

103^D CONGRESS
1ST SESSION

H. R. 3041

To eliminate deception in product labelling or marking with regard to the country of origin of merchandise and merchandise parts.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 9, 1993

Mr. KLINK (for himself, Mr. TRAFICANT, Mr. DIAZ-BALART, Mr. BROWN of Ohio, Mr. GENE GREEN of Texas, and Mr. FROST) introduced the following bill; which was referred jointly to the Committees on Ways and Means and Energy and Commerce

A BILL

To eliminate deception in product labelling or marking with regard to the country of origin of merchandise and merchandise parts.

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. PLACEMENT OF MADE IN AMERICA LABELS ON**
4 **PRODUCTS.**

5 (a) REQUIREMENTS FOR USE OF LABELS.—No prod-
6 uct may bear a label which states or suggests that the
7 product was made in America unless—

8 (1) the product has been registered with the
9 Department of Commerce under subsection (b); and

1 (2) the Secretary of Commerce has determined
2 that—

3 (A) not less than 60 percent of the product
4 was manufactured in the United States; and

5 (B) final assembly of the product took
6 place in the United States.

7 (b) REGISTRY OF AMERICAN-MADE PRODUCTS.—

8 Not later than 12 months after the Secretary has promul-
9 gated regulations regarding the registration of products
10 with the Department of Commerce under this section, a
11 person shall register with the Department of Commerce
12 any product on which there is or will be affixed a label
13 which states or suggests that the product was made in
14 America.

15 (c) PENALTIES FOR FRAUDULENT USE OF LA-
16 BELS.—

17 (1) CIVIL FINE.—Any person who, with an in-
18 tent to defraud or mislead, places on a product a
19 label which states or suggests that the product was
20 “made in America” in violation of this section may
21 be assessed a civil penalty by the Secretary of not
22 more than \$100,000. The Secretary may issue an
23 order assessing such civil penalty only after notice
24 and an opportunity for an agency hearing on the

1 record. The validity of such order may not be re-
2 viewed in an action to collect such civil penalty.

3 (2) INJUNCTIVE RELIEF.—The Secretary may
4 bring an action to enjoin the violation of, or to com-
5 pel compliance with, this section, whenever the Sec-
6 retary believes that such a violation has occurred or
7 is about to occur.

8 (d) REGULATIONS.—Not later than 12 months after
9 the date of the enactment of this Act, the Secretary shall
10 promulgate regulations establishing procedures under
11 which a person shall register a product under this section.

12 (e) DEFINITIONS.—For purposes of this section:

13 (1) LABEL.—The term “label” means any writ-
14 ten, printed, or graphic matter on, or attached to,
15 a product or any of its containers or wrappers.

16 (2) SECRETARY.—The term “Secretary” means
17 the Secretary of Commerce.

18 **SEC. 2. ADDITIONAL INFORMATION TO CONSUMERS RE-**
19 **GARDING FOREIGN CONTENT OF IMPORTED**
20 **ARTICLES.**

21 (a) IN GENERAL.—Section 304 of the Tariff Act of
22 1930 (19 U.S.C. 1304) is amended as follows:

23 (1) Subsections (f), (g), and (h) are redesign-
24 nated as subsections (g), (h), and (i), respectively.

1 (2) The following new subsection is inserted
2 after subsection (e):

3 “(f) ADDITIONAL FOREIGN CONTENT MARKING.—If
4 an article of foreign origin is required to be marked under
5 subsection (a), or its container is required to be marked
6 under subsection (b), and such article is assembled, in
7 whole or part, from parts that are the product of one or
8 more foreign countries that are not the country of origin
9 for purposes of subsection (a) or (b), the article or con-
10 tainer shall be marked in such manner as to indicate, or
11 shall be accompanied by such written, printed, or graphic
12 matter that indicates, in English to the ultimate purchaser
13 in the United States the proportion of the customs value
14 of such article that is accounted for by the parts from
15 each such foreign country.”.

16 (3) Subsection (g) (as redesignated by para-
17 graph (1)) is amended by striking out “section,” and
18 inserting “section (including the requirements relat-
19 ing to parts valuation under subsection (f)),”.

20 (4) Subsection (h) (as redesignated by para-
21 graph (1)) is amended by striking out “subsection
22 (f)” and inserting “subsection (g)”.

23 (b) EFFECTIVE DATE.—The amendments made by
24 subsection (a) apply with respect to articles entered, or

1 withdrawn from warehouse for consumption, on or after
2 the 15th day after the date of the enactment of this Act.

3 **SEC. 3. LABELING OF DOMESTIC PRODUCTS WITH FOREIGN**
4 **PARTS.**

5 (a) REQUIREMENTS FOR USE OF LABELS.—Any
6 product which is manufactured in the United States and
7 which is assembled, in whole or in part, from any part
8 that is the product of a foreign country shall, in its label-
9 ing for the ultimate purchaser in the United States—

10 (1) disclose the country of origin of such part,
11 and

12 (2) state the proportion of the cost of such
13 product which is accounted for by such part.

14 (b) PENALTIES FOR VIOLATIONS OF SUBSECTION
15 (a).—

16 (1) CIVIL FINE.—Any person who, with an in-
17 tent to defraud or mislead, fails to label a product
18 in accordance with subsection (a) may be assessed a
19 civil penalty by the Secretary of not more than
20 \$100,000. The Secretary may issue an order assess-
21 ing such civil penalty only after notice and an oppor-
22 tunity for an agency hearing on the record. The va-
23 lidity of such order may not be reviewed in an action
24 to collect such civil penalty.

1 (2) INJUNCTIVE RELIEF.—The Secretary may
2 bring an action to enjoin the violation of, or to com-
3 pel compliance with, subsection (a), whenever the
4 Secretary believes that such a violation has occurred
5 or is about to occur.

6 (c) REGULATIONS.—Not later than 12 months after
7 the date of the enactment of this Act, the Secretary shall
8 promulgate regulations respecting labeling of products
9 under subsection (a).

10 (d) DEFINITIONS.—For purposes of this section, the
11 term “Secretary” means the Secretary of Commerce.

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