

**AUTHORIZATION OF APPROPRIATIONS TO THE U.S. INTERNATIONAL
TRADE COMMISSION, THE U.S. CUSTOMS SERVICE, AND THE U.S.
TRADE REPRESENTATIVE**

MAY 14 legislative day JANUARY 3, 1980.—Ordered to be printed

Mr. LONG, from the Committee on Finance,
submitted the following

REPORT

[To accompany S. 2697]

The Committee on Finance reports an original bill (S. 2697) to authorize appropriations for fiscal year 1981 to the U.S. International Trade Commission and U.S. Customs Service, to authorize appropriations to the U.S. Trade Representative, and for other purposes, and recommends that the bill do pass.

I. SUMMARY

The committee bill would authorize fiscal year 1981 appropriations of \$16,981,000 to the U.S. International Trade Commission and \$477 million to the U.S. Customs Service. The bill would also authorize appropriations to the Office of the U.S. Trade Representative of such sums as may be necessary to carry out its functions for each of the fiscal years 1981, 1982, and 1983.

II. GENERAL EXPLANATION

In order to meet the requirements of section 402(a) of the Congressional Budget Act of 1974 (31 U.S.C. 1352), the Committee on Finance reports an original bill to authorize fiscal year 1981 appropriations to the U.S. International Trade Commission (ITC) and the U.S. Customs Service, as well as to authorize appropriations to the Office of the U.S. Trade Representative (USTR) for fiscal years 1981, 1982, and 1983.

AUTHORIZATION OF APPROPRIATIONS TO THE ITC (SECTION 1 OF THE BILL)

Present law.—Section 330(e)(1) of the Tariff Act of 1930 (19 U.S.C. 1330(e)(1)) requires annual enactment of an authorization of appropriations for the ITC. Section 175 of the Trade Act of 1974 (19 U.S.C. 2232) requires that ITC estimated expenditures and proposed appropriations be included in the President's budget without revision. The ITC appropriation for fiscal year 1980 was \$15,917,000 (assuming enactment of the fiscal year 1980 pay increase supplemental appropriations).

Committee bill.—The first section of the committee bill would authorize appropriations of \$16,981,000 for fiscal year 1981, the full amount requested by the ITC. This section also provides that no part of any sum that is appropriated under this authorization may be used by the ITC for the making of any special study, investigation, or report that is requested by any agency of the executive branch unless that agency reimburses the ITC for the costs thereof.

Reasons for committee bill.—The committee supports the ITC's budget request of \$16,981,000, which is \$1,064,000 more than the total appropriation for fiscal year 1980. Of the increase, the ITC attributes \$946,000 to built-in costs increases and inflation. The remainder of the increase, \$118,000, is for certain program increases required by the ITC's heavier workload of cases and investigations. The budget request will support a staff of 438, the same personnel level as in fiscal year 1980.

The International Trade Commission is an independent agency and performs a unique role. The independence of the ITC is ensured by a number of provisions, not the least of which is the formation and expenditure of its budget independently of the President's review or control. It was established by the Congress in 1916 in furtherance of the Congressional authority to regulate foreign commerce under article I, section 8 of the Constitution. One of the Commission's major responsibilities is to provide the Congress with independent expert advice to assist in carrying out its Constitutional authority to regulate international trade. The Commission, in addition to its duties to respond to requests from the Congress and the President on matters affecting international trade, has a number of other specific statutory duties and responsibilities ranging from research and analysis to quasi-judicial functions on trade related matters.

The Trade Agreements Act of 1979 has resulted in a substantial increase in the work of the International Trade Commission. The new provisions of law amend, among other laws, the countervailing duty and antidumping laws. The Commission is required to make at least two injury determinations in each countervailing duty and antidumping case. The impact on the Commission of the amendments will be further increased temporarily by the requirement that upon petition, the Commission make injury determinations concerning up to 68 cases carried over from prior law.

The committee believes that the additional amount requested by the ITC for fiscal year 1981 over that appropriated for fiscal year 1980 are necessary to permit the ITC to carry out its statutory responsi-

bilities of responding to requests of the Congress and the President for information and advice, and in carrying out its investigative and fact-finding authorities under U.S. trade laws, including antidumping and countervailing duty laws.

