

109<sup>TH</sup> CONGRESS  
2<sup>D</sup> SESSION

# H. R. \_\_\_\_\_

To implement the United States-Oman Free Trade Agreement.

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## IN THE HOUSE OF REPRESENTATIVES

M. \_\_\_\_\_ introduced the following bill; which was referred to the  
Committee on \_\_\_\_\_

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## A BILL

To implement the United States-Oman Free Trade  
Agreement.

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; TABLE OF CONTENTS.**

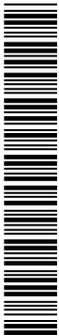
4 (a) SHORT TITLE.—This Act may be cited as the  
5 “United States-Oman Free Trade Agreement Implemen-  
6 tation Act”.

7 (b) TABLE OF CONTENTS.—The table of contents for  
8 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. Arbitration of claims.
- Sec. 107. Effective dates; effect of termination.

TITLE I—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. Reliquidation of entries.
- Sec. 206. 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 Oman en-
- 5 tered into under the authority of section 2103(b) of



1 the Bipartisan Trade Promotion Authority Act of  
2 2002 (19 U.S.C. 3803(b));

3 (2) to strengthen and develop economic rela-  
4 tions between the United States and Oman for their  
5 mutual benefit;

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

9 (4) to lay the foundation for further coopera-  
10 tion to expand and enhance the benefits of such  
11 Agreement.

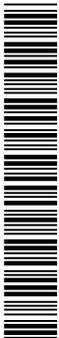
12 **SEC. 3. DEFINITIONS.**

13 In this Act:

14 (1) AGREEMENT.—The term “Agreement”  
15 means the United States-Oman Free Trade Agree-  
16 ment approved by Congress under section 101(a)(1).

17 (2) HTS.—The term “HTS” means the Har-  
18 monized Tariff Schedule of the United States.

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



1 **TITLE I—APPROVAL OF, AND**  
2 **GENERAL PROVISIONS RE-**  
3 **LATING TO, THE AGREEMENT**

4 **SEC. 101. APPROVAL AND ENTRY INTO FORCE OF THE**  
5 **AGREEMENT.**

6 (a) APPROVAL OF AGREEMENT AND STATEMENT OF  
7 ADMINISTRATIVE ACTION.—Pursuant to section 2105 of  
8 the Bipartisan Trade Promotion Authority Act of 2002  
9 (19 U.S.C. 3805) and section 151 of the Trade Act of  
10 1974 (19 U.S.C. 2191), Congress approves—

11 (1) the United States-Oman Free Trade Agree-  
12 ment entered into on January 19, 2006, with Oman  
13 and submitted to Congress on [\_\_\_\_\_, 2006];  
14 and

15 (2) the statement of administrative action pro-  
16 posed to implement the Agreement that was sub-  
17 mitted to Congress on [\_\_\_\_\_, 2006].

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



1 entry into force, on or after January 1, 2007, 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 FFLICT.—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, unless specifically  
18 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.—



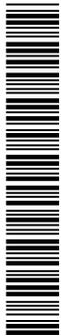
1           (1) PROCLAMATION AUTHORITY.—After the  
2           date of the enactment of this Act—

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, as may be necessary to ensure that  
8                   any provision of this Act, or amendment made  
9                   by this Act, that takes effect on the date on  
10                  which the Agreement enters into force is appro-  
11                  priately implemented on such date, but no such  
12                  proclamation or regulation may have an effec-  
13                  tive date earlier than the date on which the  
14                  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 20 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 2006 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 20 of  
13 the Agreement.

14 **SEC. 106. ARBITRATION OF CLAIMS.**

15 The United States is authorized to resolve any claim  
16 against the United States covered by article  
17 10.15.1(a)(i)(C) or article 10.15.1(b)(i)(C) of the Agree-  
18 ment, pursuant to the Investor-State Dispute Settlement  
19 procedures set forth in section B of chapter 10 of the  
20 Agreement.

21 **SEC. 107. EFFECTIVE DATES; EFFECT OF TERMINATION.**

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



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

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

7 **TITLE I—CUSTOMS PROVISIONS**

8 **SEC. 201. TARIFF MODIFICATIONS.**

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

11 (1) PROCLAMATION AUTHORITY.—The Presi-  
12 dent may proclaim—

13 (A) such modifications or continuation of  
14 any duty;

15 (B) such continuation of duty-free or ex-  
16 cise treatment; or

17 (C) such additional duties, as the Presi-  
18 dent determines to be necessary or appropriate  
19 to carry out or apply articles 2.3, 2.5, 2.6,  
20 3.2.8, and 3.2.9, and Annex 2–B of the Agree-  
21 ment.

22 (2) EFFECT ON OMANI GSP STATUS.—Notwith-  
23 standing section 502(a)(1) of the Trade Act of 1974  
24 (19 U.S.C. 2462(a)(1)), the President shall, on the  
25 date on which the Agreement enters into force, ter-



1       minate the designation of Oman as a beneficiary de-  
2       veloping country for purposes of title V of the Trade  
3       Act of 1974 (19 U.S.C. 2461 et seq.).

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

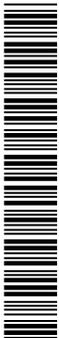
7           (1) such modifications or continuation of any  
8       duty,

9           (2) such modifications as the United States  
10       may agree to with Oman regarding the staging of  
11       any duty treatment set forth in Annex 2–B of the  
12       Agreement,

13          (3) such continuation of duty-free or excise  
14       treatment, or

15          (4) such additional duties, as the President de-  
16       termines to be necessary or appropriate to maintain  
17       the general level of reciprocal and mutually advan-  
18       tageous concessions with respect to Oman provided  
19       for by the Agreement.

