

112TH CONGRESS  
1ST SESSION

# H. R. 3079

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## AN ACT

To implement the United States–Panama Trade Promotion  
Agreement.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

1 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

2 (a) SHORT TITLE.—This Act may be cited as the  
 3 “United States–Panama Trade Promotion Agreement Im-  
 4 plementation Act”.

5 (b) TABLE OF CONTENTS.—The table of contents for  
 6 this Act is as follows:

- Sec. 1. Short title; table of contents.
- Sec. 2. Purposes.
- Sec. 3. Definitions.

TITLE I—APPROVAL OF, AND GENERAL PROVISIONS RELATING  
 TO, THE AGREEMENT

- Sec. 101. Approval and entry into force of the Agreement.
- Sec. 102. Relationship of the Agreement to United States and State law.
- Sec. 103. Implementing actions in anticipation of entry into force and initial regulations.
- Sec. 104. Consultation and layover provisions for, and effective date of, proclaimed actions.
- Sec. 105. Administration of dispute settlement proceedings.
- Sec. 106. Arbitration of claims.
- Sec. 107. Effective dates; effect of termination.

TITLE II—CUSTOMS PROVISIONS

- Sec. 201. Tariff modifications.
- Sec. 202. Additional duties on certain agricultural goods.
- Sec. 203. Rules of origin.
- Sec. 204. Customs user fees.
- Sec. 205. Disclosure of incorrect information; false certifications of origin; denial of preferential tariff treatment.
- Sec. 206. Reliquidation of entries.
- Sec. 207. Recordkeeping requirements.
- Sec. 208. Enforcement relating to trade in textile or apparel goods.
- Sec. 209. Regulations.

TITLE III—RELIEF FROM IMPORTS

- Sec. 301. Definitions.

Subtitle A—Relief From Imports Benefitting From the Agreement

- Sec. 311. Commencing of action for relief.
- Sec. 312. Commission action on petition.
- Sec. 313. Provision of relief.
- Sec. 314. Termination of relief authority.
- Sec. 315. Compensation authority.
- Sec. 316. Confidential business information.

Subtitle B—Textile and Apparel Safeguard Measures

- Sec. 321. Commencement of action for relief.
- Sec. 322. Determination and provision of relief.
- Sec. 323. Period of relief.
- Sec. 324. Articles exempt from relief.
- Sec. 325. Rate after termination of import relief.
- Sec. 326. Termination of relief authority.
- Sec. 327. Compensation authority.
- Sec. 328. Confidential business information.

Subtitle C—Cases Under Title II of the Trade Act of 1974

- Sec. 331. Findings and action on Panamanian articles.

TITLE IV—MISCELLANEOUS

- Sec. 401. Eligible products.
- Sec. 402. Modification to the Caribbean Basin Economic Recovery Act.

TITLE V—OFFSETS

- Sec. 501. Extension of customs user fees.
- Sec. 502. Time for payment of corporate estimated taxes.

1 **SEC. 2. PURPOSES.**

2 The purposes of this Act are—

3 (1) to approve and implement the free trade  
 4 agreement between the United States and Panama  
 5 entered into under the authority of section 2103(b)  
 6 of the Bipartisan Trade Promotion Authority Act of  
 7 2002 (19 U.S.C. 3803(b));

8 (2) to strengthen and develop economic rela-  
 9 tions between the United States and Panama for  
 10 their mutual benefit;

11 (3) to establish free trade between the United  
 12 States and Panama through the reduction and elimi-  
 13 nation of barriers to trade in goods and services and  
 14 to investment; and

1           (4) to lay the foundation for further coopera-  
2           tion to expand and enhance the benefits of the  
3           Agreement.

4 **SEC. 3. DEFINITIONS.**

5           In this Act:

6           (1) **AGREEMENT.**—The term “Agreement”  
7           means the United States–Panama Trade Promotion  
8           Agreement approved by Congress under section  
9           101(a)(1).

10          (2) **COMMISSION.**—The term “Commission”  
11          means the United States International Trade Com-  
12          mission.

13          (3) **HTS.**—The term “HTS” means the Har-  
14          monized Tariff Schedule of the United States.

15          (4) **TEXTILE OR APPAREL GOOD.**—The term  
16          “textile or apparel good” means a good listed in the  
17          Annex to the Agreement on Textiles and Clothing  
18          referred to in section 101(d)(4) of the Uruguay  
19          Round Agreements Act (19 U.S.C. 3511(d)(4)),  
20          other than a good listed in Annex 3.30 of the Agree-  
21          ment.

1 **TITLE I—APPROVAL OF, AND**  
2 **GENERAL PROVISIONS RE-**  
3 **LATING TO, THE AGREEMENT**

4 **SEC. 101. APPROVAL AND ENTRY INTO FORCE OF THE**  
5 **AGREEMENT.**

6 (a) APPROVAL OF AGREEMENT AND STATEMENT OF  
7 ADMINISTRATIVE ACTION.—Pursuant to section 2105 of  
8 the Bipartisan Trade Promotion Authority Act of 2002  
9 (19 U.S.C. 3805) and section 151 of the Trade Act of  
10 1974 (19 U.S.C. 2191), Congress approves—

11 (1) the United States–Panama Trade Pro-  
12 motion Agreement entered into on June 28, 2007,  
13 with the Government of Panama and submitted to  
14 Congress on October 3, 2011; and

15 (2) the statement of administrative action pro-  
16 posed to implement the Agreement that was sub-  
17 mitted to Congress on October 3, 2011.

18 (b) CONDITIONS FOR ENTRY INTO FORCE OF THE  
19 AGREEMENT.—At such time as the President determines  
20 that Panama has taken measures necessary to comply  
21 with those provisions of the Agreement that are to take  
22 effect on the date on which the Agreement enters into  
23 force, the President is authorized to exchange notes with  
24 the Government of Panama providing for the entry into

1 force, on or after January 1, 2012, of the Agreement with  
2 respect to the United States.

3 **SEC. 102. RELATIONSHIP OF THE AGREEMENT TO UNITED**  
4 **STATES AND STATE LAW.**

5 (a) RELATIONSHIP OF AGREEMENT TO UNITED  
6 STATES LAW.—

7 (1) UNITED STATES LAW TO PREVAIL IN CON-  
8 FFLICT.—No provision of the Agreement, nor the ap-  
9 plication of any such provision to any person or cir-  
10 cumstance, which is inconsistent with any law of the  
11 United States shall have effect.

12 (2) CONSTRUCTION.—Nothing in this Act shall  
13 be construed—

14 (A) to amend or modify any law of the  
15 United States, or

16 (B) to limit any authority conferred under  
17 any law of the United States,  
18 unless specifically provided for in this Act.

19 (b) RELATIONSHIP OF AGREEMENT TO STATE  
20 LAW.—

21 (1) LEGAL CHALLENGE.—No State law, or the  
22 application thereof, may be declared invalid as to  
23 any person or circumstance on the ground that the  
24 provision or application is inconsistent with the  
25 Agreement, except in an action brought by the

1 United States for the purpose of declaring such law  
2 or application invalid.

3 (2) DEFINITION OF STATE LAW.—For purposes  
4 of this subsection, the term “State law” includes—

5 (A) any law of a political subdivision of a  
6 State; and

7 (B) any State law regulating or taxing the  
8 business of insurance.

9 (c) EFFECT OF AGREEMENT WITH RESPECT TO PRI-  
10 VATE REMEDIES.—No person other than the United  
11 States—

12 (1) shall have any cause of action or defense  
13 under the Agreement or by virtue of congressional  
14 approval thereof; or

15 (2) may challenge, in any action brought under  
16 any provision of law, any action or inaction by any  
17 department, agency, or other instrumentality of the  
18 United States, any State, or any political subdivision  
19 of a State, on the ground that such action or inac-  
20 tion is inconsistent with the Agreement.

21 **SEC. 103. IMPLEMENTING ACTIONS IN ANTICIPATION OF**  
22 **ENTRY INTO FORCE AND INITIAL REGULA-**  
23 **TIONS.**

24 (a) IMPLEMENTING ACTIONS.—

1           (1) PROCLAMATION AUTHORITY.—After the  
2 date of the enactment of this Act—

3           (A) the President may proclaim such ac-  
4 tions, and

5           (B) other appropriate officers of the  
6 United States Government may issue such reg-  
7 ulations,

8 as may be necessary to ensure that any provision of  
9 this Act, or amendment made by this Act, that takes  
10 effect on the date on which the Agreement enters  
11 into force is appropriately implemented on such  
12 date, but no such proclamation or regulation may  
13 have an effective date earlier than the date on which  
14 the Agreement enters into force.

15           (2) EFFECTIVE DATE OF CERTAIN PROCLAIMED  
16 ACTIONS.—Any action proclaimed by the President  
17 under the authority of this Act that is not subject  
18 to the consultation and layover provisions under sec-  
19 tion 104 may not take effect before the 15th day  
20 after the date on which the text of the proclamation  
21 is published in the Federal Register.

22           (3) WAIVER OF 15-DAY RESTRICTION.—The 15-  
23 day restriction contained in paragraph (2) on the  
24 taking effect of proclaimed actions is waived to the  
25 extent that the application of such restriction would

1 prevent the taking effect on the date the Agreement  
2 enters into force of any action proclaimed under this  
3 section.

4 (b) INITIAL REGULATIONS.—Initial regulations nec-  
5 essary or appropriate to carry out the actions required by  
6 or authorized under this Act or proposed in the statement  
7 of administrative action submitted under section  
8 101(a)(2) to implement the Agreement shall, to the max-  
9 imum extent feasible, be issued within 1 year after the  
10 date on which the Agreement enters into force. In the case  
11 of any implementing action that takes effect on a date  
12 after the date on which the Agreement enters into force,  
13 initial regulations to carry out that action shall, to the  
14 maximum extent feasible, be issued within 1 year after  
15 such effective date.

