

106TH CONGRESS  
2D SESSION

# S. 2395

To promote economic development and stability in Southeast Europe by providing countries in that region with additional trade benefits.

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IN THE SENATE OF THE UNITED STATES

APRIL 11, 2000

Mr. MOYNIHAN (by request) introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To promote economic development and stability in Southeast Europe by providing countries in that region with additional trade benefits.

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 “Southeast Europe  
5       Trade Preference Act”.

6       **SEC. 2. FINDINGS AND POLICY.**

7       (a) FINDINGS.—Congress finds that—

8               (1) the economic development and stability of  
9       certain countries in Southeast Europe will be en-

1 hanced by providing them with additional trade ben-  
2 efits;

3 (2) offering additional trade benefits to South-  
4 east Europe is a key component of the Stability  
5 Pact, a greater initiative designed to bring stability  
6 and economic development to Southeast Europe  
7 through regional revitalization, development, democ-  
8 ratization, stabilization, and integration, to which  
9 the United States and over 40 European and North  
10 American countries and institutions committed in  
11 Sarajevo in July 1999;

12 (3) providing additional trade benefits to coun-  
13 tries of Southeast Europe will improve their access  
14 to the United States market, promote the develop-  
15 ment of investment in the region, help further these  
16 countries' economic development and promote polit-  
17 ical stability in the region; and

18 (4) the promotion of economic and political se-  
19 curity in Southeast Europe will enhance the eco-  
20 nomic and national security interests of the United  
21 States.

22 (b) POLICY.—It is therefore the policy of the United  
23 States to offer those Southeast European beneficiary  
24 countries additional trade benefits as they attempt to revi-  
25 talize and reintegrate their economies following dev-

1 astating conflict in the region with the goal of promoting  
2 political and economic security.

3 **SEC. 3. AUTHORITY TO GRANT DUTY-FREE TREATMENT.**

4 The President may proclaim duty-free treatment for  
5 all eligible articles from any beneficiary country in accord-  
6 ance with the provisions of this Act.

7 **SEC. 4. DEFINITIONS.**

8 As used in this Act:

9 (1) **BENEFICIARY COUNTRY.**—The term “bene-  
10 ficiary country” means any country or territory list-  
11 ed in section 5(a)(1) with respect to which there is  
12 in effect a proclamation by the President designating  
13 such country or territory as a beneficiary country for  
14 purposes of this Act.

15 (2) **COUNTRY.**—The term “country” means a  
16 foreign country or territory.

17 (3) **ENTERED.**—The term “entered” means en-  
18 tered, or withdrawn from warehouse for consump-  
19 tion, in the customs territory of the United States.

20 (4) **HTS.**—The term “HTS” means Har-  
21 monized Tariff Schedule of the United States.

22 (5) **ARTICLE.**—The term “article” means the  
23 goods provided for in any individual 8-digit HTS  
24 tariff rate line.

1 **SEC. 5. BENEFICIARY COUNTRIES.**

2 (a) COUNTRIES ELIGIBLE FOR DESIGNATION; CON-  
3 GRESSIONAL NOTIFICATION.—(1) In designating coun-  
4 tries as beneficiary countries under this Act, the President  
5 shall consider only the following countries and territories:

6 (A) Albania.

7 (B) Bosnia and Herzegovina.

8 (C) Bulgaria.

9 (D) Croatia.

10 (E) Former Yugoslav Republic of Macedonia.

11 (F) Romania.

12 (G) Slovenia.

13 (H) Kosovo.

14 (I) Montenegro.

15 (2) Before the President designates any country a  
16 beneficiary country for purposes of this Act, the President  
17 shall notify the House of Representatives and the Senate  
18 of the President's intention to make such designation, to-  
19 gether with the considerations entering into such decision.

