

Moffitt
5-18-89
22pp

1 EXECUTIVE COMMITTEE MEETING

2 THURSDAY, MAY 18, 1989

3 U.S. Senate

4 Committee on Finance

5 Washington, D.C.

6 The meeting was convened, pursuant to notice, at 9:38
7 a.m. in room SD-215, Dirksen Senate Office Building, the
8 Hon. Lloyd Bentsen (Chairman) presiding.

9 Present: Senators Bentsen, Moynihan, Baucus, Bradley,
10 Pryor, Rockefeller, Daschle, Packwood, Roth, Danforth,
11 Chafee, Heinz, and Symms.

12 Also present: Van McMurtry, Chief of Staff and Chief
13 Counsel; Ed Milhalski, Chief of Staff, Minority; Jeff Lang,
14 Chief Trade Counsel, Mike Mabile, Trade Counsel, Marcia
15 Miller, Trade Counsel; Brad Figel, Trade Counsel, Minority.

16 Also present: David H. Burns, Assistant USTR for
17 Administration.

18 Also present: Lynn E. Winingham, Chief, Budget
19 Formulation, U.S. Customs Service; A. Martin, Assistant Chief
20 Counsel (Trade, Tariff and Legislation, U.S. Customs Service;
21 R. Roseitie, Deputy Assistant Commissioner, Commercial, U.S.
22 Customs Service; Joseph O'Gorman, Program Manager, Inspection
23 Control, U.S. Customs Service; Richard Arnold, Director,
24 Office of Finance and Budget, International Trade Commission.

25

ORIGINAL

1 The Chairman. This meeting will come to order.

2 We are going to reverse the procedures a bit this
3 morning. We had anticipated moving forward on the
4 confirmation earlier, but Ways and Means is working with
5 Customs later today in trying to get their authorization
6 through and, in turn, we have a number of people representing
7 Customs here, and we will proceed on the Customs'
8 authorization. And then, hopefully, those folks that are
9 here to testify for Customs will be able to move over to the
10 House side and respond to the inquiries there.

11 We have a proposal to authorize a total of \$1,203,000,000
12 in appropriations for the Customs Service, and that includes
13 an increase over the President's budget request for
14 salaries and expenses of \$53.8 million.

15 For the air interdiction program it provides the amount
16 requested by the Administration. This proposal is the same
17 as the authorization reported by the Ways and Means
18 Subcommittee on Trade.

19 The authorization provides sufficient funding to maintain
20 current levels of service. It cancels a proposed transfer of
21 396 people from commercial operations to drug enforcement.
22 In addition, it provides funding to cover the cost of the
23 January 1989 pay raise which the President's budget would have
24 required Customs to absorb, as well as the reauthorization of
25 \$28.8 million for drug enforcement purposes previously

1 authorized for fiscal year 1989 in last year's drug bill,
2 but which was not appropriated.

3 This reauthorization includes funds for an additional
4 435 Customs drug enforcement personnel.

5 And with that, I would ask Mr. Lang for his comments on
6 the authorization.

7 Mr. Lang. Mr. Chairman, we have passed out some charts
8 which show your proposal on them. And we previously
9 discussed the proposal with the legislative assistants for
10 all the members of the committee at a meeting earlier this
11 week, as well as with the U.S. Customs Service who is
12 represented on my left. I am not aware of any opposition to
13 the proposal.

14 The Chairman. I would like comments from Customs as to
15 any of their concerns that they might want to express at this
16 time.

17 Mr. Winnigham. We have discussed it with the staff
18 earlier. This is the same proposal that was approved by the
19 Ways and Means Subcommittee and we have no objection to it.

20 The Chairman. Are there any comments from any of the
21 members? Senator Packwood?

22 Senator Packwood. No comments, Mr. Chairman. I do have
23 an amendment on your behalf and mine involving free trade
24 zones and Customs' representatives. I don't know if you want
25 it right now on this authorization or not.