16 **SEC. 104. CONSULTATION AND LAYOVER PROVISIONS FOR,**  
17 **AND EFFECTIVE DATE OF, PROCLAIMED AC-**  
18 **TIONS.**

19 If a provision of this Act provides that the implemen-  
20 tation of an action by the President by proclamation is  
21 subject to the consultation and layover requirements of  
22 this section, such action may be proclaimed only if—

23 (1) the President has obtained advice regarding  
24 the proposed action from—

1 (A) the appropriate advisory committees  
2 established under section 135 of the Trade Act  
3 of 1974 (19 U.S.C. 2155); and

4 (B) the Commission;

5 (2) the President has submitted to the Com-  
6 mittee on Finance of the Senate and the Committee  
7 on Ways and Means of the House of Representatives  
8 a report that sets forth—

9 (A) the action proposed to be proclaimed  
10 and the reasons therefor; and

11 (B) the advice obtained under paragraph  
12 (1);

13 (3) a period of 60 calendar days, beginning on  
14 the first day on which the requirements set forth in  
15 paragraphs (1) and (2) have been met, has expired;  
16 and

17 (4) the President has consulted with the com-  
18 mittees referred to in paragraph (2) regarding the  
19 proposed action during the period referred to in  
20 paragraph (3).

21 **SEC. 105. ADMINISTRATION OF DISPUTE SETTLEMENT PRO-**  
22 **CEEDINGS.**

23 (a) ESTABLISHMENT OR DESIGNATION OF OFFICE.—  
24 The President is authorized to establish or designate with-  
25 in the Department of Commerce an office that shall be

1 responsible for providing administrative assistance to pan-  
2 els established under chapter 20 of the Agreement. The  
3 office shall not be considered to be an agency for purposes  
4 of section 552 of title 5, United States Code.

5 (b) AUTHORIZATION OF APPROPRIATIONS.—There  
6 are authorized to be appropriated for each fiscal year after  
7 fiscal year 2011 to the Department of Commerce up to  
8 \$150,000 for the establishment and operations of the of-  
9 fice established or designated under subsection (a) and for  
10 the payment of the United States share of the expenses  
11 of panels established under chapter 20 of the Agreement.

12 **SEC. 106. ARBITRATION OF CLAIMS.**

13 The United States is authorized to resolve any claim  
14 against the United States covered by article  
15 10.16.1(a)(i)(C) or article 10.16.1(b)(i)(C) of the Agree-  
16 ment, pursuant to the Investor-State Dispute Settlement  
17 procedures set forth in section B of chapter 10 of the  
18 Agreement.

19 **SEC. 107. EFFECTIVE DATES; EFFECT OF TERMINATION.**

20 (a) EFFECTIVE DATES.—Except as provided in sub-  
21 section (b), this Act and the amendments made by this  
22 Act take effect on the date on which the Agreement enters  
23 into force.

24 (b) EXCEPTIONS.—

1           (1) IN GENERAL.—Sections 1 through 3, this  
2 title, and title V take effect on the date of the enact-  
3 ment of this Act.

4           (2) CERTAIN AMENDATORY PROVISIONS.—The  
5 amendments made by sections 204, 205, 207, and  
6 401 of this Act take effect on the date of the enact-  
7 ment of this Act and apply with respect to Panama  
8 on the date on which the Agreement enters into  
9 force.

10          (c) TERMINATION OF THE AGREEMENT.—On the  
11 date on which the Agreement terminates, this Act (other  
12 than this subsection and title V) and the amendments  
13 made by this Act (other than the amendments made by  
14 title V) shall cease to have effect.

## 15 **TITLE II—CUSTOMS PROVISIONS**

### 16 **SEC. 201. TARIFF MODIFICATIONS.**

17          (a) TARIFF MODIFICATIONS PROVIDED FOR IN THE  
18 AGREEMENT.—

19           (1) PROCLAMATION AUTHORITY.—The Presi-  
20 dent may proclaim—

21                   (A) such modifications or continuation of  
22 any duty,

23                   (B) such continuation of duty-free or ex-  
24 cise treatment, or

25                   (C) such additional duties,

1 as the President determines to be necessary or ap-  
2 propriate to carry out or apply articles 3.3, 3.5, 3.6,  
3 3.26, 3.27, 3.28, and 3.29, and Annex 3.3, of the  
4 Agreement.

5 (2) EFFECT ON GSP STATUS.—Notwithstanding  
6 section 502(a)(1) of the Trade Act of 1974 (19  
7 U.S.C. 2462(a)(1)), the President shall, on the date  
8 on which the Agreement enters into force, terminate  
9 the designation of Panama as a beneficiary devel-  
10 oping country for purposes of title V of the Trade  
11 Act of 1974 (19 U.S.C. 2461 et seq.).

12 (3) EFFECT ON CBERA STATUS.—

13 (A) IN GENERAL.—Notwithstanding sec-  
14 tion 212(a) of the Caribbean Basin Economic  
15 Recovery Act (19 U.S.C. 2702(a)), the Presi-  
16 dent shall, on the date on which the Agreement  
17 enters into force, terminate the designation of  
18 Panama as a beneficiary country for purposes  
19 of that Act.

20 (B) EXCEPTION.—Notwithstanding sub-  
21 paragraph (A), Panama shall be considered a  
22 beneficiary country under section 212(a) of the  
23 Caribbean Basin Economic Recovery Act, for  
24 purposes of—

1 (i) sections 771(7)(G)(ii)(III) and  
2 771(7)(H) of the Tariff Act of 1930 (19  
3 U.S.C. 1677(7)(G)(ii)(III) and  
4 1677(7)(H));

5 (ii) the duty-free treatment provided  
6 under paragraph 4 of the General Notes to  
7 the Schedule of the United States to  
8 Annex 3.3 of the Agreement; and

9 (iii) section 274(h)(6)(B) of the Inter-  
10 nal Revenue Code of 1986.

11 (b) OTHER TARIFF MODIFICATIONS.—Subject to the  
12 consultation and layover provisions of section 104, the  
13 President may proclaim—

14 (1) such modifications or continuation of any  
15 duty,

16 (2) such modifications as the United States  
17 may agree to with Panama regarding the staging of  
18 any duty treatment set forth in Annex 3.3 of the  
19 Agreement,

20 (3) such continuation of duty-free or excise  
21 treatment, or

22 (4) such additional duties,

23 as the President determines to be necessary or appropriate  
24 to maintain the general level of reciprocal and mutually

1 advantageous concessions with respect to Panama pro-  
2 vided for by the Agreement.

3 (c) CONVERSION TO AD VALOREM RATES.—For pur-  
4 poses of subsections (a) and (b), with respect to any good  
5 for which the base rate in the Schedule of the United  
6 States to Annex 3.3 of the Agreement is a specific or com-  
7 pound rate of duty, the President may substitute for the  
8 base rate an ad valorem rate that the President deter-  
9 mines to be equivalent to the base rate.

10 (d) TARIFF RATE QUOTAS.—In implementing the  
11 tariff rate quotas set forth in Appendix I to the General  
12 Notes to the Schedule of the United States to Annex 3.3  
13 of the Agreement, the President shall take such action as  
14 may be necessary to ensure that imports of agricultural  
15 goods do not disrupt the orderly marketing of commodities  
16 in the United States.

17 **SEC. 202. ADDITIONAL DUTIES ON CERTAIN AGRICUL-**  
18 **TURAL GOODS.**

19 (a) DEFINITIONS.—In this section:

20 (1) APPLICABLE NTR (MFN) RATE OF DUTY.—

21 The term “applicable NTR (MFN) rate of duty”  
22 means, with respect to a safeguard good, a rate of  
23 duty equal to the lowest of—

24 (A) the base rate in the Schedule of the  
25 United States to Annex 3.3 of the Agreement;

1 (B) the column 1 general rate of duty that  
2 would, on the day before the date on which the  
3 Agreement enters into force, apply to a good  
4 classifiable in the same 8-digit subheading of  
5 the HTS as the safeguard good; or

6 (C) the column 1 general rate of duty that  
7 would, at the time the additional duty is im-  
8 posed under subsection (b), apply to a good  
9 classifiable in the same 8-digit subheading of  
10 the HTS as the safeguard good.

11 (2) SAFEGUARD GOOD.—The term “safeguard  
12 good” means a good—

13 (A) that is included in the Schedule of the  
14 United States to Annex 3.17 of the Agreement;

15 (B) that qualifies as an originating good  
16 under section 203; and

17 (C) for which a claim for preferential tariff  
18 treatment under the Agreement has been made.

19 (3) SCHEDULE RATE OF DUTY.—The term  
20 “schedule rate of duty” means, with respect to a  
21 safeguard good, the rate of duty for that good that  
22 is set forth in the Schedule of the United States to  
23 Annex 3.3 of the Agreement.

24 (4) TRIGGER LEVEL.—

1 (A) IN GENERAL.—The term “trigger  
2 level” means—

3 (i) in the case of a safeguard good  
4 classified under subheading 0201.10.50,  
5 0201.20.80, 0201.30.80, 0202.10.50,  
6 0202.20.80, or 0202.30.80 of the HTS—

7 (I) in year 1 of the Agreement,  
8 330 metric tons; and

9 (II) in year 2 of the Agreement  
10 through year 14 of the Agreement, a  
11 quantity equal to 110 percent of the  
12 trigger level for that safeguard good  
13 for the preceding calendar year; and

14 (ii) in the case of any other safeguard  
15 good, 115 percent of the quantity that is  
16 provided for that safeguard good in the  
17 corresponding calendar year in the applica-  
18 ble table contained in Appendix I to the  
19 General Notes to the Schedule of the  
20 United States to Annex 3.3 of the Agree-  
21 ment.

22 (B) RELATIONSHIP TO TABLE.—For pur-  
23 poses of subparagraph (A)(ii), year 1 in the ap-  
24 plicable table contained in Appendix I to the  
25 General Notes to the Schedule of the United

1 States to Annex 3.3 of the Agreement cor-  
2 responds to year 1 of the Agreement.

3 (5) YEAR 1 OF THE AGREEMENT.—The term  
4 “year 1 of the Agreement” means the period begin-  
5 ning on the date, in a calendar year, on which the  
6 Agreement enters into force and ending on Decem-  
7 ber 31 of that calendar year.