20 (b) LIMITATIONS ON DESIGNATION.—The President  
21 shall not designate any country a beneficiary country  
22 under this Act—

23 (1) if such country—

24 (A) has nationalized, expropriated, or oth-  
25 erwise seized ownership or control of property  
26 owned by a United States citizen or by a cor-

1           poration, partnership, or association which is  
2           50 percent or more beneficially owned by  
3           United States citizens;

4           (B) has taken steps to repudiate or  
5           nullify—

6                   (i) any existing contract or agreement  
7                   with; or

8                   (ii) any patent, trademark, or other  
9                   intellectual property of,

10          a United States citizen or a corporation, part-  
11          nership, or association, which is 50 percent or  
12          more beneficially owned by United States citi-  
13          zens, the effect of which is to nationalize, expro-  
14          priate, or otherwise seize ownership or control  
15          of property so owned; or

16          (C) has imposed or enforced taxes or other  
17          exactions, restrictive maintenance, or oper-  
18          ational conditions, or other measures with re-  
19          spect to property so owned, the effect of which  
20          is to nationalize, expropriate, or otherwise seize  
21          ownership or control of such property,

22          unless—

23                  (D) the President determines that—

24                          (i) prompt, adequate, and effective  
25                          compensation has been or is being made to

1           such citizen, corporation, partnership, or  
2           association;

3           (ii) good-faith negotiations to provide  
4           prompt, adequate, and effective compensa-  
5           tion under the applicable provisions of  
6           international law are in progress, or such  
7           country is otherwise taking steps to dis-  
8           charge its obligations under international  
9           law with respect to such citizen, corpora-  
10          tion, partnership, or association; or

11          (iii) a dispute involving such citizen,  
12          corporation, partnership, or association,  
13          over compensation for such a seizure has  
14          been submitted to arbitration under the  
15          provisions of the Convention for the Settle-  
16          ment of Investment Disputes, or in an-  
17          other mutually agreed upon forum, and

18          promptly furnishes a copy of such determina-  
19          tion to the Senate and House of Representa-  
20          tives;

21          (2) if such country fails to act in good faith in  
22          recognizing as binding or in enforcing arbitral  
23          awards in favor of United States citizens or a cor-  
24          poration, partnership, or association which is 50 per-  
25          cent or more beneficially owned by United States

1 citizens, which have been made by arbitrators ap-  
2 pointed for each case or by permanent arbitral bod-  
3 ies to which the parties involved have submitted  
4 their dispute;

5 (3) if such country affords preferential treat-  
6 ment to the products of a developed country, other  
7 than the United States, and if such preferential  
8 treatment has, or is likely to have, a significant ad-  
9 verse effect on United States, commerce;

10 (4) if a government-owned entity in such coun-  
11 try engages in the broadcast of copyrighted material,  
12 including films or television material, belonging to  
13 United States copyright owners without their ex-  
14 press consent or such country fails to work toward  
15 the provision of adequate and effective protection of  
16 intellectual property rights;

17 (5) unless a treaty, convention, protocol, or  
18 other agreement regarding the extradition of United  
19 States citizens is applicable to such country;

20 (6) if such country has not taken or is not tak-  
21 ing steps to afford to workers in that country (in-  
22 cluding any designated zone in that country) inter-  
23 nationally recognized worker rights, including the  
24 right of association, the right to organize and bar-  
25 gain collectively, a prohibition on the use of any

1 form of coerced or compulsory labor (including traf-  
2 ficking in persons), a minimum age for the employ-  
3 ment of children, and acceptable conditions of work  
4 with respect to minimum wages, hours of work, and  
5 occupational safety and health; and

6 (7) if such country is a member of the Euro-  
7 pean Union.

8 Paragraphs (1) through (6) shall not prevent the designa-  
9 tion of any country as a beneficiary country under this  
10 Act if the President determines that such designation will  
11 be in the national economic or security interest of the  
12 United States and reports such determination to Congress  
13 with his reasons therefor.