20       (c) CONVERSION TO AD VALOREM RATES.—For pur-  
21       poses of subsections (a) and (b), with respect to any good  
22       for which the base rate in the Tariff Schedule of the  
23       United States to Annex 2–B of the Agreement is a specific  
24       or compound rate of duty, the President may substitute



1 for the base rate an ad valorem rate that the President  
2 determines to be equivalent to the base rate.

3 **SEC. 202. RULES OF ORIGIN.**

4 (a) APPLICATION AND INTERPRETATION.—In this  
5 section:

6 (1) TARIFF CLASSIFICATION.—The basis for  
7 any tariff classification is the HTS.

8 (2) REFERENCE TO HTS.—Whenever in this  
9 section there is a reference to a heading or sub-  
10 heading, such reference shall be a reference to a  
11 heading or subheading of the HTS.

12 (b) ORIGINATING GOODS.—

13 (1) IN GENERAL.—For purposes of this Act  
14 and for purposes of implementing the preferential  
15 tariff treatment provided for under the Agreement,  
16 a good is an originating good if—

17 (A) the good is imported directly—

18 (i) from the territory of Oman into  
19 the territory of the United States; or

20 (ii) from the territory of the United  
21 States into the territory of Oman; and

22 (B)(i) the good is a good wholly the  
23 growth, product, or manufacture of Oman or  
24 the United States, or both;



1 (ii) the good (other than a good to which  
2 clause (iii) applies) is a new or different article  
3 of commerce that has been grown, produced, or  
4 manufactured in Oman or the United States, or  
5 both, and meets the requirements of paragraph  
6 (2); or

7 (iii)(I) the good is a good covered by  
8 Annex 3–A or 4–A of the Agreement;

9 (II)(aa) each of the non-originating mate-  
10 rials used in the production of the good under-  
11 goes an applicable change in tariff classification  
12 specified in such Annex as a result of produc-  
13 tion occurring entirely in the territory of Oman  
14 or the United States, or both; or

15 (bb) the good otherwise satisfies the re-  
16 quirements specified in such Annex; and

17 (III) the good satisfies all other applicable  
18 requirements of this section.

19 (2) REQUIREMENTS.—A good described in  
20 paragraph (1)(B)(ii) is an originating good only if  
21 the sum of—

22 (A) the value of each material produced in  
23 the territory of Oman or the United States, or  
24 both, and



1 (B) the direct costs of processing oper-  
2 ations performed in the territory of Oman or  
3 the United States, or both, is not less than 35  
4 percent of the appraised value of the good at  
5 the time the good is entered into the territory  
6 of the United States.

7 (c) CUMULATION.—

8 (1) ORIGINATING GOOD OR MATERIAL INCOR-  
9 PORATED INTO GOODS OF OTHER COUNTRY.—An  
10 originating good, or a material produced in the terri-  
11 tory of Oman or the United States, or both, that is  
12 incorporated into a good in the territory of the other  
13 country shall be considered to originate in the terri-  
14 tory of the other country.

15 (2) MULTIPLE PRODUCERS.—A good that is  
16 grown, produced, or manufactured in the territory of  
17 Oman or the United States, or both, by 1 or more  
18 producers, is an originating good if the good satis-  
19 fies the requirements of subsection (b) and all other  
20 applicable requirements of this section.

21 (d) VALUE OF MATERIALS.—

22 (1) IN GENERAL.—Except as provided in para-  
23 graph (2), the value of a material produced in the  
24 territory of Oman or the United States, or both, in-  
25 cludes the following:



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

3 (B) The freight, insurance, packing, and  
4 all other costs incurred in transporting the ma-  
5 terial to the producer's plant, if such costs are  
6 not included in the price referred to in subpara-  
7 graph (A).

8 (C) The cost of waste or spoilage resulting  
9 from the use of the material in the growth, pro-  
10 duction, or manufacture of the good, less the  
11 value of recoverable scrap.

12 (D) Taxes or customs duties imposed on  
13 the material by Oman or the United States, or  
14 both, if the taxes or customs duties are not re-  
15 mitted upon exportation from the territory of  
16 Oman or the United States, as the case may be.

17 (2) EXCEPTION.—If the relationship between  
18 the producer of a good and the seller of a material  
19 influenced the price actually paid or payable for the  
20 material, or if there is no price actually paid or pay-  
21 able by the producer for the material, the value of  
22 the material produced in the territory of Oman or  
23 the United States, or both, includes the following:



1 (A) All expenses incurred in the growth,  
2 production, or manufacture of the material, in-  
3 cluding general expenses.

4 (B) A reasonable amount for profit.

5 (C) Freight, insurance, packing, and all  
6 other costs incurred in transporting the mate-  
7 rial to the producer's plant.

8 (e) PACKAGING AND PACKING MATERIALS AND CON-  
9 TAINERS FOR RETAIL SALE AND FOR SHIPMENT.—Pack-  
10 aging and packing materials and containers for retail sale  
11 and shipment shall be disregarded in determining whether  
12 a good qualifies as an originating good, except to the ex-  
13 tent that the value of such packaging and packing mate-  
14 rials and containers has been included in meeting the re-  
15 quirements set forth in subsection (b)(2).

16 (f) INDIRECT MATERIALS.—Indirect materials shall  
17 be disregarded in determining whether a good qualifies as  
18 an originating good, except that the cost of such indirect  
19 materials may be included in meeting the requirements set  
20 forth in subsection (b)(2).