8 (6) YEARS OTHER THAN YEAR 1 OF THE  
9 AGREEMENT.—Any reference to a year of the Agree-  
10 ment subsequent to year 1 of the Agreement shall  
11 be deemed to be a reference to the corresponding  
12 calendar year in which the Agreement is in force.

13 (b) ADDITIONAL DUTIES ON SAFEGUARD GOODS.—

14 (1) IN GENERAL.—In addition to any duty pro-  
15 claimed under subsection (a) or (b) of section 201,  
16 the Secretary of the Treasury shall assess a duty, in  
17 the amount determined under paragraph (2), on a  
18 safeguard good imported into the United States in  
19 a calendar year if the Secretary determines that,  
20 prior to such importation, the total volume of that  
21 safeguard good that is imported into the United  
22 States in that calendar year exceeds the trigger level  
23 for that good for that calendar year.

1           (2) CALCULATION OF ADDITIONAL DUTY.—The  
2 additional duty on a safeguard good under this sub-  
3 section shall be—

4           (A) in the case of a good classified under  
5 subheading       0201.10.50,       0201.20.80,  
6 0201.30.80,   0202.10.50,   0202.20.80,   or  
7 0202.30.80 of the HTS—

8           (i) in year 1 of the Agreement  
9 through year 6 of the Agreement, an  
10 amount equal to 100 percent of the excess  
11 of the applicable NTR (MFN) rate of duty  
12 over the schedule rate of duty; and

13           (ii) in year 7 of the Agreement  
14 through year 14 of the Agreement, an  
15 amount equal to 50 percent of the excess  
16 of the applicable NTR (MFN) rate of duty  
17 over the schedule rate of duty;

18           (B) in the case of a good classified under  
19 subheading       0406.10.08,       0406.10.88,  
20 0406.20.91,   0406.30.91,   0406.90.97,   or  
21 2105.00.20 of the HTS—

22           (i) in year 1 of the Agreement  
23 through year 11 of the Agreement, an  
24 amount equal to 100 percent of the excess

1 of the applicable NTR (MFN) rate of duty  
2 over the schedule rate of duty; and

3 (ii) in year 12 of the Agreement  
4 through year 14 of the Agreement, an  
5 amount equal to 50 percent of the excess  
6 of the applicable NTR (MFN) rate of duty  
7 over the schedule rate of duty; and

8 (C) in the case of any other safeguard  
9 good—

10 (i) in year 1 of the Agreement  
11 through year 13 of the Agreement, an  
12 amount equal to 100 percent of the excess  
13 of the applicable NTR (MFN) rate of duty  
14 over the schedule rate of duty; and

15 (ii) in year 14 of the Agreement  
16 through year 16 of the Agreement, an  
17 amount equal to 50 percent of the excess  
18 of the applicable NTR (MFN) rate of duty  
19 over the schedule rate of duty.

20 (3) NOTICE.—Not later than 60 days after the  
21 date on which the Secretary of the Treasury first as-  
22 sesses an additional duty in a calendar year on a  
23 good under this subsection, the Secretary shall no-  
24 tify the Government of Panama in writing of such

1 action and shall provide to that Government data  
2 supporting the assessment of the additional duty.

3 (c) EXCEPTIONS.—No additional duty shall be as-  
4 sessed on a good under subsection (b) if, at the time of  
5 entry, the good is subject to import relief under—

6 (1) subtitle A of title III of this Act; or

7 (2) chapter 1 of title II of the Trade Act of  
8 1974 (19 U.S.C. 2251 et seq.).

9 (d) TERMINATION.—The assessment of an additional  
10 duty on a good under subsection (b) shall cease to apply  
11 to that good on the date on which duty-free treatment  
12 must be provided to that good under the Schedule of the  
13 United States to Annex 3.3 of the Agreement.

14 **SEC. 203. RULES OF ORIGIN.**

15 (a) APPLICATION AND INTERPRETATION.—In this  
16 section:

17 (1) TARIFF CLASSIFICATION.—The basis for  
18 any tariff classification is the HTS.

19 (2) REFERENCE TO HTS.—Whenever in this  
20 section there is a reference to a chapter, heading, or  
21 subheading, such reference shall be a reference to a  
22 chapter, heading, or subheading of the HTS.

23 (3) COST OR VALUE.—Any cost or value re-  
24 ferred to in this section shall be recorded and main-  
25 tained in accordance with the generally accepted ac-

1 counting principles applicable in the territory of the  
2 country in which the good is produced (whether  
3 Panama or the United States).

4 (b) ORIGINATING GOODS.—For purposes of this Act  
5 and for purposes of implementing the preferential tariff  
6 treatment provided for under the Agreement, except as  
7 otherwise provided in this section, a good is an originating  
8 good if—

9 (1) the good is a good wholly obtained or pro-  
10 duced entirely in the territory of Panama, the  
11 United States, or both;

12 (2) the good—

13 (A) is produced entirely in the territory of  
14 Panama, the United States, or both, and—

15 (i) each of the nonoriginating mate-  
16 rials used in the production of the good  
17 undergoes an applicable change in tariff  
18 classification specified in Annex 4.1 of the  
19 Agreement; or

20 (ii) the good otherwise satisfies any  
21 applicable regional value-content or other  
22 requirements specified in Annex 4.1 of the  
23 Agreement; and

24 (B) satisfies all other applicable require-  
25 ments of this section; or

1           (3) the good is produced entirely in the terri-  
 2           tory of Panama, the United States, or both, exclu-  
 3           sively from materials described in paragraph (1) or  
 4           (2).

5           (c) REGIONAL VALUE-CONTENT.—

6           (1) IN GENERAL.—For purposes of subsection  
 7           (b)(2), the regional value-content of a good referred  
 8           to in Annex 4.1 of the Agreement, except for goods  
 9           to which paragraph (4) applies, shall be calculated  
 10          by the importer, exporter, or producer of the good,  
 11          on the basis of the build-down method described in  
 12          paragraph (2) or the build-up method described in  
 13          paragraph (3).

14          (2) BUILD-DOWN METHOD.—

15           (A) IN GENERAL.—The regional value-con-  
 16           tent of a good may be calculated on the basis  
 17           of the following build-down method:

$$\text{RVC} = \frac{\text{AV-VNM}}{\text{AV}} \times 100$$

18           (B) DEFINITIONS.—In subparagraph (A):

19           (i) RVC.—The term “RVC” means  
 20           the regional value-content of the good, ex-  
 21           pressed as a percentage.

22           (ii) AV.—The term “AV” means the  
 23           adjusted value of the good.

1 (iii) VNM.—The term “VNM” means  
 2 the value of nonoriginating materials that  
 3 are acquired and used by the producer in  
 4 the production of the good, but does not  
 5 include the value of a material that is self-  
 6 produced.

7 (3) BUILD-UP METHOD.—

8 (A) IN GENERAL.—The regional value-con-  
 9 tent of a good may be calculated on the basis  
 10 of the following build-up method:

$$\text{RVC} = \frac{\text{VOM}}{\text{AV}} \times 100$$

11 (B) DEFINITIONS.—In subparagraph (A):

12 (i) RVC.—The term “RVC” means  
 13 the regional value-content of the good, ex-  
 14 pressed as a percentage.

15 (ii) AV.—The term “AV” means the  
 16 adjusted value of the good.

17 (iii) VOM.—The term “VOM” means  
 18 the value of originating materials that are  
 19 acquired or self-produced, and used by the  
 20 producer in the production of the good.

21 (4) SPECIAL RULE FOR CERTAIN AUTOMOTIVE  
 22 GOODS.—

23 (A) IN GENERAL.—For purposes of sub-  
 24 section (b)(2), the regional value-content of an

1 automotive good referred to in Annex 4.1 of the  
2 Agreement may be calculated by the importer,  
3 exporter, or producer of the good on the basis  
4 of the build-down method described in para-  
5 graph (2), the build-up method described in  
6 paragraph (3), or the following net cost method:

$$\text{RVC} = \frac{\text{NC} - \text{VNM}}{\text{NC}} \times 100$$

7 (B) DEFINITIONS.—In subparagraph (A):

8 (i) AUTOMOTIVE GOOD.—The term  
9 “automotive good” means a good provided  
10 for in any of subheadings 8407.31 through  
11 8407.34, subheading 8408.20, heading  
12 8409, or any of headings 8701 through  
13 8708.

14 (ii) RVC.—The term “RVC” means  
15 the regional value-content of the auto-  
16 motive good, expressed as a percentage.

17 (iii) NC.—The term “NC” means the  
18 net cost of the automotive good.

19 (iv) VNM.—The term “VNM” means  
20 the value of nonoriginating materials that  
21 are acquired and used by the producer in  
22 the production of the automotive good, but  
23 does not include the value of a material  
24 that is self-produced.

1 (C) MOTOR VEHICLES.—

2 (i) BASIS OF CALCULATION.—For  
3 purposes of determining the regional value-  
4 content under subparagraph (A) for an  
5 automotive good that is a motor vehicle  
6 provided for in any of headings 8701  
7 through 8705, an importer, exporter, or  
8 producer may average the amounts cal-  
9 culated under the net cost formula con-  
10 tained in subparagraph (A), over the pro-  
11 ducer's fiscal year—

12 (I) with respect to all motor vehi-  
13 cles in any one of the categories de-  
14 scribed in clause (ii); or

15 (II) with respect to all motor ve-  
16 hicles in any such category that are  
17 exported to the territory of Panama  
18 or the United States.

19 (ii) CATEGORIES.—A category is de-  
20 scribed in this clause if it—

21 (I) is the same model line of  
22 motor vehicles, is in the same class of  
23 motor vehicles, and is produced in the  
24 same plant in the territory of Panama  
25 or the United States, as the good de-

1 scribed in clause (i) for which regional  
2 value-content is being calculated;

3 (II) is the same class of motor  
4 vehicles, and is produced in the same  
5 plant in the territory of Panama or  
6 the United States, as the good de-  
7 scribed in clause (i) for which regional  
8 value-content is being calculated; or

9 (III) is the same model line of  
10 motor vehicles produced in the terri-  
11 tory of Panama or the United States  
12 as the good described in clause (i) for  
13 which regional value-content is being  
14 calculated.

