac-
5 tion under this subtitle for the purpose of adjusting to
6 the obligations of the United States under the Agreement
7 may be filed with the Commission by an entity, including
8 a trade association, firm, certified or recognized union, or
9 group of workers, that is representative of an industry.
10 The Commission shall transmit a copy of any petition filed
11 under this subsection to the United States Trade Rep-
12 resentative.

13 (b) INVESTIGATION AND DETERMINATION.—Upon
14 the filing of a petition under subsection (a), the Commis-
15 sion, unless subsection (d) applies, shall promptly initiate
16 an investigation to determine whether, as a result of the
17 reduction or elimination of a duty provided for under the
18 Agreement, a Bahraini article is being imported into the
19 United States in such increased quantities, in absolute
20 terms or relative to domestic production, and under such
21 conditions that imports of the Bahraini article constitute
22 a substantial cause of serious injury or threat thereof to
23 the domestic industry producing an article that is like, or
24 directly competitive with, the imported article.

1 (c) APPLICABLE PROVISIONS.—The following provi-
2 sions of section 202 of the Trade Act of 1974 (19 U.S.C.
3 2252) apply with respect to any investigation initiated
4 under subsection (b):
5 (1) Paragraphs (1)(B) and (3) of subsection
6 (b).
7 (2) Subsection (c).
8 (3) Subsection (i).
9 (d) ARTICLES EXEMPT FROM INVESTIGATION.—No
10 investigation may be initiated under this section with re-
11 spect to any Bahraini article if, after the date on which
12 the Agreement enters into force with respect to the United
13 States, import relief has been provided with respect to that
14 Bahraini article under this subtitle.
15 **SEC. 312. COMMISSION ACTION ON PETITION.**
16 (a) DETERMINATION.—Not later than 120 days after
17 the date on which an investigation is initiated under sec-
18 tion 311(b) with respect to a petition, the Commission
19 shall make the determination required under that section.
20 (b) APPLICABLE PROVISIONS.—For purposes of this
21 subtitle, the provisions of paragraphs (1), (2), and (3) of
22 section 330(d) of the Tariff Act of 1930 (19 U.S.C.
23 1330(d) (1), (2), and (3)) shall be applied with respect
24 to determinations and findings made under this section

1 as if such determinations and findings were made under
2 section 202 of the Trade Act of 1974 (19 U.S.C. 2252).
3 (c) ADDITIONAL FINDING AND RECOMMENDATION IF
4 DETERMINATION AFFIRMATIVE.—
5 (1) IN GENERAL.—If the determination made
6 by the Commission under subsection (a) with respect
7 to imports of an article is affirmative, or if the
8 President may consider a determination of the Com-
9 mission to be an affirmative determination as pro-
10 vided for under paragraph (1) of section 330(d) of
11 the Tariff Act of 1930 (19 U.S.C. 1330(d)(1)), the
12 Commission shall find, and recommend to the Presi-
13 dent in the report required under subsection (d), the
14 amount of import relief that is necessary to remedy
15 or prevent the injury found by the Commission in
16 the determination and to facilitate the efforts of the
17 domestic industry to make a positive adjustment to
18 import competition.
19 (2) LIMITATION ON RELIEF.—The import relief
20 recommended by the Commission under this sub-
21 section shall be limited to that described in section
22 313(c).
23 (3) VOTING; SEPARATE VIEWS.—Only those
24 members of the Commission who voted in the af-
25 firmative under subsection (a) are eligible to vote on

1 the proposed action to remedy or prevent the injury
2 found by the Commission. Members of the Commis-
3 sion who did not vote in the affirmative may submit,
4 in the report required under subsection (d), separate
5 views regarding what action, if any, should be taken
6 to remedy or prevent the injury.

7 (d) REPORT TO PRESIDENT.—Not later than the
8 date that is 30 days after the date on which a determina-
9 tion is made under subsection (a) with respect to an inves-
10 tigation, the Commission shall submit to the President a
11 report that includes—

12 (1) the determination made under subsection
13 (a) and an explanation of the basis for the deter-
14 mination;

15 (2) if the determination under subsection (a) is
16 affirmative, any findings and recommendations for
17 import relief made under subsection (c) and an ex-
18 planation of the basis for each recommendation; and

19 (3) any dissenting or separate views by mem-
20 bers of the Commission regarding the determination
21 and recommendation referred to in paragraphs (1)
22 and (2).