21 (g) TRANSIT AND TRANSSHIPMENT.—A good shall  
22 not be considered to meet the requirement of subsection  
23 (b)(1)(A) if, after exportation from the territory of Oman  
24 or the United States, the good undergoes production, man-  
25 ufacturing, or any other operation outside the territory of



1 Oman or the United States, other than unloading, reload-  
2 ing, or any other operation necessary to preserve the good  
3 in good condition or to transport the good to the territory  
4 of Oman or the United States.

5 (h) TEXTILE AND APPAREL GOODS.—

6 (1) DE MINIMIS AMOUNTS OF NONORIGINATING  
7 MATERIALS.—

8 (A) IN GENERAL.—Except as provided in  
9 subparagraph (B), a textile or apparel good  
10 that is not an originating good because certain  
11 fibers or yarns used in the production of the  
12 component of the good that determines the tar-  
13 iff classification of the good do not undergo an  
14 applicable change in tariff classification set out  
15 in Annex 3–A of the Agreement shall be consid-  
16 ered to be an originating good if the total  
17 weight of all such fibers or yarns in that com-  
18 ponent is not more than 7 percent of the total  
19 weight of that component.

20 (B) CERTAIN TEXTILE OR APPAREL  
21 GOODS.—A textile or apparel good containing  
22 elastomeric yarns in the component of the good  
23 that determines the tariff classification of the  
24 good shall be considered to be an originating



1 good only if such yarns are wholly formed in  
2 the territory of Oman or the United States.

3 (C) YARN, FABRIC, OR GROUP OF FI-  
4 BERS.—For purposes of this paragraph, in the  
5 case of a textile or apparel good that is a yarn,  
6 fabric, or group of fibers, the term “component  
7 of the good that determines the tariff classifica-  
8 tion of the good” means all of the fibers in the  
9 yarn, fabric, or group of fibers.

10 (2) GOODS PUT UP IN SETS FOR RETAIL  
11 SALE.—Notwithstanding the rules set forth in Annex  
12 3–A of the Agreement, textile or apparel goods clas-  
13 sifiable as goods put up in sets for retail sale as pro-  
14 vided for in General Rule of Interpretation 3 of the  
15 HTS shall not be considered to be originating goods  
16 unless each of the goods in the set is an originating  
17 good or the total value of the nonoriginating goods  
18 in the set does not exceed 10 percent of the value  
19 of the set determined for purposes of assessing cus-  
20 toms duties.

21 (i) DEFINITIONS.—In this section:

22 (1) DIRECT COSTS OF PROCESSING OPER-  
23 ATIONS.—

24 (A) IN GENERAL.—The term “direct costs  
25 of processing operations”, with respect to a



1 good, includes, to the extent they are includable  
2 in the appraised value of the good when im-  
3 ported into Oman or the United States, as the  
4 case may be, the following:

5 (i) All actual labor costs involved in  
6 the growth, production, or manufacture of  
7 the good, including fringe benefits, on-the-  
8 job training, and the cost of engineering,  
9 supervisory, quality control, and similar  
10 personnel.

11 (ii) Tools, dies, molds, and other indi-  
12 rect materials, and depreciation on ma-  
13 chinery and equipment that are allocable  
14 to the good.

15 (iii) Research, development, design,  
16 engineering, and blueprint costs, to the ex-  
17 tent that they are allocable to the good.

18 (iv) Costs of inspecting and testing  
19 the good.

20 (v) Costs of packaging the good for  
21 export to the territory of the other country.

22 (B) EXCEPTIONS.—The term “direct costs  
23 of processing operations” does not include costs  
24 that are not directly attributable to a good or



1 are not costs of growth, production, or manu-  
2 facture of the good, such as—

- 3 (i) profit; and  
4 (ii) general expenses of doing business  
5 that are either not allocable to the good or  
6 are not related to the growth, production,  
7 or manufacture of the good, such as ad-  
8 ministrative salaries, casualty and liability  
9 insurance, advertising, and sales staff sala-  
10 ries, commissions, or expenses.

11 (2) GOOD.—The term “good” means any mer-  
12 chandise, product, article, or material.

13 (3) GOOD WHOLLY THE GROWTH, PRODUCT, OR  
14 MANUFACTURE OF OMAN OR THE UNITED STATES,  
15 OR BOTH.—The term “good wholly the growth,  
16 product, or manufacture of Oman or the United  
17 States, or both” means—

18 (A) a mineral good extracted in the terri-  
19 tory of Oman or the United States, or both;

20 (B) a vegetable good, as such a good is  
21 provided for in the HTS, harvested in the terri-  
22 tory of Oman or the United States, or both;

23 (C) a live animal born and raised in the  
24 territory of Oman or the United States, or  
25 both;



1 (D) a good obtained from live animals  
2 raised in the territory of Oman or the United  
3 States, or both;

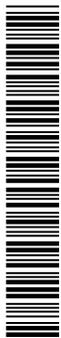
4 (E) a good obtained from hunting, trap-  
5 ping, or fishing in the territory of Oman or the  
6 United States, or both;

7 (F) a good (fish, shellfish, and other ma-  
8 rine life) taken from the sea by vessels reg-  
9 istered or recorded with Oman or the United  
10 States and flying the flag of that country;

11 (G) a good produced from goods referred  
12 to in subparagraph (F) on board factory ships  
13 registered or recorded with Oman or the United  
14 States and flying the flag of that country;

15 (H) a good taken by Oman or the United  
16 States or a person of Oman or the United  
17 States from the seabed or beneath the seabed  
18 outside territorial waters, if Oman or the  
19 United States, as the case may be, has rights  
20 to exploit such seabed;