That part of the first section of the committee bill which provides that no part of any sum that is appropriated under the authorization may be used by the ITC for making studies, investigations, or reports requested by any agency of the executive branch unless that agency reimburses the ITC for the costs thereof parallels language which was included for many years in the appropriations language for the ITC, but which was dropped from the fiscal year 1980 appropriation bill. The committee is concerned that without such language, discipline over the budget process, particularly the ITC budget, will be loosened, as other agencies will view the ITC as a "free" consultant and it will request larger budgets to cover the costs of providing such studies, investigations, or reports. The committee has no objections to the ITC undertaking such activities for other agencies, and believes the ITC should always seek to increase its capability to analyze international trade matters; but the committee believes that the ITC should be reimbursed out of the funds appropriated to the requesting agency. This language included in the first section of the bill does not affect requests for studies properly made under section 332 of the Tariff Act of 1930 (19 U.S.C. 1332).

During committee consideration of the authorization of appropriations for the ITC for fiscal year 1981, it was brought to the committee's attention that the ITC has been criticized for proposing substantive rules in furtherance of its jurisdiction under section 337 of the Tariff Act of 1930 (19 U.S.C. 1337). Section 337 provides that unfair methods of competition or unfair acts in the importation of articles into the United States, or in their sale, the effect or tendency of which is to destroy or substantially injure, or prevent the establishment of, an industry in the United States, or to restrain or monopolize trade and commerce in the United States, are unlawful. If the ITC finds a violation, it may, subject to Presidential disapproval, either order the exclusion of the articles involved in the violation from entering into the United States, or issue an order requiring the parties violating section 337 to cease and desist in such violation. The Commission is also authorized, under section 335 of the Tariff Act of 1930, to adopt reasonable rules it deems necessary to carry out its functions and duties.

While the committee takes no position with respect to the merits of any particular rule proposed by the ITC with respect to section 337, the committee does believe that the ITC has authority to issue rules pursuant to section 335 of the Tariff Act of 1930 of a substantive as well as a procedural nature with respect to implementing section 337. In particular, the Commission has been granted broad authority by section 337, as interpreted in many court decisions, to define what is an unfair method of competition or unfair act within the meaning of that statute and to determine when the statute has been violated. This it may do by rule as well as by decision in individual cases, so long as no person is the subject of an adverse order under section 337 without the benefit of the adjudicatory process provided for in the statute.

AUTHORIZATION OF APPROPRIATIONS TO THE U.S. CUSTOMS SERVICE
(SECTION 2 OF THE BILL)

Present law.—Section 301 of the Customs Procedural Reform and Simplification Act of 1978 (19 U.S.C. 2075) requires annual enactment of an authorization of appropriations to the U.S. Customs Service. The Customs Service's appropriations for fiscal year 1980 is \$464,339,000, assuming enactment of the supplemental appropriation requested for pay increases for fiscal year 1981.

Committee bill.—Section 2 of the committee bill would authorize appropriations of \$477 million to the Customs Service for fiscal year 1981. The committee bill also provides that no part of any sum appropriated under the authority of section 2 of the bill may be used to implement any procedure relating to the time of deposit of estimated duties that shortens the maximum ten-day deferment period for deposit under procedures in effect on January 1, 1980, relating to release of merchandise under a special permit. Additionally, section 2 of the bill provides that the President should enter into agreements, to the extent feasible and appropriate, with the governments of other countries to provide for the establishment of pre-clearance facilities in foreign countries in airports and other transportation facilities frequently used by substantial numbers of persons for the purpose of entering the United States from abroad.

Reasons for committee bill.—The \$477 million authorized by the committee bill for fiscal year 1981 is an increase of \$5 million over the \$472 million originally requested by the Customs Service for fiscal year 1981. In the budget revision submitted in March 1980, the Customs Service request was reduced by \$6.3 million to \$465.7 million.

The amount originally requested by the Customs Service of \$472 million was \$7,661,000 over the fiscal year 1980 appropriated amount, assuming enactment of the supplemental appropriation requested for pay increases. Given inflation, this fiscal year 1981 request, if adopted, would have represented a reduction in the real Customs budget, as occurred in fiscal year 1980. The reduction would be worse, of course, under a budget of \$465.7 million. Under either budget, existing levels of services would have to be substantially curtailed. Against this background, and given the estimated 7- to 12-percent increase in customs workload which is expected in fiscal year 1981, which the committee believes cannot be accommodated solely through increased productivity, the committee believes the amount authorized by the bill is entirely warranted. The amount will result in only a 2.8 percent total increase over last year's budget, which still fails to keep pace with inflation. Even so, it is believed to be the minimal amount necessary to allow the Customs Service to perform its work properly. It is the intention of the committee that the \$5 million increase it approved over the originally requested amount be devoted to increasing the number of inspectors and line (i.e., nonsupervisory) personnel employed by the Service for processing passengers and goods. It is estimated that the additional manpower that can be provided for by the \$5 million will increase Customs revenues by approximately \$25 to \$40 million in fiscal year 1981.