23 (e) PUBLIC NOTICE.—Upon submitting a report to
24 the President under subsection (d), the Commission shall
25 promptly make public such report (with the exception of

1 information which the Commission determines to be con-
2 fidential) and shall cause a summary thereof to be pub-
3 lished in the Federal Register.

4 **SEC. 313. PROVISION OF RELIEF.**

5 (a) IN GENERAL.—Not later than the date that is
6 30 days after the date on which the President receives the
7 report of the Commission in which the Commission's de-
8 termination under section 312(a) is affirmative, or which
9 contains a determination under section 312(a) that the
10 President considers to be affirmative under paragraph (1)
11 of section 330(d) of the Tariff Act of 1930 (19 U.S.C.
12 1330(d)(1)), the President, subject to subsection (b), shall
13 provide relief from imports of the article that is the subject
14 of such determination to the extent that the President de-
15 termines necessary to remedy or prevent the injury found
16 by the Commission and to facilitate the efforts of the do-
17 mestic industry to make a positive adjustment to import
18 competition.

19 (b) EXCEPTION.—The President is not required to
20 provide import relief under this section if the President
21 determines that the provision of the import relief will not
22 provide greater economic and social benefits than costs.

23 (c) NATURE OF RELIEF.—

1 (1) IN GENERAL.—The import relief that the
2 President is authorized to provide under this section
3 with respect to imports of an article is as follows:
4 (A) The suspension of any further reduc-
5 tion provided for under Annex 2–B of the
6 Agreement in the duty imposed on such article.
7 (B) An increase in the rate of duty im-
8 posed on such article to a level that does not
9 exceed the lesser of—
10 (i) the column 1 general rate of duty
11 imposed under the HTS on like articles at
12 the time the import relief is provided; or
13 (ii) the column 1 general rate of duty
14 imposed under the HTS on like articles on
15 the day before the date on which the
16 Agreement enters into force.
17 (2) PROGRESSIVE LIBERALIZATION.—If the pe-
18 riod for which import relief is provided under this
19 section is greater than 1 year, the President shall
20 provide for the progressive liberalization of such re-
21 lief at regular intervals during the period in which
22 the relief is in effect.
23 (d) PERIOD OF RELIEF.—
24 (1) IN GENERAL.—Subject to paragraph (2),
25 any import relief that the President provides under

1 this section may not, in the aggregate, be in effect
2 for more than 3 years.
3 (2) EXTENSION.—
4 (A) IN GENERAL.—If the initial period for
5 any import relief provided under this section is
6 less than 3 years, the President, after receiving
7 a determination from the Commission under
8 subparagraph (B) that is affirmative, or which
9 the President considers to be affirmative under
10 paragraph (1) of section 330(d) of the Tariff
11 Act of 1930 (19 U.S.C. 1330(d)(1)), may ex-
12 tend the effective period of any import relief
13 provided under this section, subject to the limi-
14 tation under paragraph (1), if the President de-
15 termines that—
16 (i) the import relief continues to be
17 necessary to remedy or prevent serious in-
18 jury and to facilitate adjustment by the do-
19 mestic industry to import competition; and
20 (ii) there is evidence that the industry
21 is making a positive adjustment to import
22 competition.
23 (B) ACTION BY COMMISSION.—
24 (i) INVESTIGATION.—Upon a petition
25 on behalf of the industry concerned that is

1 filed with the Commission not earlier than
2 the date which is 9 months, and not later
3 than the date which is 6 months, before
4 the date any action taken under subsection
5 (a) is to terminate, the Commission shall
6 conduct an investigation to determine
7 whether action under this section continues
8 to be necessary to remedy or prevent seri-
9 ous injury and to facilitate adjustment by
10 the domestic industry to import competi-
11 tion and whether there is evidence that the
12 industry is making a positive adjustment
13 to import competition.
14 (ii) NOTICE AND HEARING.—The
15 Commission shall publish notice of the
16 commencement of any proceeding under
17 this subparagraph in the Federal Register
18 and shall, within a reasonable time there-
19 after, hold a public hearing at which the
20 Commission shall afford interested parties
21 and consumers an opportunity to be
22 present, to present evidence, and to re-
23 spond to the presentations of other parties
24 and consumers, and otherwise to be heard.