15 (D) OTHER AUTOMOTIVE GOODS.—For  
16 purposes of determining the regional value-con-  
17 tent under subparagraph (A) for automotive  
18 materials provided for in any of subheadings  
19 8407.31 through 8407.34, in subheading  
20 8408.20, or in heading 8409, 8706, 8707, or  
21 8708, that are produced in the same plant, an  
22 importer, exporter, or producer may—

23 (i) average the amounts calculated  
24 under the net cost formula contained in  
25 subparagraph (A) over—

1 (I) the fiscal year of the motor  
2 vehicle producer to whom the auto-  
3 motive goods are sold,

4 (II) any quarter or month, or

5 (III) the fiscal year of the pro-  
6 ducer of such goods,

7 if the goods were produced during the fis-  
8 cal year, quarter, or month that is the  
9 basis for the calculation;

10 (ii) determine the average referred to  
11 in clause (i) separately for such goods sold  
12 to 1 or more motor vehicle producers; or

13 (iii) make a separate determination  
14 under clause (i) or (ii) for such goods that  
15 are exported to the territory of Panama or  
16 the United States.

17 (E) CALCULATING NET COST.—The im-  
18 porter, exporter, or producer of an automotive  
19 good shall, consistent with the provisions re-  
20 garding allocation of costs provided for in gen-  
21 erally accepted accounting principles, determine  
22 the net cost of the automotive good under sub-  
23 paragraph (B) by—

24 (i) calculating the total cost incurred  
25 with respect to all goods produced by the

1 producer of the automotive good, sub-  
2 tracting any sales promotion, marketing,  
3 and after-sales service costs, royalties,  
4 shipping and packing costs, and nonallow-  
5 able interest costs that are included in the  
6 total cost of all such goods, and then rea-  
7 sonably allocating the resulting net cost of  
8 those goods to the automotive good;

9 (ii) calculating the total cost incurred  
10 with respect to all goods produced by that  
11 producer, reasonably allocating the total  
12 cost to the automotive good, and then sub-  
13 tracting any sales promotion, marketing,  
14 and after-sales service costs, royalties,  
15 shipping and packing costs, and nonallow-  
16 able interest costs that are included in the  
17 portion of the total cost allocated to the  
18 automotive good; or

19 (iii) reasonably allocating each cost  
20 that forms part of the total cost incurred  
21 with respect to the automotive good so that  
22 the aggregate of these costs does not in-  
23 clude any sales promotion, marketing, and  
24 after-sales service costs, royalties, shipping

1                   and packing costs, or nonallowable interest  
2                   costs.

3           (d) VALUE OF MATERIALS.—

4           (1) IN GENERAL.—For the purpose of calcu-  
5           lating the regional value-content of a good under  
6           subsection (c), and for purposes of applying the de  
7           minimis rules under subsection (f), the value of a  
8           material is—

9                   (A) in the case of a material that is im-  
10                  ported by the producer of the good, the ad-  
11                  justed value of the material;

12                  (B) in the case of a material acquired in  
13                  the territory in which the good is produced, the  
14                  value, determined in accordance with Articles 1  
15                  through 8, Article 15, and the corresponding in-  
16                  terpretive notes, of the Agreement on Imple-  
17                  mentation of Article VII of the General Agree-  
18                  ment on Tariffs and Trade 1994 referred to in  
19                  section 101(d)(8) of the Uruguay Round Agree-  
20                  ments Act (19 U.S.C. 3511(d)(8)), as set forth  
21                  in regulations promulgated by the Secretary of  
22                  the Treasury providing for the application of  
23                  such Articles in the absence of an importation  
24                  by the producer; or

1 (C) in the case of a material that is self-  
2 produced, the sum of—

3 (i) all expenses incurred in the pro-  
4 duction of the material, including general  
5 expenses; and

6 (ii) an amount for profit equivalent to  
7 the profit added in the normal course of  
8 trade.

9 (2) FURTHER ADJUSTMENTS TO THE VALUE OF  
10 MATERIALS.—

11 (A) ORIGINATING MATERIAL.—The fol-  
12 lowing expenses, if not included in the value of  
13 an originating material calculated under para-  
14 graph (1), may be added to the value of the  
15 originating material:

16 (i) The costs of freight, insurance,  
17 packing, and all other costs incurred in  
18 transporting the material within or be-  
19 tween the territory of Panama, the United  
20 States, or both, to the location of the pro-  
21 ducer.

22 (ii) Duties, taxes, and customs broker-  
23 age fees on the material paid in the terri-  
24 tory of Panama, the United States, or  
25 both, other than duties or taxes that are

1           waived, refunded, refundable, or otherwise  
2           recoverable, including credit against duty  
3           or tax paid or payable.

4           (iii) The cost of waste and spoilage re-  
5           sulting from the use of the material in the  
6           production of the good, less the value of  
7           renewable scrap or byproducts.

8           (B) NONORIGINATING MATERIAL.—The  
9           following expenses, if included in the value of a  
10          nonoriginating material calculated under para-  
11          graph (1), may be deducted from the value of  
12          the nonoriginating material:

13          (i) The costs of freight, insurance,  
14          packing, and all other costs incurred in  
15          transporting the material within or be-  
16          tween the territory of Panama, the United  
17          States, or both, to the location of the pro-  
18          ducer.

19          (ii) Duties, taxes, and customs broker-  
20          age fees on the material paid in the terri-  
21          tory of Panama, the United States, or  
22          both, other than duties or taxes that are  
23          waived, refunded, refundable, or otherwise  
24          recoverable, including credit against duty  
25          or tax paid or payable.

1 (iii) The cost of waste and spoilage re-  
2 sulting from the use of the material in the  
3 production of the good, less the value of  
4 renewable scrap or byproducts.

5 (iv) The cost of originating materials  
6 used in the production of the nonorigi-  
7 nating material in the territory of Panama,  
8 the United States, or both.

9 (e) ACCUMULATION.—

10 (1) ORIGINATING MATERIALS USED IN PRODUC-  
11 TION OF GOODS OF THE OTHER COUNTRY.—Orig-  
12 inating materials from the territory of Panama or  
13 the United States that are used in the production of  
14 a good in the territory of the other country shall be  
15 considered to originate in the territory of such other  
16 country.

17 (2) MULTIPLE PRODUCERS.—A good that is  
18 produced in the territory of Panama, the United  
19 States, or both, by 1 or more producers, is an origi-  
20 nating good if the good satisfies the requirements of  
21 subsection (b) and all other applicable requirements  
22 of this section.

23 (f) DE MINIMIS AMOUNTS OF NONORIGINATING MA-  
24 TERIALS.—

1           (1) IN GENERAL.—Except as provided in para-  
2           graphs (2) and (3), a good that does not undergo a  
3           change in tariff classification pursuant to Annex 4.1  
4           of the Agreement is an originating good if—

5                   (A) the value of all nonoriginating mate-  
6                   rials that—

7                           (i) are used in the production of the  
8                           good, and

9                           (ii) do not undergo the applicable  
10                          change in tariff classification (set forth in  
11                          Annex 4.1 of the Agreement),

12                   does not exceed 10 percent of the adjusted  
13                   value of the good;

14                   (B) the good meets all other applicable re-  
15                   quirements of this section; and

16                   (C) the value of such nonoriginating mate-  
17                   rials is included in the value of nonoriginating  
18                   materials for any applicable regional value-con-  
19                   tent requirement for the good.

20           (2) EXCEPTIONS.—Paragraph (1) does not  
21           apply to the following:

22                   (A) A nonoriginating material provided for  
23                   in chapter 4, or a nonoriginating dairy prepara-  
24                   tion containing over 10 percent by weight of  
25                   milk solids provided for in subheading 1901.90

1 or 2106.90, that is used in the production of a  
2 good provided for in chapter 4.

3 (B) A nonoriginating material provided for  
4 in chapter 4, or a nonoriginating dairy prepara-  
5 tion containing over 10 percent by weight of  
6 milk solids provided for in subheading 1901.90,  
7 that is used in the production of the following  
8 goods:

9 (i) Infant preparations containing  
10 over 10 percent by weight of milk solids  
11 provided for in subheading 1901.10.

12 (ii) Mixes and doughs, containing over  
13 25 percent by weight of butterfat, not put  
14 up for retail sale, provided for in sub-  
15 heading 1901.20.

16 (iii) Dairy preparations containing  
17 over 10 percent by weight of milk solids  
18 provided for in subheading 1901.90 or  
19 2106.90.

20 (iv) Goods provided for in heading  
21 2105.

22 (v) Beverages containing milk pro-  
23 vided for in subheading 2202.90.

1 (vi) Animal feeds containing over 10  
2 percent by weight of milk solids provided  
3 for in subheading 2309.90.

4 (C) A nonoriginating material provided for  
5 in heading 0805, or any of subheadings  
6 2009.11 through 2009.39, that is used in the  
7 production of a good provided for in any of sub-  
8 headings 2009.11 through 2009.39, or in fruit  
9 or vegetable juice of any single fruit or vege-  
10 table, fortified with minerals or vitamins, con-  
11 centrated or unconcentrated, provided for in  
12 subheading 2106.90 or 2202.90.

13 (D) A nonoriginating material provided for  
14 in heading 0901 or 2101 that is used in the  
15 production of a good provided for in heading  
16 0901 or 2101.

17 (E) A nonoriginating material provided for  
18 in heading 1006 that is used in the production  
19 of a good provided for in heading 1102 or 1103  
20 or subheading 1904.90.

21 (F) A nonoriginating material provided for  
22 in chapter 15 that is used in the production of  
23 a good provided for in chapter 15.

24 (G) A nonoriginating material provided for  
25 in heading 1701 that is used in the production

1 of a good provided for in any of headings 1701  
2 through 1703.

3 (H) A nonoriginating material provided for  
4 in chapter 17 that is used in the production of  
5 a good provided for in subheading 1806.10.