21 (I) a good taken from outer space, if such  
22 good is obtained by Oman or the United States  
23 or a person of Oman or the United States and  
24 not processed in the territory of a country other  
25 than Oman or the United States;



1 (J) waste and scrap derived from—

2 (i) production or manufacture in the  
3 territory of Oman or the United States, or  
4 both; or

5 (ii) used goods collected in the terri-  
6 tory of Oman or the United States, or  
7 both, if such goods are fit only for the re-  
8 covery of raw materials;

9 (K) a recovered good derived in the terri-  
10 tory of Oman or the United States from used  
11 goods and utilized in the territory of that coun-  
12 try in the production of remanufactured goods;  
13 and

14 (L) a good produced in the territory of  
15 Oman or the United States, or both,  
16 exclusively—

17 (i) from goods referred to in subpara-  
18 graphs (A) through (J); or

19 (ii) from the derivatives of goods re-  
20 ferred to in clause (i); at any stage of pro-  
21 duction.

22 (4) INDIRECT MATERIAL.—The term “indirect  
23 material” means a good used in the growth, produc-  
24 tion, manufacture, testing, or inspection of a good  
25 but not physically incorporated into the good, or a



1 good used in the maintenance of buildings or the op-  
2 eration of equipment associated with the growth,  
3 production, or manufacture of a good, including—

4 (A) fuel and energy;

5 (B) tools, dies, and molds;

6 (C) spare parts and materials used in the  
7 maintenance of equipment and buildings;

8 (D) lubricants, greases, compounding ma-  
9 terials, and other materials used in the growth,  
10 production, or manufacture of a good or used  
11 to operate equipment and buildings;

12 (E) gloves, glasses, footwear, clothing,  
13 safety equipment, and supplies;

14 (F) equipment, devices, and supplies used  
15 for testing or inspecting the good;

16 (G) catalysts and solvents; and

17 (H) any other goods that are not incor-  
18 porated into the good but the use of which in  
19 the growth, production, or manufacture of the  
20 good can reasonably be demonstrated to be a  
21 part of that growth, production, or manufac-  
22 ture.

23 (5) MATERIAL.—The term “material” means a  
24 good, including a part or ingredient, that is used in  
25 the growth, production, or manufacture of another



1 good that is a new or different article of commerce  
2 that has been grown, produced, or manufactured in  
3 Oman or the United States, or both.

4 (6) MATERIAL PRODUCED IN THE TERRITORY  
5 OF OMAN OR THE UNITED STATES, OR BOTH.—The  
6 term “material produced in the territory of Oman or  
7 the United States, or both” means a good that is ei-  
8 ther wholly the growth, product, or manufacture of  
9 Oman or the United States, or both, or a new or dif-  
10 ferent article of commerce that has been grown, pro-  
11 duced, or manufactured in the territory of Oman or  
12 the United States, or both;

13 (7) NEW OR DIFFERENT ARTICLE OF COM-  
14 MERCE.—

15 (A) IN GENERAL.—The term “new or dif-  
16 ferent article of commerce” means, except as  
17 provided in subparagraph (B), a good that—

18 (i) has been substantially transformed  
19 from a good or material that is not wholly  
20 the growth, product, or manufacture of  
21 Oman or the United States, or both; and

22 (ii) has a new name, character, or use  
23 distinct from the good or material from  
24 which it was transformed.



1 (B) EXCEPTION.—A good shall not be con-  
2 sidered a new or different article of commerce  
3 by virtue of having undergone simple combining  
4 or packaging operations, or mere dilution with  
5 water or another substance that does not mate-  
6 rially alter the characteristics of the good.

7 (8) RECOVERED GOODS.—The term “recovered  
8 goods” means materials in the form of individual  
9 parts that result from—

10 (A) the disassembly of used goods into in-  
11 dividual parts; and

12 (B) the cleaning, inspecting, testing, or  
13 other processing of those parts as necessary for  
14 improvement to sound working condition.

15 (9) REMANUFACTURED GOOD.—The term “re-  
16 manufactured good” means an industrial good that  
17 is assembled in the territory of Oman or the United  
18 States and that—(A) is entirely or partially com-  
19 prised of recovered goods;(B) has a similar life ex-  
20 pectancy to a like good that is new; and(C) enjoys  
21 a factory warranty similar to that of a like good that  
22 is new.

23 (10) SIMPLE COMBINING OR PACKAGING OPER-  
24 ATIONS.—The term “simple combining or packaging  
25 operations” means operations such as adding bat-



1 teries to devices, fitting together a small number of  
2 components by bolting, gluing, or soldering, and re-  
3 packing or packaging components together.

4 (11) SUBSTANTIALLY TRANSFORMED.—The  
5 term “substantially transformed” means, with re-  
6 spect to a good or material, changed as the result  
7 of a manufacturing or processing operation so  
8 that—

9 (A)(i) the good or material is converted  
10 from a good that has multiple uses into a good  
11 or material that has limited uses;

12 (ii) the physical properties of the good or  
13 material are changed to a significant extent; or

14 (iii) the operation undergone by the good  
15 or material is complex by reason of the number  
16 of different processes and materials involved  
17 and the time and level of skill required to per-  
18 form those processes; and

19 (B) the good or material loses its separate  
20 identity in the manufacturing or processing op-  
21 eration.

22 (j) PRESIDENTIAL PROCLAMATION AUTHORITY.—

23 (1) IN GENERAL.—The President is authorized  
24 to proclaim, as part of the HTS—



1 (A) the provisions set forth in Annex 3–A  
2 and Annex 4–A of the Agreement; and

3 (B) any additional subordinate category  
4 that is necessary to carry out this title, con-  
5 sistent with the Agreement.