1 The Chairman. If there are no further comments, it would
2 be appropriate to move on that, would it not, Mr. Lang?

3 Mr. Lang. Yes, sir.

4 Senator Packwood. Well currently the Chairman and I are
5 cosponsoring it. Currently, Customs law allows U.S. Customs
6 Service to place Customs inspectors at user fee airports as
7 long as the airport reimburses the Customs Service. Customs
8 does not think, however, that it has the legal authority to
9 place Customs Service representatives at the free trade zones
10 adjacent to user fee airports. So this amendment on behalf of
11 Senator Bentsen and myself would simply extend that
12 authority--Customs has no objection--so that they might
13 place Customs service representatives at the user fee zones
14 adjacent to the airport under the same condition so long as
15 the services provided are adjacent to the airport and the
16 services are paid for by the zone.

17 The Chairman. So in effect, we are not asking for any
18 additional money but an extension of the authorization so it
19 can be treated the same.

20 Senator Packwood. Extension of the authorization and the
21 Customs representatives are paid for out of user fees.

22 The Chairman. Correct.

23 I know I have one of those areas in particular in my
24 State. We have one out at Midland, Texas and I assume you
25 have.

1 Senator Packwood. We have one at Klamath Falls, Oregon.

2 The Chairman. Right. So I would like them to be sure
3 to pay particular attention to those two.

4 Senator Packwood. But you ought to support the
5 amendment because you might have one.

6 (Laughter)

7 The Chairman. Is there a motion?

8 Senator Rockefeller. I will support the amendment.

9 Senator Packwood. So moved, Mr. Chairman.

10 Senator Rockefeller. Second.

11 The Chairman. All right. The motion has been made and
12 seconded. All in favor make it known by saying aye.

13 (Chorus of ayes)

14 The Chairman. Opposed a similar sign.

15 (No response)

16 The Chairman. Motion carried.

17 Senator Packwood. I would move to report the
18 authorization.

19 The Chairman. I believe perhaps we have some others.

20 Senator Packwood. Oh.

21 Mr. Lang. Mr. Chairman, we are aware of one other
22 amendment, which is Senator Moynihan's amendment, to make
23 Chateaugay, New York a commercial port.

24 The Chair-an. And I would propose that on behalf of
25 Senator Moynihan who had requested the Chair to do so. Are

1 there questions?

2 Senator Packwood. What is the name of the town?

3 Mr. Lang. Chateaugay. It is between Lake Champlain
4 and the St. Lawrence River on the New York border with
5 Canada.

6 Senator Packwood. I am sure I support it, but what does
7 it do?

8 Mr. Lang. Recently, the Customs Service initiated
9 something called the "Northern Border Initiative" in which it
10 attempted to consolidate Customs service along the northern
11 border so that certain ports did not provide full service
12 and other ports did. Franklin County covers 40 some miles
13 of the 75-mile land border of New York with Canada, that is,
14 the border between Lake Champlain and the St. Lawrence River.
15 And it has no so-called commercial port in it. So the
16 purpose is to assure that this county has a commercial port
17 in it.

18 As I understand it, there is such a port in every county
19 between Maine and Michigan except for Franklin County,
20 New York.

21 Senator Packwood. It sounds like a good amendment,
22 Mr. Chairman.

23 The Chairman. May we have a motion for it?

24 Senator Rockefeller. So moved.

25 Senator Packwood. Second.

1 The Chairman. All in favor of the motion as stated make
2 it known by saying aye.

3 (Chorus of ayes)

4 The Chairman. Gentlemen, I have another amendment that
5 I would offer on behalf of myself and Senator Packwood, and
6 that is an amendment proposing to require a Presidential
7 appointment of the Commissioner of Customs subject to the
8 confirmation of the Senate. Currently, the Commissioner is
9 appointed by the Secretary of Treasury without the advice and
10 the counsel of the Senate. The reasons for this
11 recommendation are simple but they are important.

