

89<sup>TH</sup> CONGRESS  
1<sup>ST</sup> SESSION

# H. R. 10135

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## IN THE HOUSE OF REPRESENTATIVES

JULY 28, 1965

Mr. FOGARTY introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To amend the Trade Expansion Act of 1962.

1     *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*  
3 That chapter I, title III, section 301 of the Trade Expansion  
4 Act of 1962 be amended by deleting the word "major" in  
5 the phrase "as a result in major part of concessions granted  
6 under trade agreements" as it appears in subsection (b),  
7 paragraph (1) thereof; by substituting the words "a factor"  
8 for the words "the major factor" in the phrase "that such in-  
9 creased imports have been the major factor in causing," as it  
10 appears in subsection (b), paragraph (3) thereof; by delet-  
11 ing the word "major" in the phrase "as a result in major part

1 of concessions granted under trade agreements,” as it appears  
2 in subsection (c), paragraphs (1) and (2) thereof; and sub-  
3 stituting the words “a factor” for the words “the major fac-  
4 tor” in the phrase “that such increased imports have been  
5 the major factor in causing,” as it appears in subsection (c),  
6 paragraph (3) thereof.

7 SEC. 2. That chapter 3, title II, section 225, be amended  
8 by adding to the end thereof the following:

9 “(d) In addition to the articles described by subsections  
10 (a), (b), and (c), the President, notwithstanding other  
11 provisions of this Act, shall also reserve articles, or groups  
12 of closely related articles that produce or tend to produce a  
13 combined competitive impact upon the like or directly com-  
14 petitive domestic article or groups of closely related articles—

15 “(1) the imports or net imports of which have in-  
16 creased 75 per centum or more either in quantity or in  
17 value since 1958: *Provided*, That the imports of such  
18 article, or group of articles, have within any one of the  
19 calendar years since 1958 equaled at least  $7\frac{1}{2}$  per centum  
20 of the domestic production, either in quantity or in value  
21 of the like or directly competitive article or group of  
22 articles: *Provided*, That if comparison is made in terms  
23 of value under this section, the value of imports shall  
24 mean either foreign value plus landing charges, includ-  
25 ing insurance and freight, or, if such charges are not

1 readily ascertainable, then foreign value plus 25 per  
2 centum; or

3 “(2) the imports or net imports of which have dur-  
4 ing any year since 1958 equaled 20 per centum or more  
5 of domestic production, either in quantity or in value,  
6 of the like or directly competitive article, or group of  
7 articles: *Provided*, That the imports have increased in  
8 greater proportion either in quantity or in value than do-  
9 mestic production of the like or directly competitive ar-  
10 ticle, or group of articles, since 1958; or

11 “(3) the imports or net imports of which have been  
12 limited quantitatively or have had a rate of duty increase  
13 under section 7 of the Trade Agreements Extension Act  
14 of 1951, as amended; or

15 “(4) in the domestic production of which the num-  
16 ber of production workers has declined at least 10 per  
17 centum cumulatively or in any one year since 1959  
18 while imports of the like or directly competitive article,  
19 or group of articles, have increased in value or in quan-  
20 tity, actually or relatively, compared with domestic pro-  
21 duction, during any one year since 1958; or

22 “(5) for which there is in effect an agricultural pro-  
23 gram of price support or price stabilization, or any other  
24 agricultural program authorized by Congress which

1 would be adversely affected or the cost of which would  
2 be increased by imports; or

3 “(6) for which the United States Department of  
4 the Interior has in effect research or conservation pro-  
5 grams pursuant to section 742 (f) of title 16, United  
6 States Code (August 8, 1956, ch. 1036, sec. 7, 70 Stat.  
7 1122) ; or

8 “(7) in the domestic production of which foreign  
9 workers were brought into the United States under the  
10 provisions of Public Law 78, Eighty-second Congress,  
11 as amended, or Public Law 414, Eighty-second Con-  
12 gress, during the three-year period of 1962-1964.

13 “(e) Before reserving any article, or group of articles,  
14 as provided in subsection (d) of this section, the President  
15 shall receive from the United States Tariff Commission a  
16 statement certifying that the article, or group of articles,  
17 meets one or more of the criteria set forth in paragraph (1),  
18 (2), (3), (4), (5), (6), or (7) of subsection (d) of  
19 this section if the facts sustain an affirmative finding. The  
20 Tariff Commission shall within sixty days make such certi-  
21 fication to the President after a petition for such certification  
22 has been filed before it by a domestic producer of any article,  
23 or group of articles, by an association of such producers, by  
24 a group of workers engaged in the production of any such  
25 article, or group of articles, or by any other interested

1 party. Upon receipt of such certification from the Tariff  
2 Commission, the President shall forthwith reserve such  
3 article or closely related articles from negotiation.