6 (2) MODIFICATIONS.—

7 (A) IN GENERAL.—Subject to the consulta-  
8 tion and layover provisions of section 104, the  
9 President may proclaim modifications to the  
10 provisions proclaimed under the authority of  
11 paragraph (1)(A), other than provisions of  
12 chapters 50 through 63 of the HTS (as in-  
13 cluded in Annex 3–A of the Agreement).

14 (B) ADDITIONAL PROCLAMATIONS.—Not-  
15 withstanding subparagraph (A), and subject to  
16 the consultation and layover provisions of sec-  
17 tion 104, the President may proclaim—

18 (i) modifications to the provisions pro-  
19 claimed under the authority of paragraph  
20 (1)(A) as are necessary to implement an  
21 agreement with Oman pursuant to article  
22 3.2.5 of the Agreement; and

23 (ii) before the end of the 1-year period  
24 beginning on the date of the enactment of  
25 this Act, modifications to correct any typo-



1 graphical, clerical, or other nonsubstantive  
2 technical error regarding the provisions of  
3 chapters 50 through 63 of the HTS (as in-  
4 cluded in Annex 3–A of the Agreement).

5 **SEC. 203. CUSTOMS USER FEES.**

6 Section 13031(b) of the Consolidated Omnibus Budg-  
7 et Reconciliation Act of 1985 (19 U.S.C. 58c(b)) is  
8 amended by adding after paragraph (16) the following:

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

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

19 (a) ACTION DURING VERIFICATION.—

20 (1) IN GENERAL.—If the Secretary of the  
21 Treasury requests the Government of Oman to con-  
22 duct a verification pursuant to article 3.3 of the  
23 Agreement for purposes of making a determination  
24 under paragraph (2), the President may direct the  
25 Secretary to take appropriate action described in



1 subsection (b) while the verification is being con-  
2 ducted.

3 (2) DETERMINATION.—A determination under  
4 this paragraph is a determination—

5 (A) that an exporter or producer in Oman  
6 is complying with applicable customs laws, reg-  
7 ulations, procedures, requirements, or practices  
8 affecting trade in textile or apparel goods; or

9 (B) that a claim that a textile or apparel  
10 good exported or produced by such exporter or  
11 producer—

12 (i) qualifies as an originating good  
13 under section 202, or

14 (ii) is a good of Oman, is accurate.

15 (b) APPROPRIATE ACTION DESCRIBED.—Appropriate  
16 action under subsection (a)(1) includes—

17 (1) suspension of liquidation of the entry of any  
18 textile or apparel good exported or produced by the  
19 person that is the subject of a verification referred  
20 to in subsection (a)(1) regarding compliance de-  
21 scribed in subsection (a)(2)(A), in a case in which  
22 the request for verification was based on a reason-  
23 able suspicion of unlawful activity related to such  
24 good; and



1           (2) suspension of liquidation of the entry of a  
2           textile or apparel good for which a claim has been  
3           made that is the subject of a verification referred to  
4           in subsection (a)(1) regarding a claim described in  
5           subsection (a)(2)(B).

6           (c) ACTION WHEN INFORMATION IS INSUFFI-  
7           CIENT.—If the Secretary of the Treasury determines that  
8           the information obtained within 12 months after making  
9           a request for a verification under subsection (a)(1) is in-  
10          sufficient to make a determination under subsection  
11          (a)(2), the President may direct the Secretary to take ap-  
12          propriate action described in subsection (d) until such  
13          time as the Secretary receives information sufficient to  
14          make a determination under subsection (a)(2) or until  
15          such earlier date as the President may direct.

16          (d) APPROPRIATE ACTION DESCRIBED.—Appro-  
17          priate action referred to in subsection (c) includes—

18                 (1) publication of the name and address of the  
19                 person that is the subject of the verification;

20                 (2) denial of preferential tariff treatment under  
21                 the Agreement to—

22                         (A) any textile or apparel good exported or  
23                         produced by the person that is the subject of a  
24                         verification referred to in subsection (a)(1) re-



1           garding compliance described in subsection  
2           (a)(2)(A); or

3           (B) a textile or apparel good for which a  
4           claim has been made that is the subject of a  
5           verification referred to in subsection (a)(1) re-  
6           garding a claim described in subsection  
7           (a)(2)(B); and

8           (3) denial of entry into the United States of—

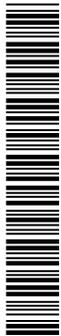
9           (A) any textile or apparel good exported or  
10          produced by the person that is the subject of a  
11          verification referred to in subsection (a)(1) re-  
12          garding compliance described in subsection  
13          (a)(2)(A); or

14          (B) a textile or apparel good for which a  
15          claim has been made that is the subject of a  
16          verification referred to in subsection (a)(1) re-  
17          garding a claim described in subsection  
18          (a)(2)(B).

19   **SEC. 205. RELIQUIDATION OF ENTRIES.**

20          Subsection (d) of section 520 of the Tariff Act of  
21   1930 (19 U.S.C. 1520(d)) is amended—

22          (1) in the matter preceding paragraph (1), by  
23          striking “or” and inserting a comma before the  
24          phrase “section 203 of the Dominican Republic-Cen-  
25          tral America-United States Free Trade Agreement



1 Implementation Act,” and by striking the period  
2 after that phrase and inserting “, or section 202 of  
3 the United States-Oman Free Trade Agreement Im-  
4 plementation Act.”; and

5 (2) in paragraph (3), by inserting “and infor-  
6 mation” after “documentation”.