14 (c) FACTORS AFFECTING DESIGNATION.—In deter-  
15 mining whether to designate any country a beneficiary  
16 country under this Act, the President shall take into  
17 account—

18 (1) an expression by such country of its desire  
19 to be so designated;

20 (2) the economic conditions in such country, the  
21 living standards of its inhabitants, and any other  
22 factors which he deems appropriate;

23 (3) the extent to which such country has as-  
24 sured the United States it will provide equitable and  
25 reasonable access to such country's—

1 (A) basic commodity resources; and

2 (B) markets with respect to the products  
3 for which benefits are provided under this Act,  
4 and in other relevant product sectors as deter-  
5 mined by the President;

6 (4) the degree to which such country follows the  
7 accepted rules of international trade provided for  
8 under the WTO Agreement and the multilateral  
9 trade agreements (as such terms are defined in  
10 paragraphs (9) and (4), respectively, of section 2 of  
11 the Uruguay Round Agreements Act);

12 (5) the degree to which such country uses ex-  
13 port subsidies or imposes export performance re-  
14 quirements or local content requirements which dis-  
15 tort international trade;

16 (6) the degree to which the trade policies of  
17 such country as they relate to other beneficiary  
18 countries are contributing to the revitalization of the  
19 region;

20 (7) the degree to which such country is under-  
21 taking self-help measures to promote its own eco-  
22 nomic development;

23 (8) the extent to which such country affords to  
24 workers in that country (including any designated  
25 zone in that country) internationally recognized

1 worker rights, including the right of association, the  
2 right to organize and bargain collectively, a prohibi-  
3 tion on the use of any form of coerced or compulsory  
4 labor (including trafficking in persons), a minimum  
5 age for the employment of children, and acceptable  
6 conditions of work with respect to minimum wages,  
7 hours of work, and occupational safety and health;

8 (9) the extent to which the country adopts,  
9 maintains, and effectively enforces laws providing for  
10 high levels of environmental protection;

11 (10) the extent to which such country provides  
12 under its law adequate and effective means for for-  
13 eign nationals to secure, exercise, and enforce exclu-  
14 sive rights in intellectual property, including patent,  
15 trademark, and copyright rights;

16 (11) the degree to which such country prohibits  
17 its nationals from engaging in the broadcast of copy-  
18 righted material, including films or television mate-  
19 rial, belonging to United States copyright owners  
20 without their express consent;

21 (12) the degree to which the country is taking  
22 effective measures to prevent production of, or traf-  
23 ficking in, illicit drugs;

1           (13) the degree to which the country provides  
2           for effective prohibitions on bribery and other cor-  
3           rupt practices affecting international trade;

4           (14) the degree to which the country applies  
5           transparent procedures in government procurement  
6           and contributes to efforts in international fora to de-  
7           velop and implement international rules on trans-  
8           parency in government procurement; and

9           (15) the extent to which such country is pre-  
10          pared to cooperate with the United States in the ad-  
11          ministration of the provisions of this Act.

12 The President may consider that a country is not pro-  
13 viding adequate and effective protection of intellectual  
14 property rights under paragraph (10), even if the country  
15 is in compliance with the country's obligations under the  
16 Agreement on Trade-Related Aspects of Intellectual Prop-  
17 erty Rights described in section 101(d)(15) of the Uru-  
18 guay Round Agreements Act (19 U.S.C. 3511(d)(15)).

19          (d) WITHDRAWAL OR SUSPENSION OF DESIGNA-  
20 TION.—(1) The President may—

21           (A) withdraw or suspend the designation of any  
22           country as a beneficiary country, or

23           (B) withdraw, suspend, modify, or limit the ap-  
24           plication of preferential treatment under this Act to  
25           any article of any country,

1 if, after such designation, the President determines that  
2 such action is appropriate based on the limitations in sub-  
3 section (b) or on the factors in subsection (c) of this sec-  
4 tion.

5 (2)(A) The United States Trade Representative shall  
6 publish in the Federal Register notice of the action the  
7 President proposes to take under paragraph (1) at least  
8 30 days before taking such action.

9 (B) The United States Trade Representative shall,  
10 within the 30-day period beginning on the date on which  
11 the United States Trade Representative publishes under  
12 subparagraph (A) notice of proposed action—

13 (i) accept written comments from the public re-  
14 garding such proposed action,

15 (ii) hold a public hearing on such proposed ac-  
16 tion, and

17 (iii) publish in the Federal Register—

18 (I) notice of the time and place of such  
19 hearing prior to the hearing, and

20 (II) the time and place at which such writ-  
21 ten comments will be accepted.