1 (iii) REPORT.—The Commission shall
2 transmit to the President a report on its
3 investigation and determination under this
4 subparagraph not later than 60 days be-
5 fore the action under subsection (a) is to
6 terminate, unless the President specifies a
7 different date.

8 (e) RATE AFTER TERMINATION OF IMPORT RE-
9 LIEF.—When import relief under this section is termi-
10 nated with respect to an article, the rate of duty on that
11 article shall be the rate that would have been in effect,
12 but for the provision of such relief, on the date on which
13 the relief terminates.

14 (f) ARTICLES EXEMPT FROM RELIEF.—No import
15 relief may be provided under this section on any article
16 that has been subject to import relief under this subtitle
17 after the date on which the Agreement enters into force.

18 **SEC. 314. TERMINATION OF RELIEF AUTHORITY.**

19 (a) GENERAL RULE.—Subject to subsection (b), no
20 import relief may be provided under this subtitle after the
21 date that is 10 years after the date on which the Agree-
22 ment enters into force.

23 (b) PRESIDENTIAL DETERMINATION.—Import relief
24 may be provided under this subtitle in the case of a Bah-
25 raini article after the date on which such relief would, but

1 for this subsection, terminate under subsection (a), if the
2 President determines that Bahrain has consented to such
3 relief.

4 **SEC. 315. COMPENSATION AUTHORITY.**

5 For purposes of section 123 of the Trade Act of 1974
6 (19 U.S.C. 2133), any import relief provided by the Presi-
7 dent under section 313 shall be treated as action taken
8 under chapter 1 of title II of such Act (19 U.S.C. 2251
9 et seq.).

10 **SEC. 316. CONFIDENTIAL BUSINESS INFORMATION.**

11 Section 202(a)(8) of the Trade Act of 1974 (19
12 U.S.C. 2252(a)(8)) is amended in the first sentence—
13 (1) by striking "and"; and
14 (2) by inserting before the period at the end ",
15 and title III of the United States-Bahrain Free
16 Trade Agreement Implementation Act".

17 Subtitle B—Textile and Apparel
18 Safeguard Measures

19 **SEC. 321. COMMENCEMENT OF ACTION FOR RELIEF.**

20 (a) IN GENERAL.—A request under this subtitle for
21 the purpose of adjusting to the obligations of the United
22 States under the Agreement may be filed with the Presi-
23 dent by an interested party. Upon the filing of a request,
24 the President shall review the request to determine, from

1 information presented in the request, whether to com-
2 mence consideration of the request.

3 (b) PUBLICATION OF REQUEST.—If the President de-
4 termines that the request under subsection (a) provides
5 the information necessary for the request to be considered,
6 the President shall cause to be published in the Federal
7 Register a notice of commencement of consideration of the
8 request, and notice seeking public comments regarding the
9 request. The notice shall include a summary of the request
10 and the dates by which comments and rebuttals must be
11 received.

12 **SEC. 322. DETERMINATION AND PROVISION OF RELIEF.**

13 (a) DETERMINATION.—

14 (1) IN GENERAL.—If a positive determination is
15 made under section 321(b), the President shall de-
16 termine whether, as a result of the reduction or
17 elimination of a duty under the Agreement, a Bah-
18 raini textile or apparel article is being imported into
19 the United States in such increased quantities, in
20 absolute terms or relative to the domestic market for
21 that article, and under such conditions as to cause
22 serious damage, or actual threat thereof, to a domes-
23 tic industry producing an article that is like, or di-
24 rectly competitive with, the imported article.