12 First, that is to increase the accountability of that
13 office to the Congress; to enhance our ability to oversee
14 Customs' activities.

15 The Commissioner's duties cover a large area of
16 responsibility for trade enforcement and facilitation, as
17 well as drug interdiction. The range and significance of
18 these duties fully justify making making him more responsible
19 to the Congress for his actions.

20 Second, comparable Federal officials already subject to
21 confirmation.

22 On the Internal Revenue side, the Commissioner of the
23 Internal Revenue Service, who holds a comparable position
24 within the Treasury Department, is subject to confirmation.

25 Similarly on the trade side, all other officials who head

1 a trade agency within the Finance Committee's jurisdiction
2 are required to be confirmed: The U.S.T.R. and the three
3 Deputies to the U.S.T.R., and the Commissioners of the
4 International Trade Commission.

5 I have been told for years that if we changed the law to
6 require Presidential appointment of the Commissioner we would
7 destroy the ability of the Secretary of the Treasury to
8 rein in the excesses of the Commissioner, his subordinate.
9 But the failure of the Secretary over recent years to control
10 the incumbent Commissioner argues strongly to me to make this
11 change. The Congress at least ought to be able to exercise
12 some oversight of the Commissioner.

13 At the request of the Treasury Department, I have
14 included language in this proposal similar to that in
15 existing law regarding the IRS Commissioner, and showing that
16 the Commissioner must report to the Secretary, and has duties
17 and powers subscribed by the Secretary. I think this change
18 in the law is long overdue. It was supported by testimony at
19 our hearing on Customs budget authorizations. In addition,
20 the Ways and Means Trade Subcommittee has reported a
21 confirmation requirement in its authorization bill. And I
22 urge the committee to adopt the amendment.

23 Senator Packwood. So moved, Mr. Chairman.

24 The Chairman. Thank you.

25 Senator Rockefeller. Second.

1 Mr. Lang. Yes, sir.

2 The Chairman. May we have a motion on Mr. Williams?

3 Senator Heinz. So moved, Mr. Chairman.

4 The Chairman. The motion is made.

5 Senator Rockefeller. Seconded.

6 The Chairman. The motion is seconded.

7 Do we have a quorum?

8 Mr. Lang. Yes, sir, you do. I would recommend, if there
9 is no objection, that you just voice vote on the
10 nomination, Mr. Chairman.

11 The Chairman. I think we can.

12 Is there objection?

13 (No response)

14 The Chairman. All in favor make it known by saying aye.

15 (Chorus of ayes)

16 The Chairman. Opposed?

17 (No response)

18 The Chairman. The motion carries.

19 Now, Senator Heinz, you had a resolution you wanted to
20 present.

21 Senator Heinz. Yes, Mr. Chairman. As I understand it,
22 you are willing to call up for consideration S. Res. 119
23 which was referred to the committee on May 3rd. It is
24 cosponsored by a number of the members of this subcommittee,
25 including Senator Baucus, Senator Danforth, Senator Dole,

1 yourself and others. And in sum and substance, the
2 resolution asks and calls upon the Administration to seek a
3 prompt remedy for the violation, placing the highest
4 priority and obtaining full access to the Japanese market
5 semiconductors and to take all measures necessary to achieve
6 compliance with the agreement. I would only make three
7 points.

8 This is one of the most blatant bilateral problems we
9 have got. There are currently \$165 million in sanctions
10 outstanding because President Reagan determined that Japan
11 was not complying with the market access part of the
12 semiconductor agreement. And here is a case, therefore,
13 where an agreement was made, is in effect, is not being
14 honored, sanctions are imposed and it is still not honored.
15 So obviously some further signal of the seriousness of our
16 intent is required.

17 A second point is that the Resolution is not specific
18 on what actions to take because that is better left to the
19 President and the U.S.T.R. Although I would say that the
20 Super 301 listing would certainly be appropriate in this
21 case.