22 (3) In the event the President withdraws, suspends,  
23 modifies, or limits the application of duty-free treatment  
24 accorded to a country under the Generalized System of  
25 Preferences based on one or more of the eligibility criteria

1 in section 501 of the Trade Act of 1974 (19 U.S.C. 2462)  
2 that are the same or similar to one or more of the eligi-  
3 bility criteria set forth in this section, the President shall  
4 likewise withdraw, suspend, modify, or limit the applica-  
5 tion of preferential treatment accorded to that country  
6 under this Act.

7 (e) REPORT.—Not later than February 1, 2003, the  
8 President shall submit to Congress a complete report re-  
9 garding the operation of this Act, including the results of  
10 a general review of beneficiary countries based on the con-  
11 siderations described in subsections (b) and (c).

12 (f) KOSOVO AND MONTENEGRO.—Kosovo and Monte-  
13 negro may be designated as beneficiary countries notwith-  
14 standing the provisions of Public Law 102–420 (19 U.S.C.  
15 2432 note), concerning the withdrawal of nondiscrim-  
16 inatory treatment of goods that are the product of Serbia  
17 or Montenegro, or any other law.

18 (g) FEDERAL REPUBLIC OF YUGOSLAVIA.—Notwith-  
19 standing the limitation in section 5(a)(1), the Federal Re-  
20 public of Yugoslavia may be considered eligible for des-  
21 ignation as a beneficiary country under this Act if the  
22 President determines that relevant authorities in the Gov-  
23 ernment of the Federal Republic of Yugoslavia and the  
24 Government of the Republic of Serbia have made signifi-  
25 cant progress in meeting the following objectives:

1           (1) Participation in a political process designed  
2           to determine Kosovo's future status, taking into ac-  
3           count the Rambouillet accords.

4           (2) Compliance with the General Framework  
5           Agreement for Peace in Bosnia and Herzegovina.

6           (3) Implementation of internal democratic re-  
7           form.

8           (4) Cooperation on all succession issues with  
9           the other republics that emerged from the dissolu-  
10          tion of the Socialist Federal Republic of Yugoslavia.

11          (5) Cooperation with the International Criminal  
12          Tribunal for the Former Yugoslavia, including  
13          transfer of all indicted war criminals in the Federal  
14          Republic of Yugoslavia to The Hague.

15          (6) Peaceful and democratic resolution of dif-  
16          ferences between its constituent republics, Serbia  
17          and Montenegro, over the structure of shared gov-  
18          ernmental institutions.

19 **SEC. 6. ELIGIBLE ARTICLES.**

20          (a) IN GENERAL.—(1) Unless otherwise excluded  
21          from eligibility by this Act, the duty-free treatment pro-  
22          vided under this Act shall apply to any article which is  
23          the growth, product, or manufacture of a beneficiary coun-  
24          try if—

1 (A) that article is imported directly from a ben-  
2 eficiary country into the customs territory of the  
3 United States; and

4 (B) the sum of—

5 (i) the cost or value of the materials pro-  
6 duced in a beneficiary country or 2 or more  
7 beneficiary countries under this Act, plus

8 (ii) the direct costs of processing oper-  
9 ations performed in a beneficiary country or  
10 countries,

11 is not less than 35 percent of the appraised value of  
12 such article at the time it is entered.

13 If the cost or value of materials produced in the customs  
14 territory of the United States is included with respect to  
15 an article to which this paragraph applies, an amount not  
16 to exceed 15 percent of the appraised value of the article  
17 at the time it is entered that is attributed to such United  
18 States cost or value may be applied toward determining  
19 the percentage referred to in subparagraph (B).

20 (2) The Secretary of the Treasury shall prescribe  
21 such regulations as may be necessary to carry out sub-  
22 section (a), including, but not limited to, regulations pro-  
23 viding that, in order to be eligible for duty-free treatment  
24 under this Act, an article must be wholly the growth, prod-  
25 uct, or manufacture of a beneficiary country, or must be

1 a new or different article of commerce which has been  
2 grown, produced, or manufactured in the beneficiary coun-  
3 try; but no article or material of a beneficiary country  
4 shall be eligible for such treatment by virtue of having  
5 merely undergone—

6 (A) simple combining or packaging operations,  
7 or

8 (B) mere dilution with water or mere dilution  
9 with another substance that does not materially alter  
10 the characteristics of the article.