6 (I) Except as provided in subparagraphs  
7 (A) through (H) and Annex 4.1 of the Agree-  
8 ment, a nonoriginating material used in the  
9 production of a good provided for in any of  
10 chapters 1 through 24, unless the nonorigi-  
11 nating material is provided for in a different  
12 subheading than the good for which origin is  
13 being determined under this section.

14 (3) TEXTILE OR APPAREL GOODS.—

15 (A) IN GENERAL.—Except as provided in  
16 subparagraph (B), a textile or apparel good  
17 that is not an originating good because certain  
18 fibers or yarns used in the production of the  
19 component of the good that determines the tar-  
20 iff classification of the good do not undergo an  
21 applicable change in tariff classification, set  
22 forth in Annex 4.1 of the Agreement, shall be  
23 considered to be an originating good if—

24 (i) the total weight of all such fibers  
25 or yarns in that component is not more

1 than 10 percent of the total weight of that  
2 component; or

3 (ii) the yarns are those described in  
4 section 204(b)(3)(B)(vi)(IV) of the Andean  
5 Trade Preference Act (19 U.S.C.  
6 3203(b)(3)(B)(vi)(IV)) (as in effect on  
7 February 12, 2011).

8 (B) CERTAIN TEXTILE OR APPAREL  
9 GOODS.—A textile or apparel good containing  
10 elastomeric yarns in the component of the good  
11 that determines the tariff classification of the  
12 good shall be considered to be an originating  
13 good only if such yarns are wholly formed and  
14 finished in the territory of Panama, the United  
15 States, or both.

16 (C) FABRIC, YARN, OR FIBER.—For pur-  
17 poses of this paragraph, in the case of a good  
18 that is a fabric, yarn, or fiber, the term “com-  
19 ponent of the good that determines the tariff  
20 classification of the good” means all of the fi-  
21 bers in the good.

22 (g) FUNGIBLE GOODS AND MATERIALS.—

23 (1) IN GENERAL.—

24 (A) CLAIM FOR PREFERENTIAL TARIFF  
25 TREATMENT.—A person claiming that a fun-

1           gible good or fungible material is an originating  
2           good may base the claim either on the physical  
3           segregation of the fungible good or fungible ma-  
4           terial or by using an inventory management  
5           method with respect to the fungible good or  
6           fungible material.

7                   (B) INVENTORY MANAGEMENT METHOD.—

8           In this subsection, the term “inventory manage-  
9           ment method” means—

- 10                   (i) averaging;  
11                   (ii) “last-in, first-out”;  
12                   (iii) “first-in, first-out”; or  
13                   (iv) any other method—

14                   (I) recognized in the generally  
15                   accepted accounting principles of the  
16                   country in which the production is  
17                   performed (whether Panama or the  
18                   United States); or

19                   (II) otherwise accepted by that  
20                   country.

21                   (2) ELECTION OF INVENTORY METHOD.—A

22           person selecting an inventory management method  
23           under paragraph (1) for a particular fungible good  
24           or fungible material shall continue to use that meth-

1 od for that fungible good or fungible material  
2 throughout the fiscal year of such person.

3 (h) ACCESSORIES, SPARE PARTS, OR TOOLS.—

4 (1) IN GENERAL.—Subject to paragraphs (2)  
5 and (3), accessories, spare parts, or tools delivered  
6 with a good that form part of the good’s standard  
7 accessories, spare parts, or tools shall—

8 (A) be treated as originating goods if the  
9 good is an originating good; and

10 (B) be disregarded in determining whether  
11 all the nonoriginating materials used in the pro-  
12 duction of the good undergo the applicable  
13 change in tariff classification set forth in Annex  
14 4.1 of the Agreement.

15 (2) CONDITIONS.—Paragraph (1) shall apply  
16 only if—

17 (A) the accessories, spare parts, or tools  
18 are classified with and not invoiced separately  
19 from the good, regardless of whether such ac-  
20 cessories, spare parts, or tools are specified or  
21 are separately identified in the invoice for the  
22 good; and

23 (B) the quantities and value of the acces-  
24 sories, spare parts, or tools are customary for  
25 the good.

1           (3) REGIONAL VALUE-CONTENT.—If the good is  
2           subject to a regional value-content requirement, the  
3           value of the accessories, spare parts, or tools shall  
4           be taken into account as originating or nonorigi-  
5           nating materials, as the case may be, in calculating  
6           the regional value-content of the good.

7           (i) PACKAGING MATERIALS AND CONTAINERS FOR  
8           RETAIL SALE.—Packaging materials and containers in  
9           which a good is packaged for retail sale, if classified with  
10          the good, shall be disregarded in determining whether all  
11          the nonoriginating materials used in the production of the  
12          good undergo the applicable change in tariff classification  
13          set forth in Annex 4.1 of the Agreement, and, if the good  
14          is subject to a regional value-content requirement, the  
15          value of such packaging materials and containers shall be  
16          taken into account as originating or nonoriginating mate-  
17          rials, as the case may be, in calculating the regional value-  
18          content of the good.

19          (j) PACKING MATERIALS AND CONTAINERS FOR  
20          SHIPMENT.—Packing materials and containers for ship-  
21          ment shall be disregarded in determining whether a good  
22          is an originating good.

23          (k) INDIRECT MATERIALS.—An indirect material  
24          shall be treated as an originating material without regard  
25          to where it is produced.

1 (l) TRANSIT AND TRANSHIPMENT.—A good that has  
2 undergone production necessary to qualify as an origi-  
3 nating good under subsection (b) shall not be considered  
4 to be an originating good if, subsequent to that produc-  
5 tion, the good—

6 (1) undergoes further production or any other  
7 operation outside the territory of Panama or the  
8 United States, other than unloading, reloading, or  
9 any other operation necessary to preserve the good  
10 in good condition or to transport the good to the ter-  
11 ritory of Panama or the United States; or

12 (2) does not remain under the control of cus-  
13 toms authorities in the territory of a country other  
14 than Panama or the United States.

15 (m) GOODS CLASSIFIABLE AS GOODS PUT UP IN  
16 SETS.—Notwithstanding the rules set forth in Annex 4.1  
17 of the Agreement, goods classifiable as goods put up in  
18 sets for retail sale as provided for in General Rule of Inter-  
19 pretation 3 of the HTS shall not be considered to be origi-  
20 nating goods unless—

21 (1) each of the goods in the set is an origi-  
22 nating good; or

23 (2) the total value of the nonoriginating goods  
24 in the set does not exceed—

1 (A) in the case of textile or apparel goods,  
2 10 percent of the adjusted value of the set; or

3 (B) in the case of goods, other than textile  
4 or apparel goods, 15 percent of the adjusted  
5 value of the set.

6 (n) DEFINITIONS.—In this section:

7 (1) ADJUSTED VALUE.—The term “adjusted  
8 value” means the value determined in accordance  
9 with Articles 1 through 8, Article 15, and the cor-  
10 responding interpretive notes, of the Agreement on  
11 Implementation of Article VII of the General Agree-  
12 ment on Tariffs and Trade 1994 referred to in sec-  
13 tion 101(d)(8) of the Uruguay Round Agreements  
14 Act (19 U.S.C. 3511(d)(8)), adjusted, if necessary,  
15 to exclude any costs, charges, or expenses incurred  
16 for transportation, insurance, and related services  
17 incident to the international shipment of the mer-  
18 chandise from the country of exportation to the  
19 place of importation.

20 (2) CLASS OF MOTOR VEHICLES.—The term  
21 “class of motor vehicles” means any one of the fol-  
22 lowing categories of motor vehicles:

23 (A) Motor vehicles provided for in sub-  
24 heading 8701.20, 8704.10, 8704.22, 8704.23,  
25 8704.32, or 8704.90, or heading 8705 or 8706,

1 or motor vehicles for the transport of 16 or  
2 more persons provided for in subheading  
3 8702.10 or 8702.90.

4 (B) Motor vehicles provided for in sub-  
5 heading 8701.10 or any of subheadings  
6 8701.30 through 8701.90.

7 (C) Motor vehicles for the transport of 15  
8 or fewer persons provided for in subheading  
9 8702.10 or 8702.90, or motor vehicles provided  
10 for in subheading 8704.21 or 8704.31.

11 (D) Motor vehicles provided for in any of  
12 subheadings 8703.21 through 8703.90.

13 (3) FUNGIBLE GOOD OR FUNGIBLE MATE-  
14 RIAL.—The term “fungible good” or “fungible mate-  
15 rial” means a good or material, as the case may be,  
16 that is interchangeable with another good or mate-  
17 rial for commercial purposes and the properties of  
18 which are essentially identical to such other good or  
19 material.

20 (4) GENERALLY ACCEPTED ACCOUNTING PRIN-  
21 CIPLES.—The term “generally accepted accounting  
22 principles”—

23 (A) means the recognized consensus or  
24 substantial authoritative support given in the  
25 territory of Panama or the United States, as

1 the case may be, with respect to the recording  
2 of revenues, expenses, costs, assets, and liabil-  
3 ities, the disclosure of information, and the  
4 preparation of financial statements; and

5 (B) may encompass broad guidelines for  
6 general application as well as detailed stand-  
7 ards, practices, and procedures.

8 (5) GOOD WHOLLY OBTAINED OR PRODUCED  
9 ENTIRELY IN THE TERRITORY OF PANAMA, THE  
10 UNITED STATES, OR BOTH.—The term “good wholly  
11 obtained or produced entirely in the territory of  
12 Panama, the United States, or both” means any of  
13 the following:

14 (A) Plants and plant products harvested or  
15 gathered in the territory of Panama, the United  
16 States, or both.

17 (B) Live animals born and raised in the  
18 territory of Panama, the United States, or  
19 both.

20 (C) Goods obtained in the territory of Pan-  
21 ama, the United States, or both from live ani-  
22 mals.

23 (D) Goods obtained from hunting, trap-  
24 ping, fishing, or aquaculture conducted in the

1 territory of Panama, the United States, or  
2 both.

3 (E) Minerals and other natural resources  
4 not included in subparagraphs (A) through (D)  
5 that are extracted or taken from the territory  
6 of Panama, the United States, or both.