7 **SEC. 206. REGULATIONS.**

8 The Secretary of the Treasury shall prescribe such  
9 regulations as may be necessary to carry out—

10 (1) subsections (a) through (i) of section 202;

11 (2) the amendment made by section 203; and

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

13 **TITLE III—RELIEF FROM**  
14 **IMPORTS**

15 **SEC. 301. DEFINITIONS.**

16 In this title:

17 (1) OMANI ARTICLE.—The term “Omani arti-  
18 cle” means an article that—

19 (A) qualifies as an originating good under  
20 section 202(b); or

21 (B) receives preferential tariff treatment  
22 under paragraphs 8 through 11 of article 3.2 of  
23 the Agreement.



1 (2) OMANI TEXTILE OR APPAREL ARTICLE.—  
2 The term “Omani textile or apparel article” means  
3 an article that—

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

8 (B) is an Omani article.

9 (3) COMMISSION.—The term “Commission”  
10 means the United States International Trade Com-  
11 mission.

12 **Subtitle A—Relief From Imports**  
13 **Benefiting From the Agreement**

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

15 (a) FILING OF PETITION.—A petition requesting ac-  
16 tion under this subtitle for the purpose of adjusting to  
17 the obligations of the United States under the Agreement  
18 may be filed with the Commission by an entity, including  
19 a trade association, firm, certified or recognized union, or  
20 group of workers, that is representative of an industry.  
21 The Commission shall transmit a copy of any petition filed  
22 under this subsection to the United States Trade Rep-  
23 resentative.

24 (b) INVESTIGATION AND DETERMINATION.—Upon  
25 the filing of a petition under subsection (a), the Commis-



1 sion, unless subsection (d) applies, shall promptly initiate  
2 an investigation to determine whether, as a result of the  
3 reduction or elimination of a duty provided for under the  
4 Agreement, an Omani article is being imported into the  
5 United States in such increased quantities, in absolute  
6 terms or relative to domestic production, and under such  
7 conditions that imports of the Omani article constitute a  
8 substantial cause of serious injury or threat thereof to the  
9 domestic industry producing an article that is like, or di-  
10 rectly competitive with, the imported article.

11 (c) APPLICABLE PROVISIONS.—The following provi-  
12 sions of section 202 of the Trade Act of 1974 (19 U.S.C.  
13 2252) apply with respect to any investigation initiated  
14 under subsection (b):

15 (1) Paragraphs (1)(B) and (3) of subsection  
16 (b).

17 (2) Subsection (c).

18 (3) Subsection (i).

19 (d) ARTICLES EXEMPT FROM INVESTIGATION.—No  
20 investigation may be initiated under this section with re-  
21 spect to any Omani article if, after the date on which the  
22 Agreement enters into force with respect to the United  
23 States, import relief has been provided with respect to that  
24 Omani article under this subtitle.



1 **SEC. 312. COMMISSION ACTION ON PETITION.**

2 (a) DETERMINATION.—Not later than 120 days after  
3 the date on which an investigation is initiated under sec-  
4 tion 311(b) with respect to a petition, the Commission  
5 shall make the determination required under that section.

6 (b) APPLICABLE PROVISIONS.—For purposes of this  
7 subtitle, the provisions of paragraphs (1), (2), and (3) of  
8 section 330(d) of the Tariff Act of 1930 (19 U.S.C.  
9 1330(d) (1), (2), and (3)) shall be applied with respect  
10 to determinations and findings made under this section  
11 as if such determinations and findings were made under  
12 section 202 of the Trade Act of 1974 (19 U.S.C. 2252).

13 (c) ADDITIONAL FINDING AND RECOMMENDATION IF  
14 DETERMINATION AFFIRMATIVE.—

15 (1) IN GENERAL.—If the determination made  
16 by the Commission under subsection (a) with respect  
17 to imports of an article is affirmative, or if the  
18 President may consider a determination of the Com-  
19 mission to be an affirmative determination as pro-  
20 vided for under paragraph (1) of section 330(d) of  
21 the Tariff Act of 1930 (19 U.S.C. 1330(d)), the  
22 Commission shall find, and recommend to the Presi-  
23 dent in the report required under subsection (d), the  
24 amount of import relief that is necessary to remedy  
25 or prevent the injury found by the Commission in  
26 the determination and to facilitate the efforts of the



1 domestic industry to make a positive adjustment to  
2 import competition.

3 (2) LIMITATION ON RELIEF.—The import relief  
4 recommended by the Commission under this sub-  
5 section shall be limited to that described in section  
6 313(c).

7 (3) VOTING; SEPARATE VIEWS.—Only those  
8 members of the Commission who voted in the af-  
9 firmative under subsection (a) are eligible to vote on  
10 the proposed action to remedy or prevent the injury  
11 found by the Commission. Members of the Commis-  
12 sion who did not vote in the affirmative may submit,  
13 in the report required under subsection (d), separate  
14 views regarding what action, if any, should be taken  
15 to remedy or prevent the injury.

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

21 (1) the determination made under subsection  
22 (a) and an explanation of the basis for the deter-  
23 mination;

24 (2) if the determination under subsection (a) is  
25 affirmative, any findings and recommendations for



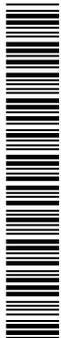
1 import relief made under subsection (c) and an ex-  
2 planation of the basis for each recommendation; and

3 (3) any dissenting or separate views by mem-  
4 bers of the Commission regarding the determination  
5 and recommendation referred to in paragraphs (1)  
6 and (2).