22 And, finally and third, this industry, the semiconductor
23 industry, is basic to everything in high tech. And it was
24 Japanese dumping practices that virtually drove us out of,
25 for example, the dynamic random access memory chip

1 business. And it is primarily the semiconductor agreement
2 which is allowing some of our producers to get back into that
3 business. But if we want to retain the capacity in this
4 sector we will have to do something more than just the
5 status quo because the agreement is not being honored.

6 The Chairman. Are there questions or comments?

7 Senator Baucus. I have a comment, Mr. Chairman.

8 The Chairman. Yes, Senator Baucus.

9 Senator Baucus. Mr. Chairman, I commend the Senator for
10 offering the resolution. I think the long and the short of
11 it is we did conclude an agreement with Japan on
12 semiconductors; that Japan is living up to one portion with
13 respect to dumping. Japan is effectively, as I understand
14 it, not dumping. The problem is market share. And under
15 the agreement, for 1991 the United States should have a 20
16 percent market share. By 1991, that would result in about a
17 14 percent market share. Today it is about 11 percent. And
18 Japan is not living up to its agreement; therefore, the
19 resolution is appropriate. Thank you.

20 The Chairman. If there are no further questions or
21 statements concerning it, may I have a motion?

22 Senator Heinz. Mr. Chairman, I move adoption of the
23 resolution.

24 The Chairman. Is there a second?

25 Senator Rockefeller. Second.

1 The Chairman. It has been seconded. All in favor of the
2 motion, as stated, make it known by saying aye.

3 (Chorus of ayes)

4 The Chairman. Opposed?

5 (No response)

6 The Chairman. The motion is carried.

7 Senator Symms. Mr. Chairman, I wanted to comment
8 because it is very important to the economy of the Boise
9 area. As you are well aware, Senator Heinz, we documented
10 literally where the Japanese firms went around and followed
11 Mikron Technology salesmen around and literally cut the
12 prices and had subsidies coming in through -- it is hard to
13 trace, but obviously what they were doing was trying to
14 target that company and put them out of business so they
15 would have the full market.

16 Senator Heinz. I thank the Senator from Idaho. I would
17 like to point out that the resolution was introduced
18 originally by Senator Wilson and myself. Senator Wilson is
19 actually the chief sponsor, so I think your appreciation
20 should be addressed at least equally to Senator Wilson of
21 California.

22 The Chairman. Thank you.

23 And I would like to introduce a resolutuion the 200
24 anniversary of the Customs Service, the hard working men and
25 women of that Service. It was one of the first offices

1 created by the First Congress. The fifth Act passed by that
2 Congress created the Customs' ports and districts. And I
3 think those of us on the Finance Committee realize full well
4 the growing and increasing importance of Customs, with our
5 interrelationship on trade and the growth of trade for our
6 country, and, in turn, the job that Customs is doing on
7 drug interdiction, trying to assist in that regard.

8 So I would urge the adoption of the resolution.

9 Senator Rockefeller. So moved.

10 The Chairman. Is there a second?

11 Senator Heinz. Second.

12 The Chairman. All in favor make it known by saying aye.

13 (Chorus of ayes)

14 The Chairman. Opposed a similiar sign.

15 (No response)

16 The Chairman. Senator Moynihan had to go back to
17 Foreign Relations. Would the staff present the draft letter
18 requesting an International Trade Commission study of
19 imported drugs?

20 Mr. Lang. Yes, sir.

21 Senator Moynihan is concerned about imports of
22 paraphernalia used in consuming illicit drugs, particularly
23 paraphernalia used in the sale and use of crack, cocaine.

24 The problem is that this paraphernalia is not clearly
25 broken out as a separate item under the harmonized system of

1 tariff classification which went into effect under the
2 Omnibus Trade Act. So he would like the ITC to do a
3 Section 332 study of the matter.