Under the Customs Procedural Reform and Simplification Act of 1978, new procedures were authorized which permit the deferment of

the deposit of estimated duties up to 30 days after release of merchandise from Customs' custody under special permit prior to completion of the formal entry process. The time period now permitted for deferral under customs procedures is up to 10 days. The Office of Management and Budget (OMB) has proposed to require deposit of estimated duties within a maximum three days after the release of merchandise, the 3-day period to be phased in over a number of years. This is similar to a proposal made by the OMB last year which was objected to by the committee in its report on the authorization of appropriations for the Customs Service for fiscal year 1980 (S. Rept. No. 96-143, p. 4). The language in section 2 of the committee bill providing that no appropriated funds may be expended to implement any procedure that reduces the 10-day period now provided for the deferral of deposit of estimated duties is specifically aimed at preventing the shortening of the maximum 10-day deferment period. The statutory language is designed to preserve the efficiency in customs administration and the more rapid merchandise clearance process which the Customs Procedural Reform and Simplification Act of 1978 aimed to achieve for the benefit of both the Customs Service and importers.

The committee has continued to receive reports of excessive delays in the clearance through U.S. customs facilities of passengers entering the United States, particularly passengers entering by airplane. The committee notes that approximately 25 percent of air passengers entering the United States are now precleared in foreign ports of embarkation, i.e., the immigration and customs clearance procedures normally performed when the passenger arrives in the United States with respect to the passenger and his baggage is performed in the port of embarkation, including collection of duties, agricultural inspection, etc. The preclearance procedure, while not problem-free, does in fact appear to have reduced delays and frustration associated with U.S. immigration and customs clearance, and increased efficiency.

In order to further reduce delays and frustration and further increase efficiency, the committee bill provides that the President should enter into agreements, to the extent feasible and appropriate, with the governments of other countries to provide for the establishment of preclearance immigration and customs facilities in other countries in airports and other transportation facilities frequently used by substantial number of persons for the purpose of entering the United States. The committee believes that such preclearance facilities are of benefit not only to U.S. citizens, residents, and other passengers, and of benefit to customs and immigration efficiency particularly by reducing congestion in U.S.-based facilities, but also are of benefit to the foreign country.

In any agreements concluded, the host country must undertake commitments to meet necessary requirements for protection of U.S. interests, including protection of the revenue. For example, suitable and secure inspectional areas which meet U.S. Customs requirements must be provided. Of course, pre-clearance facilities are not appropriate or feasible at every port of embarkation to the United States. The port of embarkation must have a substantial number of persons passing through it for entry into the United States in order to make a pre-clearance facility suitable in terms of effective use of Customs'

resources and personnel. In this respect, it is noted that the excess costs which necessarily accrue by virtue of a Customs operation being outside the United States are now borne by the users of the service supplied.

AUTHORIZATION OF APPROPRIATIONS TO THE OFFICE OF THE U.S. TRADE REPRESENTATIVE (SECTION 3 OF THE BILL)

Present law.—Section 141(f) of the Trade Act of 1974 provides that the Office of the Special Representative for Trade Negotiations (renamed Office of the U.S. Trade Representative by Reorganization Plan No. 3 of 1979) is authorized appropriations of such amounts as may be necessary for the purpose of carrying out its functions for fiscal year 1976 through fiscal year 1980.

Committee bill.—Section 3 of the committee bill authorizes appropriations to the Office of the U.S. Trade Representative of such amounts as may be necessary for the purpose of carrying out its functions for fiscal year 1981 through fiscal year 1983. Additionally, the committee bill authorizes the U.S. Trade Representative to expend funds for travel expenses without regard to standardized Government travel regulations and to per diem allowances; to delegate functions, powers, and duties to such officers and employees as he may designate, and to authorize redelegation; to accept, hold, administer, and utilize gifts, devices, and bequests of property, both real and personal, and of money, for the purpose of aiding in facilitating the work of the USTR; to acquire by purchase or exchange not more than two automobiles for use by the USTR delegation in Geneva and elsewhere, as required, at a cost of not more than \$6,500 for each car; and to issue rules and regulations as may be necessary to carry out the functions, powers, and duties vested in him. The bill also makes a number of technical corrections to existing law to take account of the name changes associated with Reorganization Plan No. 3 and to delete obsolete provisions.