7 (e) PUBLIC NOTICE.—Upon submitting a report to  
8 the President under subsection (d), the Commission shall  
9 promptly make public such report (with the exception of  
10 information which the Commission determines to be con-  
11 fidential) and shall cause a summary thereof to be pub-  
12 lished in the Federal Register.

13 **SEC. 313. PROVISION OF RELIEF.**

14 (a) IN GENERAL.—Not later than the date that is  
15 30 days after the date on which the President receives the  
16 report of the Commission in which the Commission's de-  
17 termination under section 312(a) is affirmative, or which  
18 contains a determination under section 312(a) that the  
19 President considers to be affirmative under paragraph (1)  
20 of section 330(d) of the Tariff Act of 1930 (19 U.S.C.  
21 1330(d)(1)), the President, subject to subsection (b), shall  
22 provide relief from imports of the article that is the subject  
23 of such determination to the extent that the President de-  
24 termines necessary to remedy or prevent the injury found  
25 by the Commission and to facilitate the efforts of the do-



1 mestic industry to make a positive adjustment to import  
2 competition.

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

7 (c) NATURE OF RELIEF.—

8 (1) IN GENERAL.—The import relief that the  
9 President is authorized to provide under this section  
10 with respect to imports of an article is as follows:

11 (A) The suspension of any further reduc-  
12 tion provided for under Annex 2–B of the  
13 Agreement in the duty imposed on such article.

14 (B) An increase in the rate of duty im-  
15 posed on such article to a level that does not  
16 exceed the lesser of—

17 (i) the column 1 general rate of duty  
18 imposed under the HTS on like articles at  
19 the time the import relief is provided; or

20 (ii) the column 1 general rate of duty  
21 imposed under the HTS on like articles on  
22 the day before the date on which the  
23 Agreement enters into force.

24 (2) PROGRESSIVE LIBERALIZATION.—If the pe-  
25 riod for which import relief is provided under this



1 section is greater than 1 year, the President shall  
2 provide for the progressive liberalization of such re-  
3 lief at regular intervals during the period in which  
4 the relief is in effect.

5 (d) PERIOD OF RELIEF.—

6 (1) IN GENERAL.—Subject to paragraph (2),  
7 any import relief that the President provides under  
8 this section may not, in the aggregate, be in effect  
9 for more than 3 years.

10 (2) EXTENSION.—

11 (A) IN GENERAL.—If the initial period for  
12 any import relief provided under this section is  
13 less than 3 years, the President, after receiving  
14 a determination from the Commission under  
15 subparagraph (B) that is affirmative, or which  
16 the President considers to be affirmative under  
17 paragraph (1) of section 330(d) of the Tariff  
18 Act of 1930 (19 U.S.C. 1330(d)(1)), may ex-  
19 tend the effective period of any import relief  
20 provided under this section, subject to the limi-  
21 tation under paragraph (1), if the President de-  
22 termines that—

23 (i) the import relief continues to be  
24 necessary to remedy or prevent serious in-



1 jury and to facilitate adjustment by the do-  
2 mestic industry to import competition; and

3 (ii) there is evidence that the industry  
4 is making a positive adjustment to import  
5 competition.

6 (B) ACTION BY COMMISSION.—

7 (i) INVESTIGATION.—Upon a petition  
8 on behalf of the industry concerned that is  
9 filed with the Commission not earlier than  
10 the date which is 9 months, and not later  
11 than the date which is 6 months, before  
12 the date any action taken under subsection  
13 (a) is to terminate, the Commission shall  
14 conduct an investigation to determine  
15 whether action under this section continues  
16 to be necessary to remedy or prevent seri-  
17 ous injury and to facilitate adjustment by  
18 the domestic industry to import competi-  
19 tion and whether there is evidence that the  
20 industry is making a positive adjustment  
21 to import competition.

22 (ii) NOTICE AND HEARING.—The  
23 Commission shall publish notice of the  
24 commencement of any proceeding under  
25 this subparagraph in the Federal Register

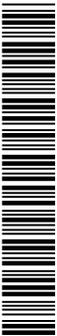


1 and shall, within a reasonable time there-  
2 after, hold a public hearing at which the  
3 Commission shall afford interested parties  
4 and consumers an opportunity to be  
5 present, to present evidence, and to re-  
6 spond to the presentations of other parties  
7 and consumers, and otherwise to be heard.

8 (iii) REPORT.—The Commission shall  
9 transmit to the President a report on its  
10 investigation and determination under this  
11 subparagraph not later than 60 days be-  
12 fore the action under subsection (a) is to  
13 terminate, unless the President specifies a  
14 different date.

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

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



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

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

6 (b) PRESIDENTIAL DETERMINATION.—Import relief  
7 may be provided under this subtitle in the case of an  
8 Omani article after the date on which such relief would,  
9 but for this subsection, terminate under subsection (a),  
10 if the President determines that Oman has consented to  
11 such relief.

12 **SEC. 315. COMPENSATION AUTHORITY.**

13 For purposes of section 123 of the Trade Act of 1974  
14 (19 U.S.C. 2133), any import relief provided by the Presi-  
15 dent under section 313 shall be treated as action taken  
16 under chapter 1 of title II of such Act (19 U.S.C. 2251  
17 et seq.).

18 **SEC. 316. CONFIDENTIAL BUSINESS INFORMATION.**

19 Section 202(a)(8) of the Trade Act of 1974 (19  
20 U.S.C. 2252(a)(8)) is amended in the first sentence—

21 (1) by striking “and”; and

22 (2) by inserting before the period at the end “,  
23 and title III of the United States-Oman Free Trade  
24 Agreement Implementation Act”.