1 (2) SERIOUS DAMAGE.—In making a deter-
2 mination under paragraph (1), the President—
3 (A) shall examine the effect of increased
4 imports on the domestic industry, as reflected
5 in changes in such relevant economic factors as
6 output, productivity, utilization of capacity, in-
7 ventories, market share, exports, wages, em-
8 ployment, domestic prices, profits, and invest-
9 ment, none of which is necessarily decisive; and
10 (B) shall not consider changes in tech-
11 nology or consumer preference as factors sup-
12 porting a determination of serious damage or
13 actual threat thereof.
14 (b) PROVISION OF RELIEF.—
15 (1) IN GENERAL.—If a determination under
16 subsection (a) is affirmative, the President may pro-
17 vide relief from imports of the article that is the
18 subject of such determination, as described in para-
19 graph (2), to the extent that the President deter-
20 mines necessary to remedy or prevent the serious
21 damage and to facilitate adjustment by the domestic
22 industry to import competition.
23 (2) NATURE OF RELIEF.—The relief that the
24 President is authorized to provide under this sub-
25 section with respect to imports of an article is an in-

1 crease in the rate of duty imposed on the article to
2 a level that does not exceed the lesser of—
3 (A) the column 1 general rate of duty im-
4 posed under the HTS on like articles at the
5 time the import relief is provided; or
6 (B) the column 1 general rate of duty im-
7 posed under the HTS on like articles on the
8 day before the date on which the Agreement en-
9 ters into force.

10 **SEC. 323. PERIOD OF RELIEF.**

11 (a) IN GENERAL.—Subject to subsection (b), any im-
12 port relief that the President provides under subsection
13 (b) of section 322 may not, in the aggregate, be in effect
14 for more than 3 years.

15 (b) EXTENSION.—If the initial period for any import
16 relief provided under section 322 is less than 3 years, the
17 President may extend the effective period of any import
18 relief provided under that section, subject to the limitation
19 set forth in subsection (a), if the President determines
20 that—
21 (1) the import relief continues to be necessary
22 to remedy or prevent serious damage and to facili-
23 tate adjustment by the domestic industry to import
24 competition; and

1 (2) there is evidence that the industry is mak-
2 ing a positive adjustment to import competition.

3 **SEC. 324. ARTICLES EXEMPT FROM RELIEF.**

4 The President may not provide import relief under
5 this subtitle with respect to any article if—
6 (1) the article has been subject to import relief
7 under this subtitle after the date on which the
8 Agreement enters into force; or
9 (2) the article is subject to import relief under
10 chapter 1 of title II of the Trade Act of 1974 (19
11 U.S.C. 2251 et seq.).

12 **SEC. 325. RATE AFTER TERMINATION OF IMPORT RELIEF.**

13 When import relief under this subtitle is terminated
14 with respect to an article, the rate of duty on that article
15 shall be the rate that would have been in effect, but for
16 the provision of such relief, on the date on which the relief
17 terminates.

18 **SEC. 326. TERMINATION OF RELIEF AUTHORITY.**

19 No import relief may be provided under this subtitle
20 with respect to any article after the date that is 10 years
21 after the date on which duties on the article are eliminated
22 pursuant to the Agreement.

23 **SEC. 327. COMPENSATION AUTHORITY.**

24 For purposes of section 123 of the Trade Act of 1974
25 (19 U.S.C. 2133), any import relief provided by the Presi-

1 dent under this subtitle shall be treated as action taken
2 under chapter 1 of title II of such Act.

3 **SEC. 328. CONFIDENTIAL BUSINESS INFORMATION.**

4 The President may not release information that is
5 submitted in a proceeding under this subtitle and that the
6 President considers to be confidential business informa-
7 tion unless the party submitting the confidential business
8 information had notice, at the time of submission, that
9 such information would be released, or such party subse-
10 quently consents to the release of the information. To the
11 extent a party submits confidential business information
12 to the President in a proceeding under this subtitle, the
13 party shall also submit a nonconfidential version of the
14 information, in which the confidential business informa-
15 tion is summarized or, if necessary, deleted.

16 # TITLE IV—PROCUREMENT

17 **SEC. 401. ELIGIBLE PRODUCTS.**

18 Section 308(4)(A) of the Trade Agreements Act of
19 1979 (19 U.S.C. 2518(4)(A)) is amended—

20 (1) by striking "or" at the end of clause (iii);
21 (2) by striking the period at the end of clause
22 (iv) and inserting "; or"; and
23 (3) by adding at the end the following new
24 clause:

1 "(v) a party to a free trade agreement
2 that entered into force with respect to the
3 United States after December 31, 2005,
4 and before July 2, 2006, a product or serv-
5 ice of that country or instrumentality
6 which is covered under the free trade
7 agreement for procurement by the United
8 States.".