Reasons for committee bill.—The committee bill authorizes appropriations to the USTR for the purpose of carrying out its functions of such sums as may be necessary for each of fiscal years 1981, 1982, and 1983. The committee considered and specifically rejected an annual authorization of appropriations, believing an annual authorization to be unnecessary and burdensome.

The officers and employees of the USTR have frequent contacts with the committee, often on a daily basis for extended periods of time. The Trade Act of 1974 and the Trade Agreements Act of 1979 require continual consultations between the committee and the USTR on the matters which fall within the jurisdiction of the USTR. For example, five committee Senators are official advisers to U.S. trade negotiation delegations. The following excerpt from the committee's report on the Trade Agreements Act of 1979 (S. Rept. 96-249, pp. 5 and 6) illustrates the close working relationship between the committee and the USTR:

The committee developed a consultative system in early 1975 to implement the Trade Act coordination procedures. Periodic briefings of Senators and committee staff by the Special Representative for Trade Negotiations (STR), his

deputies or staff, access by the committee to position papers developed by the STR, and regular delivery to the committee on negotiating instructions, reports of negotiating developments, and GATT and MTN documents, were part of this system.

From the beginning of the substantive negotiations in the MTN and throughout the remainder of the MTN until January 1979, committee members and staff made periodic trips to Geneva and to various capitals to monitor the negotiations. In the view of the committee, these trips were critical to the committee's oversight responsibilities under the Trade Act. Senators and staff attended multilateral and bilateral negotiating sessions, met with officials of foreign delegations and officers of the GATT, and consulted with the head of the United States delegation and key members of his staff.

In light of the above, the 3-year authorization provided in the bill will permit reauthorization at an interval more consonant with the existing level of contacts and relationship between the committee and the USTR. At the same time, the authorization period is sufficiently brief to insure that the committee maintains sufficient oversight authority in case problems develop in the existing relationship or in case problems of a substantial nature occur with respect to the activities of the USTR.

The committee bill also adds provisions to existing authorities of the USTR under section 141 of the Trade Act. These authorities were requested by the USTR with the clearance of the OMB, and are needed to restore standard administrative authorities to the USTR. Most agencies have these standard administrative authorities, but the USTR lost them when its budgetary relationship with the Department of State changed as a consequence of Reorganization Plan No. 3 of 1979. Among these authorities, the authority to pay for expenses approved by the U.S. Trade Representative for official travel without regard to the Federal travel regulations or to the provisions relating to rates of per diem allowances in lieu of subsistence expenses is necessary to allow the Trade Representative or other officers in the USTR to obtain accommodations at rates in excess of the per diem allowances under certain circumstances. These circumstances include the need to rent offices and suites necessary to conduct negotiations and other meetings when the living quarters of the Representative or officers are not suitable. The authority of the USTR to accept, hold, administer, and utilize gifts, devices, and bequests, of real or personal property and of money, is intended to facilitate the work of the USTR. Gifts, devices, and bequests from foreign governments are excluded from this authority. This authority will enable the USTR to receive gifts such as libraries of books or papers on trade willed to it by former employees, which it presently lacks authority to accept. The authority to purchase or exchange not more than two passenger vehicles for use abroad at a maximum cost of \$6,500 each is necessary to allow the agency to acquire automobiles for the official use of its staff located in the newly established office in Geneva. Currently, the staff is borrowing automobiles from the U.S. Mission in Geneva, but this is not possible over an extended period, as the USTR delegation in Geneva is separate from the U.S. Mission in activities and location, as is intended by the Congress.

It is noted that the authority provided to the Trade Representative to issue rules and regulations as may be necessary to carry out the functions, powers, and duties vested in him is an amendment of section 141(d)(3) of the Trade Act of 1974. The purpose of this amendment is simply to clarify that this authority extends to the entire scope of the Representative's responsibilities, not merely to a more narrow range of functions; it in no way grants or implies any new or additional regulatory rulemaking power.

III. VOTE OF THE COMMITTEE IN REPORTING THE BILL

In compliance with section 133 of the Legislative Reorganization Act of 1946, the committee states that the bill was ordered reported by voice vote.