4 He has worked with the committee staff and the ITC staff
5 to reduce the cost of the study. It will now, as presently
6 framed, consume only about one-third of a man year of staff
7 time and around \$30,000, which reduces greatly the initial
8 cost of the study. It stretches out the time a little bit
9 so it falls in two different years.

10 We have presented the idea of the Section 332 study to
11 the staffs of all members and we were not aware of any
12 objections.

13 The Chairman. All right.

14 May we have a motion then authorizing?

15 Senator Rockefeller. So moved.

16 Senator Hainz. Seconded.

17 The Chairman. All in favor make it known by saying aye.

18 (Chorus of ayes)

19 The Chairman. Opposed?

20 (No response)

21 The Chairman. The motion is carried.

22 And now we will get to the U.S.T.R. authorization. We
23 are authorizing a total of \$21 million in appropriations for
24 the U.S.T.R., including funds to pay for the binational
25 dispute settlement panels under the U.S.-Canadian Free Trade

1 Agreement. Now that is the level of funding the U.S.T.R.
2 originally requested from OMB for fiscal year 1990. That is
3 the same as the authorization that has been approved by
4 Ways and Means. Is that correct, Mr. Lang?

5 Mr. Lang. It has been approved by the Trade Sub-
6 committee. My understanding is they will mark it up in
7 full committee later today.

8 The Chairman. I see. And that is an increase of
9 \$2.8 million in U.S.T.R.'s operational budget over that that
10 was requested by the President.

11 Mr. Lang. Yes, sir.

12 The Chairman. It provides for a total of 18 additional
13 staff. That increase is necessary to assure that the
14 U.S.T.R. is able to meet the combined demands of negotiating
15 the Uruguay Round while implementing the 1988 Trade Act and
16 the U.S.-Canadian Free Trade Agreement.

17 Would staff give us the additional information on that
18 authorization?

19 Mr. Lang. The amount that is proposed here it actually
20 the amount that went forward from U.S.T.R. to OMB, and the
21 President's budget would put, in effect, six additional
22 people. This will put the full complement of 18
23 additional people.

24 The Chairman. I think one of the other points ought to
25 be made, that when we were negotiating the Free Trade

1 Agreement there was considerable dispute insofar as the
2 members of the various panels and the selection of those
3 people, that they would be subject to confirmation in the
4 Senate. As I recall, we finally struck an agreement with
5 the House Ways and Means and the Administration that we
6 would not make them subject to confirmation, but that we
7 would have an annual appropriation and there would be
8 concentration insofar as those panelists are chosen. Is
9 that a correct statement of the understanding at that time?

10 Mr. Lang. Yes, sir, it is.

11 The Chairman. Well I will call that once again to the
12 attention of those who are here representing the U.S.T.R.

13 Are there any further questions concerning the
14 authorization?

15 Senator Baucus. Mr. Chairman.

16 The Chairman. Yes, Senator Baucus.

17 Senator Baucus. Mr. Chairman, we all know that we are
18 authorizing more than the President requested, and we know
19 that is because of increased pressures worldwide, EC and the
20 Uruguay Round and also the bilateral negotiations in many
21 contexts with the country of Japan.

22 I have a proposed report language that Senator Roth and
23 I have proposed, essentially urging the U.S.T.R. to commit
24 resources, in addition to the Uruguay Round, commit it to
25 EC-92 problems as well as to devoting more resources to the

1 problems we have with Japan. And I would like to include that
2 report language.

3 The Chairman. This was to call attention to the
4 importance of monitoring trade agreements with the Japanese?

5 Senator Baucus. Right. And also the EC.

6 The Chairman. And the EC.

7 Senator Baucus. Yes, with the EC-92, in addition to
8 other responsibilities, particularly the Uruguay Round which
9 is also going to take additional resources.