11 (3) As used in this subsection, the phrase “direct  
12 costs of processing operations” includes, but is not limited  
13 to—

14 (A) all actual labor costs involved in the  
15 growth, production, manufacture, or assembly of the  
16 specific merchandise, including fringe benefits, on-  
17 the-job training and the cost of engineering, super-  
18 visory, quality control, and similar personnel; and

19 (B) dies, molds, tooling, and depreciation on  
20 machinery and equipment which are allocable to the  
21 specific merchandise.

22 Such phrase does not include costs which are not directly  
23 attributable to the merchandise concerned or are not costs  
24 of manufacturing the product, such as (i) profit, and (ii)  
25 general expense of doing business which are either not al-

1 locable to the specific merchandise or are not related to  
2 the growth, production, manufacture, or assembly of the  
3 merchandise, such as administrative salaries, casualty and  
4 liability insurance, advertising, interest, and salesmen's  
5 salaries, commissions, or expenses.

6 (b) EXCEPTION TO DUTY-FREE TREATMENT.—The  
7 duty-free treatment provided under this Act shall not  
8 apply to textile and apparel articles which are not eligible  
9 for duty-free treatment under section 503(b)(1)(A) of the  
10 Trade Act of 1974, as amended (19 U.S.C. 2463  
11 (b)(1)(A)).

12 (c) SUSPENSION OF DUTY-FREE TREATMENT.—(1)  
13 The President may by proclamation suspend the duty-free  
14 treatment provided by this Act with respect to any eligible  
15 article and may proclaim a duty rate for such article if  
16 such action is proclaimed under chapter 1 of title II of  
17 the Trade Act of 1974 or section 232 of the Trade Expan-  
18 sion Act of 1962.

19 (2) In any report by the United States International  
20 Trade Commission to the President under section 202(f)  
21 of the Trade Act of 1974 regarding any article for which  
22 duty-free treatment has been proclaimed by the President  
23 pursuant to this Act, the Commission shall state whether  
24 and to what extent its findings and recommendations

1 apply to such article when imported from beneficiary coun-  
2 tries.

3 (3) For purposes of section 203 of the Trade Act of  
4 1974, the suspension of duty-free treatment provided by  
5 this Act shall be treated as an increase in duty.

6 (4) No proclamation providing solely for a suspension  
7 referred to in paragraph (3) of this subsection with respect  
8 to any articles shall be taken under section 203 of the  
9 Trade Act of 1974 unless the United States International  
10 Trade Commission, in addition to making an affirmative  
11 determination with respect to such article under section  
12 202(b) of the Trade Act of 1974, determines in the course  
13 of its investigation under such section that the serious in-  
14 jury (or threat thereof) substantially caused by imports  
15 to the domestic industry producing a like or directly com-  
16 petitive article results from the duty-free treatment pro-  
17 vided by this Act.

18 (5)(A) Any action taken under section 203 of the  
19 Trade Act of 1974 that is in effect when duty-free treat-  
20 ment is proclaimed under section 3 of this Act shall re-  
21 main in effect until modified or terminated.

22 (B) If any article is subject to any such action at  
23 the time duty-free treatment is proclaimed under section  
24 3 of this Act, the President may reduce or terminate the  
25 application of such action to the importation of such arti-

1 cle from beneficiary countries prior to the otherwise sched-  
2 uled date on which such reduction or termination would  
3 occur pursuant to the criteria and procedures of section  
4 204 of the Trade Act of 1974.

5 (d) EMERGENCY RELIEF WITH RESPECT TO PER-  
6 ISHABLE PRODUCTS.—(1) If a petition is filed with the  
7 United States International Trade Commission pursuant  
8 to the provisions of section 201 of the Trade Act of 1974  
9 regarding a perishable product and alleging injury from  
10 imports from beneficiary countries, then the petition may  
11 also be filed with the Secretary of Agriculture with a re-  
12 quest that emergency relief be granted pursuant to para-  
13 graph (3) of this subsection with respect to such article.