IV. BUDGETARY IMPACT OF THE BILL

In compliance with section 252(a) of the Legislative Reorganization Act of 1970, sections 308 and 403 of the Congressional Budget Act of 1974, and paragraph 11(a) of rule XXVI of the Standing Rules of the Senate, the following statement is made relative to the cost and budgetary impact of the bill. The bill would authorize the enactment of new budget authority for fiscal year 1981 for the U.S. International Trade Commission in the amount of \$16,981,000 and for the U.S. Customs Service in the amount of \$477 million. The bill would also authorize the enactment of new budget authority for fiscal years 1981, 1982, and 1983 for the Office of the U.S. Trade Representative of such sums as may be necessary for the purpose of carrying out its functions. The committee accepts as its estimates the report of the Congressional Budget Office under section 403 of the Congressional Budget Act, as follows:

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, D.C., May 13, 1980.

HON. RUSSELL B. LONG,
*Chairman, Committee on Finance,
U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: Pursuant to Section 403 of the Congressional Budget Act of 1974, the Congressional Budget Office has prepared the attached cost estimate for a bill to authorize appropriations to the United States International Trade Commission, the United States Customs Service, and the Office of the United States Trade Representative, and for other purposes.

Should the Committee so desire, we would be pleased to provide further details on this estimate.

Sincerely,

ALICE M. RIVLIN, *Director.*

CONGRESSIONAL BUDGET OFFICE—COST ESTIMATE

1. Bill number: Not yet assigned.
2. Bill title: A bill to authorize appropriations to the U.S. International Trade Commission, the U.S. Customs Service, and the Office of the U.S. Trade Representative, and for other purposes.

3. Bill status: As ordered reported by the Senate Committee on Finance, April 30, 1980.

4. Bill purpose: This bill authorizes for fiscal year 1981 the appropriation of \$477 million for salaries and expenses of the U.S. Customs Service and \$17 million for necessary expenses of the U.S. Trade Commission (ITC). The bill also authorizes such sums as may be necessary for the Office of the U.S. Trade Representative (OUSTR) for fiscal year 1981 and succeeding years. In addition, the bill prohibits to reflect pay rate increases for the Customs Service and OUSTR for fiscal years 1981, 1982, and 1983, as well as additional sums necessary the use of appropriated funds to shorten the 10-day deferment procedure for the collection of customs duties.

The authorization level in this bill for the ITC is the same as requested by the Commission in the President's budget and \$1.9 million (12 percent) above the current fiscal year 1980 appropriation of \$15.1 million. The authorization level for the Customs Service is \$11.3 million above the President's revised budget request for fiscal year 1981, and 8 percent above the current fiscal year 1980 appropriation of \$442.2 million. No authorization level is specified for the OUSTR; the current fiscal year 1980 appropriation is \$8.2 million, and the President has requested \$9.2 million in his revised budget request for 1981.

5. Cost estimate:

[By fiscal years, in millions of dollars]

	1981	1982	1983	1984	1985
Estimated authorization level:					
ITC (function 150).....	17.0				
Customs Service (function 750).....	477.0				
OUSTR (function 800).....	8.8	9.4	10.3		
Pay supplementals (function 920).....	23.8	.5	.6		
Total	526.6	9.9	10.9		
Estimated outlays:					
ITC (function 150).....	15.8	1.0	.3		
Customs Service (function 750).....	429.3	49.0			
OUSTR (function 800).....	8.1	9.4	10.2	0.9	
Pay supplementals (function 920).....	22.4	.5	.5		
Total	475.6	59.9	11.0	.9	

Including outlays from prior years' budget authority enacted to date, fiscal year 1981 outlays for the ITC, Customs Service and OUSTR would total \$521 million, assuming the funding level authorized in this bill.

The bill prohibits use of appropriated funds for implementation of any procedure designed to shorten the maximum 10-day deferment period for the collection of customs duties. The Administration has proposed to shorten the maximum deferment period to three days, which the President can do without legislation. If the President were to implement a 3-day deferment plan in fiscal year 1981, as proposed in the President's January budget, additional revenues would be approximately \$170 million in 1981, and about \$10 million per year in 1982 through 1985. If instead, the deferment period were gradually reduced over a 7-year period, as the Administration has indicated it is now considering, the revenue increases would be \$34 million, \$37 million, \$42 million, \$46 million, and \$51 million in fiscal

years 1981 through 1985, respectively. This bill would prevent the Administration from implementing procedures to realize such revenue increases, should it decide to do so.

