To amend the Tariff Act of 1930 relating to de minimis treatment under that Act.

IN THE HOUSE OF REPRESENTATIVES

Mr. BLUMENAUER introduced the following bill; which was referred to the Committee on ________________

A BILL

To amend the Tariff Act of 1930 relating to de minimis treatment under that Act.

1 Be it enacted by the Senate and House of Representat-
2 tives of the United States of America in Congress assembled,
3 SECTION 1. SHORT TITLE.
4 This Act may be cited as the “Import Security and
5 Fairness Act”.

SEC. 2. ADDITIONAL EXCEPTIONS TO EXEMPTIONS FOR DE
MINIMIS TREATMENT UNDER THE TARIFF
ACT OF 1930.

Section 321 of the Tariff Act of 1930 (19 U.S.C. 1321) is amended—

(1) in subsection (a)—

(A) in the matter preceding paragraph (1),
by striking “(a) The Secretary” and inserting
“(a) IN GENERAL.—The Secretary”;

(B) in paragraph (2)(C), by striking
“$800” and inserting “except as provided in
subsection (b)(1), $800”; and

(C) in the matter following such paragraph
(2)(C), as so amended, by striking “subdivision
(2)” each place it appears and inserting “para-
graph”; and

(2) by striking “(b) The Secretary” and insert-
ing the following:
“(b) EXCEPTIONS.—
“(1) IN GENERAL.—An article may not be ad-
mitted free of duty or tax under the authority pro-
vided by subsection (a)(2)(C) if the country of origin
of such article, or the country from which such arti-
icle is shipped, is—

“(A) a nonmarket economy country (as
such term is defined in section 771(18)); and
“(B) a country included in the priority watch list (as such term is defined in section 182(g)(3) of the Trade Act of 1974 (19 U.S.C. 2242(g)(3))).

“(2) Other exceptions.—The Secretary”.

SEC. 3. ADDITIONAL ADMINISTRATIVE PROVISIONS RELATING TO DE MINIMIS TREATMENT UNDER THE TARIFF ACT OF 1930.

(a) Administrative Exemptions.—Section 321 of the Tariff Act of 1930 (19 U.S.C. 1321), as amended by section 2, is further amended by adding at the end the following:

“(c) Submission of Documentation and Information.—

“(1) In General.—For any articles that may qualify for an administrative exemption pursuant to subsection (a)(2), the Secretary of the Treasury shall, not later than 180 days after the date of the enactment of the Import Security and Fairness Act, prescribe regulations to require the submission, transmission, or otherwise making available of such documentation or information to U.S. Customs and Border Protection as the Secretary determines is reasonably necessary for U.S. Customs and Border
Protection to determine the eligibility of such articles to qualify for such exemption.

“(2) MATTERS TO BE INCLUDED.—The regulations prescribed under paragraph (1)—

“(A) shall require that documentation or information with respect to an article described in that paragraph include, at a minimum—

“(i) a description of the article;

“(ii) the appropriate classification of the article under the Harmonized Tariff Schedule of the United States;

“(iii) the country of origin of the article;

“(iv) the country from which the article is shipped;

“(v) the identity of the shipper;

“(vi) the identity of the importer; and

“(vii) the transaction value of the article in the United States; and

“(B) may provide that such documentation or information include other documentation or information regarding the offer for sale or purchase, or the subsequent sale, purchase, transportation, importation or warehousing of an article described in paragraph (1), including such
documentation or information relating to the offering of the article for sale or purchase in the United States through a commercial or marketing platform, including an electronic commercial or marketing platform.

“(3) Veracity of documentation and information.—

“(A) IN GENERAL.—The regulations prescribed pursuant to paragraph (1) shall provide that—

“(i) the documentation or information described in that paragraph is true and correct to the best of the knowledge and belief of the party submitting, transmitting, or otherwise making available such documentation or information, subject to any penalties authorized by law; or

“(ii) if such party is not able to reasonably verify whether such documentation or information is true and correct to the best of the knowledge and belief of the party, such documentation or information may be submitted, transmitted, or otherwise made available on the basis of what
the party reasonably believes to be true and correct.

“(B) USE FOR ANY LAWFUL PURPOSE.—Such documentation or information may be used by U.S. Customs and Border Protection for any lawful purpose.

“(4) CIVIL PENALTIES.—Any person who violates the regulations prescribed pursuant to paragraph (1) is liable for a civil penalty of $5,000 for the first violation, and $10,000 for each subsequent violation. A penalty imposed under this paragraph is in addition to any other penalty provided by law.

“(d) IMPORTATIONS INVOLVING SUSPENDED OR DEBARRED PERSONS.—The Secretary of the Treasury is authorized to prescribe regulations to authorize exceptions to any administrative exemption pursuant to subsection (a) for any articles the importation of which is caused or otherwise facilitated by any person suspended or debarred from doing business with the Federal Government at the time of the importation.”.

(b) EXAMINATION OF MERCHANDISE.—Section 499(c) of the Tariff Act of 1930 (19 U.S.C. 1499(c)) is amended—
(1) by striking “the Customs Service” each place it appears and inserting “U.S. Customs and Border Protection”; and

(2) in paragraph (2)—

(A) in the first sentence, by striking “The Customs Service” and inserting the following:

“(A) IN GENERAL.—U.S. Customs and Border Protection”;

(B) in the second sentence—

(i) by striking “The” and inserting the following:

“(B) INFORMATION TO BE INCLUDED.—

The”; and

(ii) by redesignating the subsequent subparagraphs (A), (B), (C), (D), and (E) as clauses (i), (ii), (iii), (iv), and (v), respectively, and moving such clauses, as redesignated, 2 ems to the right; and

(C) by adding at the end the following:

“(C) ADDITIONAL REQUIREMENTS RELATING TO MERCHANDISE THAT MAY QUALIFY FOR CERTAIN ADMINISTRATIVE EXEMPTIONS.—

“(i) IN GENERAL.—In a case in which U.S. Customs and Border Protection has made a decision to detain merchandise that
may qualify for an administrative exemp-
tion pursuant to section 321(a)(2)(C), U.S.
Customs and Border Protection shall issue
such notice to each party that U.S. Cus-
toms and Border Protections determines
may have an interest in the detained mer-
chandise, based on information reasonably
available to U.S. Customs and Border Pro-
tection, in such form and manner as the
Secretary of the Treasury shall by regula-
tion prescribe.

“(ii) VOLUNTARY ABANDONMENT OF
MERCHANDISE.—In the case of merchan-
dise described in clause (i), such notice
shall also advise each such interested party
that, in lieu of supplying information to
U.S. Customs and Border Protection in ac-
cordance with subparagraph (B)(v), the in-
terested parties may voluntarily abandon
the merchandise.

“(iii) ABANDONMENT OR EXPORT DUE
to LACK OF RESPONSE.—If U.S. Customs
and Border Protection does not receive a
response from each interested party in
merchandise described in clause (i) within
30 days of the date on which such notice is issued to the interested parties, the merchandise may—

“(I) be denied entry and be permitted to be exported, with the importer responsible for paying all expenses of exportation; or

“(II) be deemed to be abandoned, in which case title to such merchandise shall be vested in the United States and the merchandise shall be disposed of in accordance with law.”.

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall apply with respect to articles entered, or withdrawn from warehouse for consumption, on or after the 180th day after the date of the enactment of this Act.