

105TH CONGRESS  
2D SESSION

# S. 2391

To authorize and direct the Secretary of Commerce to initiate an investigation under section 702 of the Tariff Act of 1930 of methyl tertiary butyl ether imported from Saudi Arabia.

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## IN THE SENATE OF THE UNITED STATES

JULY 30, 1998

Mr. DASCHLE introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To authorize and direct the Secretary of Commerce to initiate an investigation under section 702 of the Tariff Act of 1930 of methyl tertiary butyl ether imported from Saudi Arabia.

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.**

4       This Act may be cited as the “Fair Trade in MTBE  
5       Act of 1998”.

6       **SEC. 2. FINDINGS.**

7       Congress makes the following findings:

1           (1) Section 814 of Public Law 101–549 (com-  
2           monly referred to as the “Clean Air Act Amend-  
3           ments of 1990”) expressed the sense of Congress  
4           that every effort should be made to purchase and  
5           produce American-made reformulated gasoline and  
6           other clean fuel products.

7           (2) Since the passage of the Clean Air Amend-  
8           ments Act of 1990, Saudi Arabia has added sub-  
9           stantial industrial capacity for the production of  
10          methyl tertiary butyl ether (in this Act referred to  
11          as “MTBE”).

12          (3) The expansion of Saudi Arabian production  
13          capacity has been stimulated by government sub-  
14          sidies, notably in the form of a governmental decree  
15          guaranteeing Saudi Arabian MTBE producers a 30  
16          percent discount relative to world prices on feed-  
17          stock.

18          (4) The expansion of subsidized Saudi Arabian  
19          production has been accompanied by a major in-  
20          crease in Saudi Arabian MTBE exported to the  
21          United States.

22          (5) The subsidized Saudi Arabian MTBE ex-  
23          ports have reduced the market share of American  
24          producers of MTBE, ETBE, and ethanol, as well as

1 discouraged capital investment by American produc-  
2 ers.

3 (6) Saudi Arabia is not a member of the World  
4 Trade Organization and is not subject to the terms  
5 and conditions of the Agreement on Subsidies and  
6 Countervailing Measures negotiated as part of the  
7 Uruguay Round Agreements.

8 **SEC. 3. INITIATION OF COUNTERVAILING DUTY INVESTIGA-**  
9 **TION.**

10 (a) IN GENERAL.—Not later than 30 days after the  
11 date of enactment of this Act, the administering authority  
12 shall initiate an investigation pursuant to title VII of the  
13 Tariff Act of 1930 (19 U.S.C. 1671 et seq.) to determine  
14 if the necessary elements exist for the imposition of a duty  
15 under section 701 of such Act with respect to the importa-  
16 tion into the United States of MTBE from Saudi Arabia.

17 (b) ADMINISTERING AUTHORITY.—For purposes of  
18 this section, the term “administering authority” has the  
19 meaning given such term by section 771(1) of the Tariff  
20 Act of 1930 (19 U.S.C. 1677(1)).

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