6. Basis of estimate: For the purpose of this estimate, it is assumed that this bill will be enacted and the entire amount authorized will be appropriated for fiscal year 1981. The estimated authorization levels for OUSTR in fiscal years 1981, 1982, and 1983 are based on the 1980 appropriation, adjusted for inflation. The estimated pay increases for the Customs Service, ITC, and OUSTR for fiscal year 1981 are based on CBO's current policy projection of a 6.2-percent increase, applied to the amounts of salaries and benefits estimated to be included in the authorization levels. The authorized funding for 1982 and 1983 pay increases for the OUSTR is based on assumed increases of 9.3 percent for 1982 and 8.9 percent for 1983. Estimated expenditures in each year are based on historical spendout rates.

The estimate of potential revenue gains associated with a reduction in the deferment period for the collection of customs duties is based on projected collections of \$8.5 billion in fiscal year 1981, increasing to \$10.6 billion in 1985. The estimate for immediate implementation reflects a shift of approximately 5 days of collections from each year to the previous year, while the estimate for a phased implementation assumes a shift of 1 day the first year, 2 days the second year, increasing to 5 days by 1985.

7. Estimate comparison: The Administration estimates that total fiscal year 1981 outlays for the ITC, Customs Service, and OUSTR will be \$485 million, assuming enactment of the President's funding request of \$491.9 million.

8. Previous CBO estimate: On April 25, 1980, the Congressional Budget Office prepared a cost estimate for H.R. 6783, a similar bill ordered reported by the House Committee on Ways and Means on April 22, 1980. Both bills authorize the same amounts for the ITC and Customs Service, but the House bill authorizes a specific amount (\$9.3 million) for the OUSTR and only for 1981. The House bill also includes provisions raising certain customs fees. The cost estimates reflect these differences.

9. Estimate prepared by: Blaire French.

10. Estimate approved by:

C. G. NUCKOLS
(For James L. Blum,
Assistant Director for Budget Analysis).

V. REGULATORY IMPACT OF THE BILL

In compliance with paragraph 11 (b) of rule XXVI of the Standing Rules of the Senate, the committee states that the provisions of the committee bill will not regulate any individuals or businesses, will not impact on the personal privacy of individuals, and will result in no additional paperwork. The bill authorizes continued funding of three Government agencies without substantively modifying the law governing their operations.

VI. CHANGES IN EXISTING LAW

In compliance with paragraph 12 of rule XXVI of the Standing Rules of the Senate, the changes in existing law made by the bill as

reported are shown below (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in *italic*, existing law in which no change is proposed is shown in roman) :

TARIFF ACT OF 1930

* * * * *

SEC. 330. ORGANIZATION OF THE COMMISSION.

(a) MEMBERSHIP.

* * * * *

(e) (1) AUTHORIZATION OF APPROPRIATIONS.—For the fiscal year beginning October 1, 1976, and each fiscal year thereafter, there are authorized to be appropriated to the Commission only such sums as may hereafter be provided by law.

[(2) There are authorized to be appropriated to the Commission for necessary expenses for fiscal year 1979 an amount not to exceed \$12,963,000.]

(2) There are authorized to be appropriated to the Commission for necessary expenses for fiscal year 1981 not to exceed \$16,981,000. No part of any sum that is appropriated under the authority of this paragraph may be used by the Commission for the making of any special study, investigation, or report that is requested by any agency of the executive branch unless that agency reimburses the Commission for the cost thereof.

* * * * *

THE CUSTOMS PROCEDURAL REFORM AND SIMPLIFICATION ACT OF 1978

* * * * *

TITLE III—CUSTOMS SERVICE APPROPRIATIONS
AUTHORIZATION

SEC. 301. (a) For the fiscal year beginning October 1, 1979, and each fiscal year thereafter, there are authorized to be appropriated to the Department of the Treasury for the United States Customs Service only such sums as may hereafter be authorized by law.

(b) There are authorized to be appropriated to the Department of the Treasury not to exceed \$477,000,000 for the salaries and expenses of the United States Customs Service for fiscal year 1981.

(c) No part of any sum that is appropriated under the authority of subsection (b) may be used to implement any procedure relating to the time of deposit of estimated duties that shortens the maximum 10-day deferment period for deposit under procedures in effect on January 1, 1980, relating to release of merchandise under a special permit.

(d) For the fiscal year beginning October 1, 1980, and for each fiscal year thereafter, there are authorized to be appropriated to the Department of the Treasury for the salaries of the officers and employees of the United States Customs Service such additional sums as may be provided by law to reflect pay rate changes made in accordance with the Federal Pay Comparability Act of 1970.

