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2d Session }

SENATE }

REPORT
No. 1318

FREE ENTRY OF CERTAIN STEEL FOR CHIPPEWA COUNTY WAR MEMORIAL HOSPITAL, SAULT STE. MARIE, MICH., AND FOR OTHER PURPOSES

APRIL 2, 1962.—Ordered to be printed

Mr. BYRD of Virginia, from the Committee on Finance, submitted the following

REPORT

[To accompany H.R. 9778]

The Committee on Finance, to whom was referred the bill (H.R. 9778) to provide for the free entry of certain steel and steel products donated for an addition to the Chippewa County War Memorial Hospital, Sault Sainte Marie, Mich., having considered the same, report favorably thereon with amendments, and recommend that the bill as amended do pass.

PURPOSE OF THE BILL

The purpose of H.R. 9778 is to authorize and direct the Secretary of the Treasury to admit free of import duties any steel and any steel products donated by the Algoma Steel Corp., Ltd., Sault Ste. Marie, Canada, and imported for use in the construction of an addition to the Chippewa County War Memorial Hospital, Sault Ste. Marie, Mich.

PURPOSE OF THE AMENDMENT

The amendment is designed to facilitate the customs clearance of data with regard to business, engineering, or exploration operations conducted outside the United States.

GENERAL STATEMENT

The Chippewa County War Memorial Hospital, located in Sault Ste. Marie, Mich., is a public, nonprofit hospital which serves the people of Sault Ste. Marie, Mich., and Sault Ste. Marie, Ontario, Canada. This hospital is building an addition to its existing facilities, and the funds for such addition are being raised by public subscription.

2 STEEL FOR CHIPPEWA COUNTY HOSPITAL, SAULT STE. MARIE, MICH.

The Algoma Steel Corp., Ltd., of Sault Ste. Marie, Ontario, Canada, has undertaken to donate approximately 120 tons of high tensile strength structural steel for use in the construction of this addition to the hospital. Although this steel would be in the nature of a gift to the hospital and would be used in the same city, it would cross the border when delivered to the hospital site. The Finance Committee feels that, in this case, the steel should be entered free of duty and recommend that the bill as amended be passed.

The amendment would clarify a situation now causing extra work for the Bureau of the Customs and putting a burden on business firms with oversea branches. Data with regard to business, engineering, or exploration operations collected abroad and brought back to the United States for consideration by the executives of the firm may be subject to various rates of duty depending more on the type of material upon which the data are recorded than on the content or meaning. These records are not salable, their customs valuation is frequently in doubt, and delays and uncertainties are troublesome for business firms as well as for the Federal Government.

The committee urges that the amendment be adopted.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in *italic*, existing law in which no change is proposed is shown in *roman*):

TARIFF ACT OF 1930

TITLE II—FREE LIST

SECTION 201. That on and after the day following the passage of this Act, except as otherwise specially provided for in this Act, the articles mentioned in the following paragraphs, when imported into the United States or into any of its possessions (except the Virgin Islands, American Samoa, Wake Island, Midway Islands, Kingman Reef, Johnston Island, and the island of Guam), shall be exempt from duty:

* * * * *

PAR. 1827. Records, diagrams, and other data with regard to any business, engineering, or exploration-operation conducted outside the United States, whether on paper, cards, photographs, blueprints, tapes, or other media.