7 (F) Fish, shellfish, and other marine life  
8 taken from the sea, seabed, or subsoil outside  
9 the territory of Panama or the United States  
10 by—

11 (i) a vessel that is registered or re-  
12 corded with Panama and flying the flag of  
13 Panama; or

14 (ii) a vessel that is documented under  
15 the laws of the United States.

16 (G) Goods produced on board a factory  
17 ship from goods referred to in subparagraph  
18 (F), if such factory ship—

19 (i) is registered or recorded with Pan-  
20 ama and flies the flag of Panama; or

21 (ii) is a vessel that is documented  
22 under the laws of the United States.

23 (H)(i) Goods taken by Panama or a person  
24 of Panama from the seabed or subsoil outside

1 the territorial waters of Panama, if Panama  
2 has rights to exploit such seabed or subsoil.

3 (ii) Goods taken by the United States or a  
4 person of the United States from the seabed or  
5 subsoil outside the territorial waters of the  
6 United States, if the United States has rights  
7 to exploit such seabed or subsoil.

8 (I) Goods taken from outer space, if the  
9 goods are obtained by Panama or the United  
10 States or a person of Panama or the United  
11 States and not processed in the territory of a  
12 country other than Panama or the United  
13 States.

14 (J) Waste and scrap derived from—

15 (i) manufacturing or processing oper-  
16 ations in the territory of Panama, the  
17 United States, or both; or

18 (ii) used goods collected in the terri-  
19 tory of Panama, the United States, or  
20 both, if such goods are fit only for the re-  
21 covery of raw materials.

22 (K) Recovered goods derived in the terri-  
23 tory of Panama, the United States, or both  
24 from used goods, and used in the territory of

1 Panama, the United States, or both, in the pro-  
2 duction of remanufactured goods.

3 (L) Goods, at any stage of production, pro-  
4 duced in the territory of Panama, the United  
5 States, or both, exclusively from—

6 (i) goods referred to in any of sub-  
7 paragraphs (A) through (J), or

8 (ii) the derivatives of goods referred  
9 to in clause (i).

10 (6) IDENTICAL GOODS.—The term “identical  
11 goods” means goods that are the same in all re-  
12 spects relevant to the rule of origin that qualifies the  
13 goods as originating goods.

14 (7) INDIRECT MATERIAL.—The term “indirect  
15 material” means a good used in the production, test-  
16 ing, or inspection of another good but not physically  
17 incorporated into that other good, or a good used in  
18 the maintenance of buildings or the operation of  
19 equipment associated with the production of another  
20 good, including—

21 (A) fuel and energy;

22 (B) tools, dies, and molds;

23 (C) spare parts and materials used in the  
24 maintenance of equipment or buildings;

1           (D) lubricants, greases, compounding ma-  
2           terials, and other materials used in production  
3           or used to operate equipment or buildings;

4           (E) gloves, glasses, footwear, clothing,  
5           safety equipment, and supplies;

6           (F) equipment, devices, and supplies used  
7           for testing or inspecting the good;

8           (G) catalysts and solvents; and

9           (H) any other good that is not incor-  
10          porated into the other good but the use of  
11          which in the production of the other good can  
12          reasonably be demonstrated to be a part of that  
13          production.

14          (8) MATERIAL.—The term “material” means a  
15          good that is used in the production of another good,  
16          including a part or an ingredient.

17          (9) MATERIAL THAT IS SELF-PRODUCED.—The  
18          term “material that is self-produced” means an orig-  
19          inating material that is produced by a producer of  
20          a good and used in the production of that good.

21          (10) MODEL LINE OF MOTOR VEHICLES.—The  
22          term “model line of motor vehicles” means a group  
23          of motor vehicles having the same platform or model  
24          name.

1           (11) NET COST.—The term “net cost” means  
2 total cost minus sales promotion, marketing, and  
3 after-sales service costs, royalties, shipping and  
4 packing costs, and nonallowable interest costs that  
5 are included in the total cost.

6           (12) NONALLOWABLE INTEREST COSTS.—The  
7 term “nonallowable interest costs” means interest  
8 costs incurred by a producer that exceed 700 basis  
9 points above the applicable official interest rate for  
10 comparable maturities of the country in which the  
11 producer is located.

12           (13) NONORIGINATING GOOD OR NONORIGI-  
13 NATING MATERIAL.—The term “nonoriginating  
14 good” or “nonoriginating material” means a good or  
15 material, as the case may be, that does not qualify  
16 as originating under this section.

17           (14) PACKING MATERIALS AND CONTAINERS  
18 FOR SHIPMENT.—The term “packing materials and  
19 containers for shipment” means goods used to pro-  
20 tect another good during its transportation and does  
21 not include the packaging materials and containers  
22 in which the other good is packaged for retail sale.

23           (15) PREFERENTIAL TARIFF TREATMENT.—  
24 The term “preferential tariff treatment” means the  
25 customs duty rate, and the treatment under article

1 3.10.4 of the Agreement, that are applicable to an  
2 originating good pursuant to the Agreement.

3 (16) PRODUCER.—The term “producer” means  
4 a person who engages in the production of a good  
5 in the territory of Panama or the United States.

6 (17) PRODUCTION.—The term “production”  
7 means growing, mining, harvesting, fishing, raising,  
8 trapping, hunting, manufacturing, processing, as-  
9 sembling, or disassembling a good.

10 (18) REASONABLY ALLOCATE.—The term “rea-  
11 sonably allocate” means to apportion in a manner  
12 that would be appropriate under generally accepted  
13 accounting principles.

14 (19) RECOVERED GOODS.—The term “recov-  
15 ered goods” means materials in the form of indi-  
16 vidual parts that are the result of—

17 (A) the disassembly of used goods into in-  
18 dividual parts; and

19 (B) the cleaning, inspecting, testing, or  
20 other processing that is necessary for improve-  
21 ment to sound working condition of such indi-  
22 vidual parts.

23 (20) REMANUFACTURED GOOD.—The term “re-  
24 manufactured good” means a good that is classified  
25 under chapter 84, 85, 87, or 90, or heading 9402,

1 other than a good classified under heading 8418 or  
2 8516, and that—

3 (A) is entirely or partially comprised of re-  
4 covered goods; and

5 (B) has a similar life expectancy and en-  
6 joys a factory warranty similar to such a good  
7 that is new.

8 (21) TOTAL COST.—The term “total cost”  
9 means all product costs, period costs, and other  
10 costs for a good incurred in the territory of Panama,  
11 the United States, or both.

12 (22) USED.—The term “used” means utilized  
13 or consumed in the production of goods.

14 (o) PRESIDENTIAL PROCLAMATION AUTHORITY.—

15 (1) IN GENERAL.—The President is authorized  
16 to proclaim, as part of the HTS—

17 (A) the provisions set forth in Annex 4.1  
18 of the Agreement; and

19 (B) any additional subordinate category  
20 that is necessary to carry out this title con-  
21 sistent with the Agreement.

22 (2) FABRICS, YARNS, OR FIBERS NOT AVAIL-  
23 ABLE IN COMMERCIAL QUANTITIES IN THE UNITED  
24 STATES.—The President is authorized to proclaim  
25 that a fabric, yarn, or fiber is added to the list in

1 Annex 3.25 of the Agreement in an unrestricted  
2 quantity, as provided in article 3.25.4(e) of the  
3 Agreement.

4 (3) MODIFICATIONS.—

5 (A) IN GENERAL.—Subject to the consulta-  
6 tion and layover provisions of section 104, the  
7 President may proclaim modifications to the  
8 provisions proclaimed under the authority of  
9 paragraph (1)(A), other than provisions of  
10 chapters 50 through 63 (as included in Annex  
11 4.1 of the Agreement).

12 (B) ADDITIONAL PROCLAMATIONS.—Not-  
13 withstanding subparagraph (A), and subject to  
14 the consultation and layover provisions of sec-  
15 tion 104, the President may proclaim before the  
16 end of the 1-year period beginning on the date  
17 on which the Agreement enters into force,  
18 modifications to correct any typographical, cler-  
19 ical, or other nonsubstantive technical error re-  
20 garding the provisions of chapters 50 through  
21 63 (as included in Annex 4.1 of the Agree-  
22 ment).

23 (4) FABRICS, YARNS, OR FIBERS NOT AVAIL-  
24 ABLE IN COMMERCIAL QUANTITIES IN PANAMA AND  
25 THE UNITED STATES.—

1 (A) IN GENERAL.—Notwithstanding para-  
2 graph (3)(A), the list of fabrics, yarns, and fi-  
3 bers set forth in Annex 3.25 of the Agreement  
4 may be modified as provided for in this para-  
5 graph.

6 (B) DEFINITIONS.—In this paragraph:

7 (i) INTERESTED ENTITY.—The term  
8 “interested entity” means the Government  
9 of Panama, a potential or actual purchaser  
10 of a textile or apparel good, or a potential  
11 or actual supplier of a textile or apparel  
12 good.

13 (ii) DAY; DAYS.—All references to  
14 “day” and “days” exclude Saturdays, Sun-  
15 days, and legal holidays observed by the  
16 Government of the United States.

17 (C) REQUESTS TO ADD FABRICS, YARNS,  
18 OR FIBERS.—

19 (i) IN GENERAL.—An interested entity  
20 may request the President to determine  
21 that a fabric, yarn, or fiber is not available  
22 in commercial quantities in a timely man-  
23 ner in Panama and the United States and  
24 to add that fabric, yarn, or fiber to the list

1 in Annex 3.25 of the Agreement in a re-  
2 stricted or unrestricted quantity.

3 (ii) DETERMINATIONS.—After receiv-  
4 ing a request under clause (i), the Presi-  
5 dent may determine whether—

6 (I) the fabric, yarn, or fiber is  
7 available in commercial quantities in a  
8 timely manner in Panama or the  
9 United States; or

10 (II) any interested entity objects  
11 to the request.