TRADE ACT OF 1974

* * * * *

TABLE OF CONTENTS

TITLE I—NEGOTIATING AND OTHER AUTHORITY

CHAPTER 1—RATES OF DUTY AND OTHER TRADE BARRIERS

* * * * *

CHAPTER 4—OFFICE OF THE [SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS]
*UNITED STATES TRADE REPRESENTATIVE*Sec. 141. Office of the [SPECIAL REPRESENTATIVE FOR TRADE NEGOTIATIONS] *United States Trade Representative*

* * * * *

TITLE I—NEGOTIATING AND OTHER AUTHORITY

* * * * *

CHAPTER 4—OFFICE OF THE [SPECIAL REPRESENTATIVE FOR TRADE
NEGOTIATIONS] *United States Trade Representative*SEC. 141. OFFICE OF THE [SPECIAL REPRESENTATIVE FOR TRADE
NEGOTIATIONS.] *United States Trade Representative.*

(a) There is established within the Executive Office of the President the Office of the [Special Representative for Trade Negotiations] *United States Trade Representative* (hereinafter in this section referred to as the "Office").

(b) (1) The Office shall be headed by the [Special Representative for Trade Negotiations] *United States Trade Representative* who shall be appointed by the President, by and with the advice and consent of the Senate. As an exercise of the rulemaking power of the Senate, any nomination of the [Special Representative for Trade Negotiations] *United States Trade Representative* submitted to the Senate for confirmation, and referred to a committee, shall be referred to the Committee on Finance. The [Special Representative for Trade Negotiations] *United States Trade Representative* shall hold office at the pleasure of the President, shall be entitled to receive the same allowances as a chief of mission, and shall have the rank of Ambassador Extraordinary and Plenipotentiary.

(2) There shall be in the Office two [Deputy Special Representatives for Trade Negotiations] *Deputy United States Trade Representatives* who shall be appointed by the President, by and with the advice and consent of the Senate. As an exercise of the rulemaking power of the Senate, any nomination of a [Deputy Special Representative] *Deputy United States Trade Representative* submitted to the Senate for confirmation, and referred to a committee, shall be referred to the Committee on Finance. Each [Deputy Special Representative for Trade Negotiations] *Deputy United States Trade Representative* shall hold office at the pleasure of the President and shall have the rank of Ambassador.

[(3) (A) Section 5312 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

["(13) Special Representative for Trade Negotiations."]

[(B) Section 5314 of such title is amended by adding at the end thereof the following new paragraph:

["(60) Deputy Special Representatives for Trade Negotiations (2)."]

(c) (1) The [Special Representative for Trade Negotiations] *United States Trade Representative* shall—

(A) be the chief representative of the United States for each trade negotiation under this title or section 301;

(B) report directly to the President and the Congress, and be responsible to the President and the Congress for the administration of trade agreements programs under this Act, the Trade Expansion Act of 1962, and section 350 of the Tariff Act of 1930;

(C) advise the President and Congress with respect to nontariff barriers to international trade, international commodity agreements, and other matters which are related to the trade agreements programs;

(D) be responsible for making reports to Congress with respect to the matter set forth in subparagraphs (A) and (B);

(E) be chairman of the interagency trade organization established pursuant to section 242(a) of the Trade Expansion Act of 1962; and

(F) be responsible for such other functions as the President may direct.

(2) *The United States Trade Representative may—*

(A) *delegate any of his functions, powers, and duties to such officers and employees of the Office as he may designate; and*

(B) *authorize such successive redelegation of such functions, powers, and duties to such officers and employees of the Office as he may deem appropriate.*

[(2)] (3) Each [Deputy Representative for Trade Negotiations] *Deputy United States Trade Representative* shall have as his principal function the conduct of trade negotiations under this Act and shall have such other functions as the [Special Representative for Trade Negotiations] *United States Trade Representative* may direct.

(d) The [Special Representative for Trade Negotiations] *United States Trade Representative* may, for the purpose of carrying out his functions under this section—

(1) subject to the civil service and classification laws, select, appoint, employ, and fix the compensation of such officers and employees as are necessary and prescribe their authority and duties;

(2) employ experts and consultants in accordance with section 3109 of title 5, United States Code, and compensate individuals so employed for each day (including traveltime) at rates not in excess of the maximum rate of pay for grade GS-18 as provided in section 5332 of title 5, United States Code, and while such experts and consultants are so serving away from their homes or regular place of business, to pay such employees travel expenses and per diem in lieu of subsistence at rates authorized by section 5703 of title 5, United States Code, for persons in Government service employed intermittently;

(3) promulgate such rules and regulations as may be necessary to carry out the functions, *powers, and duties* vested in him;