14 (2) Within 14 days after the filing of a petition under  
15 paragraph (1) of this subsection—

16 (A) if the Secretary of Agriculture has reason  
17 to believe that a perishable product from a bene-  
18 ficiary country is being imported into the United  
19 States in such increased quantities as to be a sub-  
20 stantial cause of serious injury, or the threat there-  
21 of, to the domestic industry producing a perishable  
22 product like or directly competitive with the im-  
23 ported product and that emergency action is war-  
24 ranted, the Secretary shall advise the President and

1 recommend that the President take emergency ac-  
2 tion; or

3 (B) the Secretary of Agriculture shall publish a  
4 notice of the Secretary's determination not to rec-  
5 ommend the imposition of emergency action and so  
6 advise the petitioner.

7 (3) Within 7 days after the President receives a rec-  
8 ommendation from the Secretary of Agriculture to take  
9 emergency action pursuant to paragraph (2) of this sub-  
10 section, the President shall issue a proclamation with-  
11 drawing the duty-free treatment provided by this Act or  
12 publish a notice of the President's determination not to  
13 take emergency action.

14 (4) The emergency action provided by paragraph (3)  
15 of this subsection shall cease to apply—

16 (A) upon the taking of action under section 203  
17 of the Trade Act of 1974,

18 (B) on the day a determination by the Presi-  
19 dent not to take action under section 203(b)(2) of  
20 such Act becomes final,

21 (C) in the event of a report of the United  
22 States International Trade Commission containing a  
23 negative finding, on the day of the Commission's re-  
24 port is submitted to the President, or

1 (D) whenever the President determines that be-  
2 cause of changed circumstances such relief is no  
3 longer warranted.

4 (5) For purposes of this subsection, the term “perish-  
5 able product” means—

6 (A) live plants and fresh cut flowers provided  
7 for in chapter 6 of the HTS;

8 (B) fresh or chilled vegetables provided for in  
9 headings 0701 through 0709 (except subheading  
10 0709.52.00) and heading 0714 of the HTS;

11 (C) fresh fruit provided for in subheadings  
12 0804.20 through 0810.90 (except citrons of sub-  
13 headings 0805.90.00, tamarinds of subheading  
14 0810.90.25 and kiwi fruit of subheading 0810.50.00,  
15 and cashew apples, mameyes colorados, sapodillas,  
16 soursops, and sweetsops of subheading 0810.90.40)  
17 of the HTS; or

18 (D) concentrated citrus fruit juice provided for  
19 in subheadings 2009.11.00, 2009.19.40, 2009.20.40,  
20 2009.30.20, and 2009.30.60 of the HTS.

21 (e) SECTION 22 FEES.—No proclamation issued pur-  
22 suant to this Act shall affect fees imposed pursuant to  
23 section 22 of the Agricultural Adjustment Act of 1933 (7  
24 U.S.C. 624).

1 (f) TARIFF-RATE QUOTAS.—No quantity of an agri-  
 2 cultural product subject to a tariff-rate quota that exceeds  
 3 the in-quota quantity shall be eligible for duty-free treat-  
 4 ment under this Act.

5 **SEC. 7. RELATED AMENDMENTS.**

6 (a) INCREASE IN DUTY-FREE TOURIST ALLOW-  
 7 ANCE.—Note 4 to subchapter IV of chapter 98 of the HTS  
 8 is amended by inserting before the final period the phrase  
 9 “, or a country designated as a beneficiary country under  
 10 the Southeast Europe Trade Preference Act”.

11 (b) TREATMENT OF INSULAR POSSESSIONS PROD-  
 12 UCTS.—General note 3(a)(iv) of the HTS (relating to  
 13 products of the insular possessions) is amended by redes-  
 14 ignating existing subdivision “(F)” as “(G)”, and by add-  
 15 ing in alphabetical sequence the following:

16 “(F) Subject to the provisions in section 5  
 17 of the Southeast Europe Trade Preference Act,  
 18 goods which are imported from the insular pos-  
 19 sessions of the United States shall receive duty  
 20 treatment no less favorable than the treatment  
 21 afforded such goods when they are imported  
 22 from a beneficiary country under such Act.”.