12 (iii) PROCLAMATION AUTHORITY.—  
13 The President may, within the time peri-  
14 ods specified in clause (iv), proclaim that  
15 the fabric, yarn, or fiber that is the subject  
16 of the request is added to the list in Annex  
17 3.25 of the Agreement in an unrestricted  
18 quantity, or in any restricted quantity that  
19 the President may establish, if the Presi-  
20 dent has determined under clause (ii)  
21 that—

22 (I) the fabric, yarn, or fiber is  
23 not available in commercial quantities  
24 in a timely manner in Panama and  
25 the United States; or

1 (II) no interested entity has ob-  
2 jected to the request.

3 (iv) TIME PERIODS.—The time peri-  
4 ods within which the President may issue  
5 a proclamation under clause (iii) are—

6 (I) not later than 30 days after  
7 the date on which a request is sub-  
8 mitted under clause (i); or

9 (II) not later than 44 days after  
10 the request is submitted, if the Presi-  
11 dent determines, within 30 days after  
12 the date on which the request is sub-  
13 mitted, that the President does not  
14 have sufficient information to make a  
15 determination under clause (ii).

16 (v) EFFECTIVE DATE.—Notwith-  
17 standing section 103(a)(2), a proclamation  
18 made under clause (iii) shall take effect on  
19 the date on which the text of the proclama-  
20 tion is published in the Federal Register.

21 (vi) ELIMINATION OF RESTRICTION.—  
22 Not later than 6 months after proclaiming  
23 under clause (iii) that a fabric, yarn, or  
24 fiber is added to the list in Annex 3.25 of  
25 the Agreement in a restricted quantity, the

1           President may eliminate the restriction if  
2           the President determines that the fabric,  
3           yarn, or fiber is not available in commer-  
4           cial quantities in a timely manner in Pan-  
5           ama and the United States.

6           (D) DEEMED APPROVAL OF REQUEST.—If,  
7           after an interested entity submits a request  
8           under subparagraph (C)(i), the President does  
9           not, within the applicable time period specified  
10          in subparagraph (C)(iv), make a determination  
11          under subparagraph (C)(ii) regarding the re-  
12          quest, the fabric, yarn, or fiber that is the sub-  
13          ject of the request shall be considered to be  
14          added, in an unrestricted quantity, to the list in  
15          Annex 3.25 of the Agreement beginning—

16                 (i) 45 days after the date on which  
17                 the request is submitted; or

18                 (ii) 60 days after the date on which  
19                 the request is submitted, if the President  
20                 made a determination under subparagraph  
21                 (C)(iv)(II).

22          (E) REQUESTS TO RESTRICT OR REMOVE  
23          FABRICS, YARNS, OR FIBERS.—

24                 (i) IN GENERAL.—Subject to clause

25                 (ii), an interested entity may request the

1 President to restrict the quantity of, or re-  
2 move from the list in Annex 3.25 of the  
3 Agreement, any fabric, yarn, or fiber—

4 (I) that has been added to that  
5 list in an unrestricted quantity pursu-  
6 ant to paragraph (2) or subparagraph  
7 (C)(iii) or (D) of this paragraph; or

8 (II) with respect to which the  
9 President has eliminated a restriction  
10 under subparagraph (C)(vi).

11 (ii) TIME PERIOD FOR SUBMISSION.—

12 An interested entity may submit a request  
13 under clause (i) at any time beginning on  
14 the date that is 6 months after the date of  
15 the action described in subclause (I) or (II)  
16 of that clause.

17 (iii) PROCLAMATION AUTHORITY.—

18 Not later than 30 days after the date on  
19 which a request under clause (i) is sub-  
20 mitted, the President may proclaim an ac-  
21 tion provided for under clause (i) if the  
22 President determines that the fabric, yarn,  
23 or fiber that is the subject of the request  
24 is available in commercial quantities in a

1                   timely manner in Panama or the United  
2                   States.

3                   (iv) EFFECTIVE DATE.—A proclama-  
4                   tion issued under clause (iii) may not take  
5                   effect earlier than the date that is 6  
6                   months after the date on which the text of  
7                   the proclamation is published in the Fed-  
8                   eral Register.

9                   (F) PROCEDURES.—The President shall  
10                  establish procedures—

11                  (i) governing the submission of a re-  
12                  quest under subparagraphs (C) and (E);  
13                  and

14                  (ii) providing an opportunity for inter-  
15                  ested entities to submit comments and sup-  
16                  porting evidence before the President  
17                  makes a determination under subpara-  
18                  graph (C) (ii) or (vi) or (E)(iii).

19 **SEC. 204. CUSTOMS USER FEES.**

20                  Section 13031(b) of the Consolidated Omnibus Budg-  
21                  et Reconciliation Act of 1985 (19 U.S.C. 58c(b)) is  
22                  amended by adding after paragraph (20) the following:

23                  “(21) No fee may be charged under subsection (a)(9)  
24                  or (10) with respect to goods that qualify as originating  
25                  goods under section 203 of the United States–Panama

1 Trade Promotion Agreement Implementation Act. Any  
2 service for which an exemption from such fee is provided  
3 by reason of this paragraph may not be funded with  
4 money contained in the Customs User Fee Account.”.

5 **SEC. 205. DISCLOSURE OF INCORRECT INFORMATION;**  
6 **FALSE CERTIFICATIONS OF ORIGIN; DENIAL**  
7 **OF PREFERENTIAL TARIFF TREATMENT.**

8 (a) DISCLOSURE OF INCORRECT INFORMATION.—  
9 Section 592 of the Tariff Act of 1930 (19 U.S.C. 1592)  
10 is amended—

11 (1) in subsection (c)—

12 (A) by redesignating paragraph (13) as  
13 paragraph (14); and

14 (B) by inserting after paragraph (12) the  
15 following new paragraph:

16 “(13) PRIOR DISCLOSURE REGARDING CLAIMS  
17 UNDER THE UNITED STATES–PANAMA TRADE PRO-  
18 MOTION AGREEMENT.—An importer shall not be  
19 subject to penalties under subsection (a) for making  
20 an incorrect claim that a good qualifies as an origi-  
21 nating good under section 203 of the United States–  
22 Panama Trade Promotion Agreement Implementa-  
23 tion Act if the importer, in accordance with regula-  
24 tions issued by the Secretary of the Treasury,  
25 promptly and voluntarily makes a corrected declara-

1       tion and pays any duties owing with respect to that  
2       good.”; and

3               (2) by adding at the end the following new sub-  
4       section:

5       “(1) FALSE CERTIFICATIONS OF ORIGIN UNDER THE  
6       UNITED STATES–PANAMA TRADE PROMOTION AGREE-  
7       MENT.—

8               “(1) IN GENERAL.—Subject to paragraph (2),  
9       it is unlawful for any person to certify falsely, by  
10       fraud, gross negligence, or negligence, in a Panama  
11       TPA certification of origin (as defined in section  
12       508 of this Act) that a good exported from the  
13       United States qualifies as an originating good under  
14       the rules of origin provided for in section 203 of the  
15       United States–Panama Trade Promotion Agreement  
16       Implementation Act. The procedures and penalties  
17       of this section that apply to a violation of subsection  
18       (a) also apply to a violation of this subsection.

19               “(2) PROMPT AND VOLUNTARY DISCLOSURE OF  
20       INCORRECT INFORMATION.—No penalty shall be im-  
21       posed under this subsection if, promptly after an ex-  
22       porter or producer that issued a Panama TPA cer-  
23       tification of origin has reason to believe that such  
24       certification contains or is based on incorrect infor-  
25       mation, the exporter or producer voluntarily provides

1 written notice of such incorrect information to every  
2 person to whom the certification was issued.

3 “(3) EXCEPTION.—A person shall not be con-  
4 sidered to have violated paragraph (1) if—

5 “(A) the information was correct at the  
6 time it was provided in a Panama TPA certifi-  
7 cation of origin but was later rendered incorrect  
8 due to a change in circumstances; and

9 “(B) the person promptly and voluntarily  
10 provides written notice of the change in cir-  
11 cumstances to all persons to whom the person  
12 provided the certification.”.

13 (b) DENIAL OF PREFERENTIAL TARIFF TREAT-  
14 MENT.—Section 514 of the Tariff Act of 1930 (19 U.S.C.  
15 1514) is amended by adding at the end the following new  
16 subsection:

17 “(1) DENIAL OF PREFERENTIAL TARIFF TREATMENT  
18 UNDER THE UNITED STATES–PANAMA TRADE PRO-  
19 MOTION AGREEMENT.—If U.S. Customs and Border Pro-  
20 tection or U.S. Immigration and Customs Enforcement of  
21 the Department of Homeland Security finds indications  
22 of a pattern of conduct by an importer, exporter, or pro-  
23 ducer of false or unsupported representations that goods  
24 qualify under the rules of origin provided for in section  
25 203 of the United States–Panama Trade Promotion

1 Agreement Implementation Act, U.S. Customs and Border  
2 Protection, in accordance with regulations issued by the  
3 Secretary of the Treasury, may suspend preferential tariff  
4 treatment under the United States–Panama Trade Pro-  
5 motion Agreement to entries of identical goods covered by  
6 subsequent representations by that importer, exporter, or  
7 producer until U.S. Customs and Border Protection deter-  
8 mines that representations of that person are in con-  
9 formity with such section 203.”.

10 **SEC. 206. RELIQUIDATION OF ENTRIES.**

11 Section 520(d) of the Tariff Act of 1930 (19 U.S.C.  
12 1520(d)) is amended in the matter preceding paragraph  
13 (1)—

14 (1) by striking “or”; and

15 (2) by striking “for which” and inserting “, or  
16 section 203 of the United States–Panama Trade  
17 Promotion Agreement Implementation Act for  
18 which”.

19 **SEC. 207. RECORDKEEPING REQUIREMENTS.**

20 Section 508 of the Tariff Act of 1930 (19 U.S.C.  
21 1508) is amended—

22 (1) by redesignating subsection (k) as sub-  
23 section (l);

24 (2) by inserting after subsection (j) the fol-  
25 lowing new subsection:

1       “(k) CERTIFICATIONS OF ORIGIN FOR GOODS EX-  
2 PORTED UNDER THE UNITED STATES–PANAMA TRADE  
3 PROMOTION AGREEMENT.—

4           “(1) DEFINITIONS.—In this subsection:

5               “(A) RECORDS AND SUPPORTING DOCU-  
6 MENTS.—The term ‘records and supporting  
7 documents’ means, with respect to an exported  
8 good under paragraph (2), records and docu-  
9 ments related to the origin of the good, includ-  
10 ing—

11                   “(i) the purchase, cost, and value of,  
12                   and payment for, the good;

13                   “(ii) the purchase, cost, and value of,  
14                   and payment for, all materials, including  
15                   indirect materials, used in the production  
16                   of the good; and

17                   “(iii) the production of the good in  
18                   the form in which it was exported.