1       **Subtitle B—Textile and Apparel**  
2                   **Safeguard Measures**

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

4           (a) IN GENERAL.—A request under this subtitle for  
5 the purpose of adjusting to the obligations of the United  
6 States under the Agreement may be filed with the Presi-  
7 dent by an interested party. Upon the filing of a request,  
8 the President shall review the request to determine, from  
9 information presented in the request, whether to com-  
10 mence consideration of the request.

11          (b) PUBLICATION OF REQUEST.—If the President de-  
12 termines that the request under subsection (a) provides  
13 the information necessary for the request to be considered,  
14 the President shall cause to be published in the Federal  
15 Register a notice of commencement of consideration of the  
16 request, and notice seeking public comments regarding the  
17 request. The notice shall include a summary of the request  
18 and the dates by which comments and rebuttals must be  
19 received.

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

21          (a) DETERMINATION.—

22           (1) IN GENERAL.—If a positive determination is  
23 made under section 321(b), the President shall de-  
24 termine whether, as a result of the reduction or  
25 elimination of a duty under the Agreement, an



1 Omani textile or apparel article is being imported  
2 into the United States in such increased quantities,  
3 in absolute terms or relative to the domestic market  
4 for that article, and under such conditions as to  
5 cause serious damage, or actual threat thereof, to a  
6 domestic industry producing an article that is like,  
7 or directly competitive with, the imported article.

8 (2) SERIOUS DAMAGE.—In making a deter-  
9 mination under paragraph (1), the President—

10 (A) shall examine the effect of increased  
11 imports on the domestic industry, as reflected  
12 in changes in such relevant economic factors as  
13 output, productivity, utilization of capacity, in-  
14 ventories, market share, exports, wages, em-  
15 ployment, domestic prices, profits, and invest-  
16 ment, none of which is necessarily decisive; and

17 (B) shall not consider changes in tech-  
18 nology or consumer preference as factors sup-  
19 porting a determination of serious damage or  
20 actual threat thereof.

21 (b) PROVISION OF RELIEF.—

22 (1) IN GENERAL.—If a determination under  
23 subsection (a) is affirmative, the President may pro-  
24 vide relief from imports of the article that is the  
25 subject of such determination, as described in para-



1 graph (2), to the extent that the President deter-  
2 mines necessary to remedy or prevent the serious  
3 damage and to facilitate adjustment by the domestic  
4 industry to import competition.

5 (2) NATURE OF RELIEF.—The relief that the  
6 President is authorized to provide under this sub-  
7 section with respect to imports of an article is an in-  
8 crease in the rate of duty imposed on the article to  
9 a level that does not exceed the lesser of—

10 (A) the column 1 general rate of duty im-  
11 posed under the HTS on like articles at the  
12 time the import relief is provided; or

13 (B) the column 1 general rate of duty im-  
14 posed under the HTS on like articles on the  
15 day before the date on which the Agreement en-  
16 ters into force.

17 **SEC. 323. PERIOD OF RELIEF.**

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

22 (b) EXTENSION.—If the initial period for any import  
23 relief provided under section 322 is less than 3 years, the  
24 President may extend the effective period of any import  
25 relief provided under that section, subject to the limitation



1 set forth in subsection (a), if the President determines  
2 that—

3 (1) the import relief continues to be necessary  
4 to remedy or prevent serious damage and to facili-  
5 tate adjustment by the domestic industry to import  
6 competition; and

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

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

10 The President may not provide import relief under  
11 this subtitle with respect to any article if—

12 (1) the article has been subject to import relief  
13 under this subtitle after the date on which the  
14 Agreement enters into force; or

15 (2) the article is subject to import relief under  
16 chapter 1 of title II of the Trade Act of 1974 (19  
17 U.S.C. 2251 et seq.).

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

19 When import relief under this subtitle is terminated  
20 with respect to an article, the rate of duty on that article  
21 shall be the rate that would have been in effect, but for  
22 the provision of such relief, on the date on which the relief  
23 terminates.



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

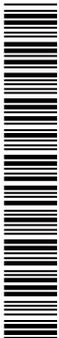
2 No import relief may be provided under this subtitle  
3 with respect to any article after the date that is 10 years  
4 after the date on which duties on the article are eliminated  
5 pursuant to the Agreement.

6 **SEC. 327. COMPENSATION AUTHORITY.**

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

11 **SEC. 328. CONFIDENTIAL BUSINESS INFORMATION.**

12 The President may not release information that is  
13 submitted in a proceeding under this subtitle and that the  
14 President considers to be confidential business informa-  
15 tion unless the party submitting the confidential business  
16 information had notice, at the time of submission, that  
17 such information would be released, or such party subse-  
18 quently consents to the release of the information. To the  
19 extent a party submits confidential business information  
20 to the President in a proceeding under this subtitle, the  
21 party shall also submit a nonconfidential version of the  
22 information, in which the confidential business informa-  
23 tion is summarized or, if necessary, deleted.



1           **TITLE IV—PROCUREMENT**

2   **SEC. 401. ELIGIBLE PRODUCTS.**

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

5           (1) by striking “or” at the end of clause (iv);

6           (2) by striking the period at the end of clause  
7 (v) and inserting “; or”; and

8           (3) by adding at the end the following new  
9 clause:

10                           “(vi) a party to the United States-  
11                           Oman Free Trade Agreement, a product or  
12                           service of that country or instrumentality  
13                           which is covered under that Agreement for  
14                           procurement by the United States.”.