10 The Chairman. Now we don't get into micromanagement
11 here.

12 Senator Baucus. No. It is essentially phrased broadly
13 enough so that we do not.

14 The Chairman. All right.

15 Is there any objection to that being included?

16 (No response)

17 The Chairman. If not, it will be included.

18 Senator Baucus. Thank you, Mr. Chairman.

19 The Chairman. Thank you.

20 Now did someone move on the authorization?

21 Senator Baucus. I so move.

22 The Chairman. So moved. All right.

23 All in favor of the motion make it known by saying aye.

24 (Chorus of ayes)

25 The Chairman. Opposed by a similar sign.

1 (No response)

2 The Chairman. The authorization is approved.

3 The next authorization that we will consider is that of
4 the United States International Trade Commission, and that is
5 to authorize a total of \$39,943,000 in appropriations for the
6 ITC. That represents the level of funding requested by the
7 ITC. It is the same as the authorization reported by the
8 Ways and Means Trade Subcommittee. It will fund the ITC at
9 a level that will allow for a full complement of staff
10 positions and necessary support services. This level is
11 justified by the new demands on the ITC as a result of the
12 1988 Trade Act and the U.S.-Canadian Free Trade Agreement,
13 and the likelihood that the Administration and Congress will
14 be calling on the ITC for technical support during the
15 Uruguay Round.

16 Does staff have further comments concerning this
17 authorization?

18 Mr. Lang. Mr. Chairman, the ITC submits its budget
19 directly to you--it does not go through OMB--in order to
20 preserve its independence. In this situation, this budget
21 authorizes the same number of people and the same operation
22 as you authorized last year, but the Appropriations
23 Committee cut them back a little bit last year.

24 In this proposal from the ITC, if you adopt it you would
25 simply be going back with the same level of staffing and

1 operations as you authorized last year.

2 The Chairman. Are there further questions concerning it?

3 (No response)

4 The Chairman. If not, may we have a motion on the
5 authorization?

6 Senator Baucus. I so move.

7 Senator Symms. Second.

8 The Chairman. The motion has been made and seconded.
9 All those in favor of the motion make it known by saying
10 aye.

11 (Chorus of ayes)

12 The Chairman. Opposed?

13 (No response)

14 The Chairman. The motion is carried.

15 We had delayed the vote on Customs as we were waiting a
16 quorum. May I have a motion now on the Customs
17 authorization?

18 Senator Baucus. I move we approve the authorization.

19 The Chairman. A second?

20 Senator Symms. Second.

21 The Chairman. All in favor of the motion make it known
22 by saying aye.

23 (Chorus of ayes)

24 The Chairman. Opposed?

25 (No response)

1 The Chairman. The motion is carried,

2 Is there anything further to be brought before the
3 committee at this time?

4 Mr. Lang. No, Mr. Chairman. You have gone through the
5 entire agenda for this morning.

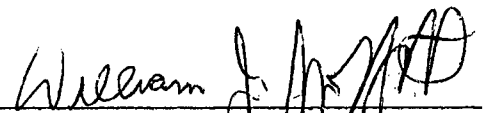
6 The Chairman. Without anything further to be brought
7 before the committee, we will stand adjourned. Thank you

8 (Whereupon, at 10:45 a.m., the meeting was concluded.)

9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

C E R T I F I C A T E

1
2 This is to certify that the foregoing proceedings of an
3 Executive Committee Meeting before the Senate Finance
4 Committee, held on Thursday, May 18, 1989, were transcribed
5 as herein appears and that this is the original transcript
6 thereof.

7
8
9
10 
11 WILLIAM J. MOFFITT
Official Court Reporter

12 My Commission expires April 14, 1994.
13
14
15
16
17
18
19
20
21
22
23
24
25

Durenberger

CERTAIN PISTON ENGINES.