4 “(f) Nothing in this Act shall be interpreted as au-  
5 thorizing changes in the bases of customs valuation or elim-  
6 ination of statutory nontariff trade restrictions.”

7 SEC. 3. That the Trade Expansion Act of 1962 be  
8 further amended by adding after section 213, chapter 2,  
9 title II of the Act, sections 214 and 215 to read as follows:

10 “INDUSTRIAL AND MINERAL PRODUCTS

11 “SEC. 214. (a) (1) The annual importation of semi-  
12 processed metal products, including alloys, or metal products  
13 in the fabricated form of rods, bars, sheets, plate, wire, tubes,  
14 extrusions or other similar forms, shall be limited either in  
15 quantity or in value to the average annual imports thereof  
16 in quantity or in value to the average annual imports thereof  
17 during the four-year period of 1960–1963: *Provided*, That  
18 imports or net imports of such products or group of closely  
19 related products that produce or tend to produce a combined  
20 competitive impact upon the like or directly competitive  
21 domestic product or group of closely related products have  
22 exceeded 7½ per centum of domestic production, and have  
23 increased 75 per centum or more in quantity or in value  
24 during any calendar year over any preceding calendar year

1 since 1958; or in the domestic production of which the num-  
2 ber of production workers has declined at least 10 per centum  
3 since 1958 either cumulatively or in any one year, if im-  
4 ports have increased at least 50 per centum since 1958:  
5 *And provided further*, That annual imports may be increased  
6 after 1965 by a share equal to the average percentage by  
7 which apparent domestic consumption of the product or prod-  
8 ucts concerned have increased annually over each preceding  
9 year within the period of 1960-1963;

10 “(2) Before an import quota is imposed on any product  
11 or group of closely related products under paragraph (1)  
12 of this subsection, the President shall receive from the Tariff  
13 Commission a statement certifying that the article or group  
14 of closely related articles meets the criteria set forth in such  
15 paragraph, if the facts sustain an affirmative finding. The  
16 Tariff Commission shall within sixty days make such certifi-  
17 cation to the President after an application for such certifica-  
18 tion has been filed before it by a domestic producer of any  
19 article or group of closely related articles, by an association  
20 of such producers, by a group of workers engaged in the  
21 production of such article or articles, or by any other in-  
22 terested party. Upon receipt of such certification from the  
23 Tariff Commission the President shall forthwith establish  
24 import quotas on the article or group of articles in accordance  
25 with paragraph (1) of this subsection, as the case may be.

1       “(b) (1) The annual imports of any article or group  
2 of closely related articles that produce or tend to produce  
3 a combined competitive impact upon the like or directly  
4 competitive article or group of closely related articles shall  
5 be limited by quantity or, if a measure by quantity is not  
6 ascertainable, then by value, to the average annual imports  
7 over any consecutive three-year period since 1958, which-  
8 ever of such periods is smaller in terms of total imports:  
9 *Provided*, That imports within any year during the past  
10 three calendar years (i) have exceeded  $7\frac{1}{2}$  per centum of  
11 domestic production of the like, or directly competitive  
12 article or group of articles, and (ii) have increased 75 per  
13 centum or more since 1958 either in quantity or in value;  
14 or (iii) that the number of production workers in the  
15 domestic industry has declined 10 per centum or more either  
16 cumulatively or in any one year since 1958 while imports  
17 have increased at least 50 per centum since 1958 in any  
18 one year or cumulatively: *And provided further*, That annual  
19 imports may be increased after 1965 by a share equal to the  
20 average percentage by which apparent domestic consump-  
21 tion of the product or products concerned have increased  
22 annually over each preceding year within the period of  
23 1961-1964.

24       “(2) For the purpose of this subsection the value of  
25 imports shall mean either foreign value plus landing charges,



1 including insurance and freight, or, if such charges are not  
2 readily ascertainable, foreign value plus 25 per centum.

3       “(3) Before any import quota is imposed on any article  
4 or group of closely related articles, the President shall receive  
5 from the Tariff Commission a statement certifying that the  
6 article, or group of articles, meets the criteria set forth in  
7 subsection (1) of this section, if the facts sustain such an  
8 affirmative finding. The Tariff Commission shall within  
9 sixty days make such certification to the President after a  
10 petition for such certification has been filed before it by a  
11 domestic producer of any article, or group of closely related  
12 articles, by an association of such producers, by a group of  
13 workers engaged in the production of any such article, or  
14 group of articles, or by any other interested party. Upon  
15 receipt of such certification, the President shall within thirty  
16 days promulgate the quota limitations provided in subsection  
17 (1) of this section.

18       “(c) The powers of the Secretary of the Treasury and  
19 the Bureau of Customs relating to the entry of articles into  
20 the United States or for carrying out any of the laws relating  
21 to customs duties or regulations shall be applicable to the  
22 enforcement of this section.”

