

IMPORTATION OF CERTAIN SOUND RECORDINGS AND FILM

MAY 12, 1958.—Ordered to be printed

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

REPORT

[To accompany H. R. 7454]

The Committee on Finance, to whom was referred the bill (H. R. 7454) to amend the Tariff Act of 1930 to provide for the free importation by colleges and universities of sound recordings and film to be used by them in certain nonprofit radio and television broadcasts, having considered the same, report favorably thereon with amendments and recommend that the bill as amended do pass.

AMENDMENTS

The House bill would have made permanent the free importation of sound recordings, exposed or developed picture film, and slides and transparencies for the encouragement of the arts, science, or education through broadcasting on a nonprofit basis when imported by specified societies or institutions. A limitation required that the society or institution broadcasting them must own or operate the radio or television station involved.

The Finance Committee noted that such a bill would give special privileges to societies or institutions which could afford to own or operate a radio or television station, whereas others would not be enabled to import those items without payment of duty. It therefore provided for the permanent free importation of sound recordings and slides and transparencies by any qualifying organization whether or not it owned or operated any broadcasting station. It retained the restriction on exposed or developed picture film and added a limitation on that item of 2 years as the period of free importation.

PURPOSE

The purpose of H. R. 7454, as amended by the Finance Committee, is to transfer to the free list sound recordings and slides and trans-

2 IMPORTATION OF CERTAIN SOUND RECORDINGS AND FILM

parencies for the encouragement of the fine arts when imported by societies or institutions established for religious, philosophical, educational, scientific, or literary purposes. It would also provide for a 2-year suspension of duties on exposed or developed picture film imported for the encouragement of the arts, science, or education through broadcasting on a nonprofit basis over a television station owned or operated by the importing organization.

GENERAL STATEMENT

Paragraph 1631 of the Tariff Act of 1930 provides for the free entry of books, maps, music, engravings, photographs, etchings, lithographic prints, or charts by any society or institution incorporated or established solely for religious, philosophical, educational, scientific, or literary purposes, or by any school or college, for its own use or for the encouragement of the fine arts, and not for sale, under such rules and regulations as the Secretary of the Treasury might prescribe.

H. R. 7454 would bring this provision of the Tariff Act up to date by adding sound recordings and slides and transparencies. These items were less well known and played only a small part in the encouragement of the fine arts when the paragraph was originally written. Within recent years sound recordings and slides have been important aids in promoting the arts and education. It is the intent to provide wider scope and better facilities for the encouragement of art, science, literature, and music by making it easier and simpler to import such materials which are additions to rather than competitive with similar types available in the United States.

The Finance Committee, however, recognized some danger in providing permanently, for the free importation of exposed or developed picture film even with the restriction that it must be imported for the encouragement of the arts, science, or education through broadcasting and by nonprofit societies or institutions owning or operating their own broadcasting stations. In order that Congress might observe the results of this action and approve or disapprove a further extension this free entry privilege was limited to 2 years.

Whereas the House bill would have placed some restrictions on imports of sound recordings and slides and transparencies by providing that the importing organization must own or operate its own broadcasting station, it did not provide for any temporary period, but would have made the free entry privilege permanent. In the case of sound recordings and slides and transparencies, the Finance Committee removed this restriction pertaining to ownership of broadcasting facilities, and allowed permanent free importation on the basis that there could be little chance of abuse of the privilege and that there was little area of competition with any such items produced in the United States.

In the case of exposed or developed picture film, however, there exists not only the question of whether they would in all cases be intended strictly for educational and similar purposes, but also, in some cases whether they might compete more directly with motion-picture film exposed in the United States. It was therefore decided that some limitation both as to time and place of presentation should be retained.

In reporting favorably on the House bill the Secretary of Commerce states:

* * * One of the problems of the educational radio or television broadcasting station is that of adequate program material. We therefore believe that the passage of this bill is desirable, as a means of making it easier for educational institutions to offer their listeners and viewers more program material from the cultural centers of Europe and other parts of the world. * * *

The Department of Labor, in a favorable report, stated:

* * * The Department of Labor believes that the basic purpose of H. R. 7454 is highly laudable and should stimulate cultural interchange. The program implied in the bill might well make it easier for American students to become more aware of foreign cultures and their implications. It is doubtful that the importation of film and sound recordings for this purpose would have any effect on domestic employment. * * *

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 italics, existing law in which no change is proposed is shown in roman):

PARAGRAPH 1631 OF THE TARIFF ACT OF 1930, AS AMENDED

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. 1631. (a) Any society or institution incorporated or established solely for religious, philosophical, educational, scientific, or literary purposes, or for the encouragement of the fine arts, or any college, academy, school, or seminary of learning in the United States, or any State or public library, may import free of duty any book, book binding or cover, map, music, *sound recordings, slides and transparencies*, engraving, photograph, etching, lithographic print, or chart, for its own use or for the encouragement of the fine arts, and not for sale, under such rules and regulations as the Secretary of the Treasury may prescribe.

(b) *Any college, academy, school, or seminary of learning, any society or institution established for the encouragement of the arts, science, or education, or any association of such organizations, may import free of duty any exposed or developed picture film for the encouragement of the*

4 IMPORTATION OF CERTAIN SOUND RECORDINGS AND FILM

arts, science, or education through broadcasting on a nonprofit basis over a television station owned or operated by any such organization or association or for transfer between or among such organizations and associations for such use on a nonprofit basis, under such rules and regulations as the Secretary of the Treasury may prescribe.