Subchapter II of chapter 99 is amended by inserting in numerical sequence the following new heading:

9902.84.07	Internal combustion piston-type engines, of a cylinder capacity exceeding 50 cc but not exceeding 1,000 cc (provided for in heading 8407.32.20 or 8407.33.20), to be installed in vehicles specially designed for traveling on snow, golf carts, non-amphibious all-terrain vehicles, and burden carriers, (provided for in subheading 8703.10.00), 8703.21.00 or 8704.31.00)	Price	No change	No change	On or before 12/31/99	"
------------	---	-------	-----------	-----------	-----------------------	---

FUEL (HEATING) OIL AMENDMENT

Petroleum and petroleum products were excluded from eligibility for duty-free treatment under the Caribbean Basin Economic Recovery Act as enacted in 1983. This amendment would provide a 50% reduction in the tariffs on fuel (heating) oil imported from the CBI beneficiary countries.

Under the amendment, the import duty on fuel oil refined in the Caribbean Basin would be reduced from 10.5 cents per barrel to 5.25 cents per barrel. The amendment would not reduce any of the other fees applicable to imported fuel oil such as the superfund fee, customs user fee, or the harbor maintenance fee. Based on historical import levels, the 50% duty reduction would result in annual savings of less than a million dollars to the heating oil exporters in the Caribbean basin.

Caribbean Basin petroleum exports to the U.S. come from three primary sources - Netherlands Antilles, Bahamas, and Trinidad and Tobago. Overall CBI petroleum exports to the U.S. have decreased from \$5.1 billion in 1983 to \$1.1 billion in 1988 and have declined to about only 18% of total CBI exports to this country.

Petroleum products provide the most immediate and practicable opportunity for these three countries to take advantage of and participate meaningfully in the CBI, however, we have limited the tariff reduction to heating oil. Nonetheless this reduction would provide them with an important benefit, since most of the petroleum exports from the three countries to the U.S. is heating oil.

The tariff reduction would provide an important benefit to the Northeastern United States by helping to correct an underlying problem - supply imbalances resulting from lack of refinery capacity in the region - which lead to the recent home heating oil shortage. In addition the heating oil exports from these countries do not represent a competitive threat to domestic suppliers and refiners. Such exports represent less than two percent of East Coast demand for heating oil and less than four percent of total East Coast heating oil imports.

101ST CONGRESS
1ST SESSION

S. 1015

To suspend temporarily the duty on certain plastic web sheeting.

IN THE SENATE OF THE UNITED STATES

MAY 17 (legislative day, JANUARY 3), 1989

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

A BILL

To suspend temporarily the duty on certain plastic web sheeting.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That subchapter II of chapter 99 of the Harmonized Tariff
4 Schedule of the United States (19 U.S.C. 3001 et seq.) is
5 amended—
6 (1) by adding at the end of the U.S. notes thereto
7 the following new note:
8 “8. For purposes of subheading 9902.56.01, the term
9 ‘nonwoven fiber sheet’ means sheet comprised of a
10 highly uniform and random array of polyester fibers 1.5

1 to 3.0 denier that is thermally bonded and calendered
2 into a smooth surface web having—

3 “(a) a thickness of 3.7 to 4.0 mils;

4 “(b) a basis weight of 2.5 oz. per sq. yd.;

5 “(c) a machine tensile strength of 30 lb. per
6 sq. in. or greater;

7 “(d) a low cross-direction tensile (approx-
8 imately 1/3 of MD tensile strength); and

9 “(e) a Frazier air permeability of 1.0 to 1.5
10 cfm per sq. ft.”; and

11 (2) by inserting in numerical sequence the follow-
12 ing new subheading:

9902.56.01	Nonwoven fiber sheet (provided for in subheading 5603.00.90).....	Free	No change	No change	On or before 12/31/92
------------	--	------	-----------	-----------	--------------------------

13 SEC. 2. The amendment made by the first section of this
14 Act applies with respect to articles entered, or withdrawn
15 from warehouse for consumption, on or after the 15th day
16 after the date of the enactment of this Act.