(4) utilize, with their consent, the services, personnel, and facilities of other Federal agencies;

(5) enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary in the conduct of the work of the Office and on such terms as the [Special Representative for Trade Negotiations] *United States Trade Representative* may deem appropriate, with any agency or instrumentality of the United States, or with any public or private person, firm, association, corporation, or institution;

(6) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b)); [and]

(7) adopt an official seal, which shall be judicially noticed[.];

(8) *pay for expenses approved by him for official travel without regard to the Federal Travel Regulations or to the provisions of subchapter I of chapter 57 of title 5, United States Code (relating to rates of per diem allowances in lieu of subsistence expenses);*

(9) *accept, hold, administer, and utilize gifts (other than gifts from foreign governments), devise, and bequests of property, both real and personal, and of money, for the purpose of aiding or facilitating the work of the Office; and*

(10) *acquire, by purchase or exchange, not more than two passenger motor vehicles for use abroad, except that no vehicle may be acquired at a cost exceeding \$6,500.*

Money received by the way of gift, bequest, or devise, and proceeds from the sale of property so received, shall be deposited in the Treasury and shall be available for disbursement upon order of the United States Trade Representative.

(e) The [Special Representative for Trade Negotiations] *United States Trade Representative* shall, to the extent he deems it necessary for the proper administration and execution of the trade agreements programs of the United States, draw upon the resources of, and consult with, Federal agencies in connection with the performance of his functions.

[(f) There are authorized to be appropriated to the Office of Special Representative for Trade Negotiations such amounts as may be necessary for the purpose of carrying out its functions for fiscal year 1976 and each fiscal year thereafter any part of which is within the 5-year period beginning on the date of the enactment of this Act.]

(f) (1) *There are authorized to be appropriated to the Office for the purpose of carrying out its functions such sums as may be necessary for each of fiscal years 1981, 1982, and 1983.*

(2) *For the fiscal year beginning October 1, 1980, and for each fiscal year thereafter, there are authorized to be appropriated to the Office for the salaries of its officers and employees such additional sums as may be provided by law to reflect pay rate changes made in accordance with the Federal Pay Comparability Act of 1970.*

[(g) (1) The Office of Special Representative for Trade Negotiations established under Executive Order No. 11075 of January 15, 1963, as amended, is abolished.

(2) The assets, liabilities, contracts, property, and records and unexpended balances of appropriations, authorizations, allocations, and other funds employed, held, used, arising from, or available to

such Office are transferred to the Office of Special Representative for Trade Negotiations established under subsection (a) of this section.

[(h) (1) Any individual who holds the position of Special Representative for Trade Negotiations or a position as Deputy Special Representative for Trade Negotiations on the day before the date of enactment of this Act and who has been appointed by and with the advice and consent of the Senate may continue to hold such position without regard to the first sentence of paragraph (1) of subsection (b), or the first sentence of paragraph (2) of subsection (b), as the case may be.

[(2) All personnel who on the day before the date of the enactment of this Act are employed by the Office of the Special Representative for Trade Negotiations established by Executive Order No. 11075 of January 15, 1963, as amended, are hereby transferred to the Office.]

* * * * *

TITLE 5, UNITED STATES CODE

* * * * *

CHAPTER 53—PAY RATES AND SYSTEMS

* * * * *

SUBCHAPTER II—EXECUTIVE SCHEDULE PAY RATES

* * * * *

§ 5312. Positions at level I

Level I of the Executive Schedule applies to the following positions for which the annual rate of basic pay shall be the rate determined with respect to such level under chapter 11 of title 2, as adjusted:

Secretary of State.

Secretary of the Treasury.

Secretary of Defense.

Attorney General.

Secretary of the Interior.

Secretary of Agriculture.

Secretary of Commerce.

Secretary of Labor.

Secretary of Health and Human Services.

Secretary of Housing and Urban Development.

Secretary of Transportation.

[(Special Representative for Trade Negotiations.)] *United States Trade Representative.*

Secretary of Energy.

Secretary of Education.

* * * * *

§ 5314. Positions at level III

Level III of the Executive Schedule applies to the following positions, for which the annual rate of basic pay shall be the rate deter-

mined with respect to such level under chapter 11 of title 2, as adjusted by section 5318 of this title :

* * * * *

Chairman Commodity Futures Trading Commission.
【Deputy Special Representatives for Trade Negotiations (2).】
Deputy United States Trade Representatives (2).
 Chairman, United States International Trade Commission.

* * * * *

○