23                               “FRUITS AND VEGETABLES

24       “SEC. 215. (a) The import of any agricultural com-  
25 modity of a kind which is produced in the United States



1 and which was grown, produced, or harvested in the United  
2 States during the three-year period 1962-1964 with the help  
3 of foreign labor lawfully admitted to the United States, shall  
4 be limited to the average annual imports of such commodity  
5 imported during such period: *Provided*, That no such limita-  
6 tion shall be effective with respect to any year in which there  
7 is admitted to the United States, for employment in the  
8 production, growing, or harvesting of such commodity in the  
9 producing areas, which utilized such foreign workers during  
10 the base period, on such terms and conditions and at such  
11 wages as prevail in the area of employment for workers  
12 engaged in like work, a number of foreign workers at least  
13 equal to the average annual number thereof which were per-  
14 mitted entry for such employment during the three-year  
15 period 1962-1964.

16 “(b) Upon application of any producer, or association  
17 of producers of any agricultural commodity, the Tariff Com-  
18 mission, within thirty days after the filing of such application,  
19 shall find and determine (1) the number of foreign workers  
20 which were admitted to the United States and available for  
21 agricultural employment with respect to the production,  
22 growing, or harvesting of any agricultural commodity dur-  
23 ing the three-year period 1962-1964, (2) the number of  
24 foreign agricultural workers which are admitted for the cur-

1 rent year for agricultural employment in connection with the  
2 growing, production, or harvesting of such commodity, and  
3 (3) the average annual imports of such agricultural com-  
4 modity imported into the United States during the three-year  
5 period 1962-1964. The Tariff Commission shall announce  
6 such findings and report them immediately to the Secretary  
7 of the Treasury and to the Commissioner of Customs. If  
8 the Tariff Commission finds that the number of foreign agri-  
9 cultural workers admitted for the production, growing, or  
10 harvesting of any such commodity in the then current year  
11 in the production area covered by the application is less than  
12 the average annual number of foreign workers admitted to  
13 the United States and available for such agricultural employ-  
14 ment during the three-year period 1962-1964, the quantity  
15 of such agricultural commodity which may be imported into  
16 the United States in any year shall not exceed the average  
17 annual quantity of such agricultural commodity imported  
18 during the three-year period 1962-1964. Such limitation  
19 shall become effective thirty days after the date of issuance  
20 of such findings and determination by the Tariff Commis-  
21 sion, unless an earlier date is specified and announced by the  
22 Secretary of the Treasury.

23       “(c) Nothing herein shall be construed to increase any  
24 quota in effect with respect to any agricultural commodity

1 or product thereof established under any other provision of  
2 the law.

3 “(d) The Tariff Commission may hold public hearings  
4 in order to make a determination under this section and give  
5 interested parties an opportunity to present testimony and  
6 to be heard.

7 “(e) The Secretary of the Treasury is authorized to  
8 utilize the enforcement powers vested in him with respect  
9 to the entry of articles into the United States or for carrying  
10 out any of the laws relating to custom duties or regulations,  
11 for the enforcement of the provisions of this section.”

12 SEC. 4. That the Trade Expansion Act of 1962 be fur-  
13 ther amended by adding at the end of section 232, chapter 4,  
14 title II of the Act, the following:

15 “(e) Imports of petroleum into districts I-IV shall not  
16 exceed 10 per centum of production of crude petroleum and  
17 natural gas liquids in those districts during the same period  
18 of the preceding calendar years: *Provided*, That petroleum  
19 imports during the next five years shall not exceed in any  
20 one year the level of such imports during the full calendar  
21 year immediately preceding the passage of this Act.

22 “(f) It is the policy of the Congress that in imple-  
23 menting this section every effort shall be made to encourage  
24 increased production of crude petroleum within district V

1 and increased shipments of petroleum from districts I-IV  
2 into district V to prevent so far as possible any increased  
3 dependence of district V upon foreign supplies of petroleum.  
4 In order to further this policy, after the date of the enact-  
5 ment of this Act, any increase in imports into district V over  
6 actual imports in calendar year 1964 shall be subtracted  
7 from allowable imports into districts I-IV.

8 “(g) As used in this section:

9 “(1) ‘Imports’ shall include shipments of crude petro-  
10 leum and all liquid petroleum products to be used for energy  
11 or fuel, except shipments of residual fuel oil.

12 “(2) ‘Districts I-IV’ shall mean the District of Colum-  
13 bia and all the States not included in district V which shall be  
14 composed of the States of Arizona, Nevada, California, Ore-  
15 gon, Washington, Alaska, and Hawaii.”

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By Mr. FOGARTY

July 28, 1965

Referred to the Committee on Ways and Means