23 (c) SECTION 301.—Section 301(c) of the Trade Act  
 24 of 1974 (19 U.S.C. 2411) is amended in paragraph (1)(C)  
 25 by striking “or” after “(19 U.S.C. 2702 (b) and (c))” and

1 inserting “or section 5 (b) and (c) of the Southeast Eu-  
 2 rope Trade Preference Act,” after “19 U.S.C. 3202 (b)  
 3 and (c),”.

4 **SEC. 8. INTERNATIONAL TRADE COMMISSION REPORT ON**  
 5 **IMPACT OF THE SOUTHEAST EUROPE TRADE**  
 6 **PREFERENCE ACT.**

7 (a) REPORTING REQUIREMENT.—(1) No later than  
 8 October 1, 2002, the United States International Trade  
 9 Commission (referred to in this section as the “Commis-  
 10 sion”) shall submit to Congress and the President a report  
 11 regarding the economic impact of this Act on United  
 12 States industries and consumers, and, in conjunction with  
 13 other agencies, the effectiveness of this Act in promoting  
 14 regional reconstruction.

15 (2) For purposes of this section, industries in the  
 16 Commonwealth of Puerto Rico and the insular possessions  
 17 of the United States are considered to be United States  
 18 industries.

19 (b) REQUIREMENTS FOR REPORT.—(1) The report  
 20 required under subsection (a) shall include, but not be lim-  
 21 ited to, an assessment by the Commission regarding—

22 (A) the actual effect, during the period covered  
 23 by the report, of this Act on the United States econ-  
 24 omy generally as well as on those specific domestic  
 25 industries which produce articles that are like, or di-

1 rectly competitive with, articles being imported into  
2 the United States from beneficiary countries; and

3 (B) the probable future effect that this Act will  
4 have on the United States economy generally, as well  
5 as on such domestic industries, before the provisions  
6 of this Act terminate.

7 (2) In preparing the assessments required under  
8 paragraph (1), the Commission shall, to the extent  
9 practicable—

10 (A) analyze the production, trade, and con-  
11 sumption of United States products affected by this  
12 Act, taking into consideration employment, profit  
13 levels, and use of productive facilities with respect to  
14 the domestic industries concerned, and such other  
15 economic factors in such industries as it considers  
16 relevant, including prices, wages, sales, inventories,  
17 patterns of demand, capital investment, obsolescence  
18 of equipment, and diversification of production; and

19 (B) describe the nature and extent of any sig-  
20 nificant change in employment, profit levels, and use  
21 of productive facilities, and such other conditions as  
22 it deems relevant in the domestic industries con-  
23 cerned, which it believes are attributable to this Act.

24 (c) SUBMISSION DATES; PUBLIC COMMENT.—The  
25 Commission shall provide an opportunity for the submis-

1 sion by the public, either orally or in writing, or both, of  
2 information relating to matters that will be addressed in  
3 the report.

4 **SEC. 9. IMPACT STUDY BY THE SECRETARY OF LABOR.**

5 (a) The Secretary of Labor, in consultation with  
6 other appropriate Federal agencies, shall undertake a con-  
7 tinuing review and analysis of the impact that the imple-  
8 mentation of the provisions of this Act has with respect  
9 to United States labor, shall review developments in labor  
10 conditions in the beneficiary countries, and, no later than  
11 October 1, 2002, shall make a report to Congress on the  
12 results of such review and analysis.

13 (b) For purposes of this section, industries in the  
14 Commonwealth of Puerto Rico and the insular possessions  
15 of the United States are considered to be United States  
16 industries.

17 **SEC. 10. EFFECTIVE DATE AND TERMINATION OF DUTY-**  
18 **FREE TREATMENT.**

19 (a) **EFFECTIVE DATE.**—This Act shall take effect on  
20 the date of enactment.

21 (b) **TERMINATION OF DUTY-FREE TREATMENT.**—No  
22 duty-free treatment extended to beneficiary countries  
23 under this Act shall remain in effect 5 years after the date  
24 of enactment of this Act.

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