19               “(B) PANAMA TPA CERTIFICATION OF ORI-  
20 GIN.—The term ‘Panama TPA certification of  
21 origin’ means the certification established under  
22 article 4.15 of the United States–Panama  
23 Trade Promotion Agreement that a good quali-  
24 fies as an originating good under such Agree-  
25 ment.

1           “(2) EXPORTS TO PANAMA.—Any person who  
2           completes and issues a Panama TPA certification of  
3           origin for a good exported from the United States  
4           shall make, keep, and, pursuant to rules and regula-  
5           tions promulgated by the Secretary of the Treasury,  
6           render for examination and inspection all records  
7           and supporting documents related to the origin of  
8           the good (including the certification or copies there-  
9           of).

10           “(3) RETENTION PERIOD.—The person who  
11           issues a Panama TPA certification of origin shall  
12           keep the records and supporting documents relating  
13           to that certification of origin for a period of at least  
14           5 years after the date on which the certification is  
15           issued.”; and

16           (3) in subsection (l), as so redesignated, by  
17           striking “(i), or (j)” and inserting “(i), (j), or (k)”.

18 **SEC. 208. ENFORCEMENT RELATING TO TRADE IN TEXTILE**

19           **OR APPAREL GOODS.**

20           (a) ACTION DURING VERIFICATION.—

21           (1) IN GENERAL.—If the Secretary of the  
22           Treasury requests the Government of Panama to  
23           conduct a verification pursuant to article 3.21 of the  
24           Agreement for purposes of making a determination  
25           under paragraph (2), the President may direct the

1 Secretary to take appropriate action described in  
2 subsection (b) while the verification is being con-  
3 ducted.

4 (2) DETERMINATION.—A determination under  
5 this paragraph is a determination of the Secretary  
6 that—

7 (A) an enterprise in Panama is complying  
8 with applicable customs laws, regulations, and  
9 procedures regarding trade in textile or apparel  
10 goods, or

11 (B) a claim that a textile or apparel good  
12 exported or produced by such enterprise—

13 (i) qualifies as an originating good  
14 under section 203, or

15 (ii) is a good of Panama,  
16 is accurate.

17 (b) APPROPRIATE ACTION DESCRIBED.—Appropriate  
18 action under subsection (a)(1) includes—

19 (1) suspension of preferential tariff treatment  
20 under the Agreement with respect to—

21 (A) any textile or apparel good exported or  
22 produced by the person that is the subject of a  
23 verification under subsection (a)(1) regarding  
24 compliance described in subsection (a)(2)(A), if  
25 the Secretary of the Treasury determines that

1           there is insufficient information to support any  
2           claim for preferential tariff treatment that has  
3           been made with respect to any such good; or

4                   (B) the textile or apparel good for which a  
5           claim of preferential tariff treatment has been  
6           made that is the subject of a verification under  
7           subsection (a)(1) regarding a claim described in  
8           subsection (a)(2)(B), if the Secretary deter-  
9           mines that there is insufficient information to  
10          support that claim;

11          (2) denial of preferential tariff treatment under  
12          the Agreement with respect to—

13                   (A) any textile or apparel good exported or  
14           produced by the person that is the subject of a  
15           verification under subsection (a)(1) regarding  
16           compliance described in subsection (a)(2)(A), if  
17           the Secretary determines that the person has  
18           provided incorrect information to support any  
19           claim for preferential tariff treatment that has  
20           been made with respect to any such good; or

21                   (B) the textile or apparel good for which a  
22           claim of preferential tariff treatment has been  
23           made that is the subject of a verification under  
24           subsection (a)(1) regarding a claim described in  
25           subsection (a)(2)(B), if the Secretary deter-

1           mines that a person has provided incorrect in-  
2           formation to support that claim;

3           (3) detention of any textile or apparel good ex-  
4           ported or produced by the person that is the subject  
5           of a verification under subsection (a)(1) regarding  
6           compliance described in subsection (a)(2)(A) or a  
7           claim described in subsection (a)(2)(B), if the Sec-  
8           retary determines that there is insufficient informa-  
9           tion to determine the country of origin of any such  
10          good; and

11          (4) denial of entry into the United States of  
12          any textile or apparel good exported or produced by  
13          the person that is the subject of a verification under  
14          subsection (a)(1) regarding compliance described in  
15          subsection (a)(2)(A) or a claim described in sub-  
16          section (a)(2)(B), if the Secretary determines that  
17          the person has provided incorrect information as to  
18          the country of origin of any such good.

19          (c) ACTION ON COMPLETION OF A VERIFICATION.—  
20          On completion of a verification under subsection (a), the  
21          President may direct the Secretary of the Treasury to take  
22          appropriate action described in subsection (d) until such  
23          time as the Secretary receives information sufficient to  
24          make the determination under subsection (a)(2) or until  
25          such earlier date as the President may direct.

1 (d) APPROPRIATE ACTION DESCRIBED.—Appro-  
2 priate action under subsection (c) includes—

3 (1) denial of preferential tariff treatment under  
4 the Agreement with respect to—

5 (A) any textile or apparel good exported or  
6 produced by the person that is the subject of a  
7 verification under subsection (a)(1) regarding  
8 compliance described in subsection (a)(2)(A), if  
9 the Secretary of the Treasury determines that  
10 there is insufficient information to support, or  
11 that the person has provided incorrect informa-  
12 tion to support, any claim for preferential tariff  
13 treatment that has been made with respect to  
14 any such good; or

15 (B) the textile or apparel good for which a  
16 claim of preferential tariff treatment has been  
17 made that is the subject of a verification under  
18 subsection (a)(1) regarding a claim described in  
19 subsection (a)(2)(B), if the Secretary deter-  
20 mines that there is insufficient information to  
21 support, or that a person has provided incorrect  
22 information to support, that claim; and

23 (2) denial of entry into the United States of  
24 any textile or apparel good exported or produced by  
25 the person that is the subject of a verification under

1 subsection (a)(1) regarding compliance described in  
2 subsection (a)(2)(A) or a claim described in sub-  
3 section (a)(2)(B), if the Secretary determines that  
4 there is insufficient information to determine, or  
5 that the person has provided incorrect information  
6 as to, the country of origin of any such good.

7 (e) PUBLICATION OF NAME OF PERSON.—In accord-  
8 ance with article 3.21.9 of the Agreement, the Secretary  
9 of the Treasury may publish the name of any person that  
10 the Secretary has determined—

11 (1) is engaged in intentional circumvention of  
12 applicable laws, regulations, or procedures affecting  
13 trade in textile or apparel goods; or

14 (2) has failed to demonstrate that it produces,  
15 or is capable of producing, the textile or apparel  
16 goods that are the subject of a verification under  
17 subsection (a)(1).

18 **SEC. 209. REGULATIONS.**

19 The Secretary of the Treasury shall prescribe such  
20 regulations as may be necessary to carry out—

21 (1) subsections (a) through (n) of section 203;

22 (2) the amendment made by section 204; and

23 (3) any proclamation issued under section  
24 203(o).

1           **TITLE III—RELIEF FROM**  
2                           **IMPORTS**

3 **SEC. 301. DEFINITIONS.**

4           In this title:

5                   (1) PANAMANIAN ARTICLE.—The term “Pan-  
6           amanian article” means an article that qualifies as  
7           an originating good under section 203(b).

8                   (2) PANAMANIAN TEXTILE OR APPAREL ARTI-  
9           CLE.—The term “Panamanian textile or apparel ar-  
10          ticle” means a textile or apparel good (as defined in  
11          section 3(4)) that is a Panamanian article.

12           **Subtitle A—Relief From Imports**  
13           **Benefitting From the Agreement**

14 **SEC. 311. COMMENCING OF ACTION FOR RELIEF.**

15           (a) FILING OF PETITION.—A petition requesting ac-  
16          tion under this subtitle for the purpose of adjusting to  
17          the obligations of the United States under the Agreement  
18          may be filed with the Commission by an entity, including  
19          a trade association, firm, certified or recognized union, or  
20          group of workers, that is representative of an industry.  
21          The Commission shall transmit a copy of any petition filed  
22          under this subsection to the United States Trade Rep-  
23          resentative.

24           (b) INVESTIGATION AND DETERMINATION.—Upon  
25          the filing of a petition under subsection (a), the Commis-

1 sion, unless subsection (d) applies, shall promptly initiate  
2 an investigation to determine whether, as a result of the  
3 reduction or elimination of a duty provided for under the  
4 Agreement, a Panamanian article is being imported into  
5 the United States in such increased quantities, in absolute  
6 terms or relative to domestic production, and under such  
7 conditions that imports of the Panamanian article con-  
8 stitute a substantial cause of serious injury or threat  
9 thereof to the domestic industry producing an article that  
10 is like, or directly competitive with, the imported article.

11 (c) APPLICABLE PROVISIONS.—The following provi-  
12 sions of section 202 of the Trade Act of 1974 (19 U.S.C.  
13 2252) apply with respect to any investigation initiated  
14 under subsection (b):

15 (1) Paragraphs (1)(B) and (3) of subsection  
16 (b).

17 (2) Subsection (c).

18 (3) Subsection (i).

19 (d) ARTICLES EXEMPT FROM INVESTIGATION.—No  
20 investigation may be initiated under this section with re-  
21 spect to any Panamanian article if, after the date on which  
22 the Agreement enters into force, import relief has been  
23 provided with respect to that Panamanian article under  
24 this subtitle.

1 **SEC. 312. COMMISSION ACTION ON PETITION.**

2 (a) DETERMINATION.—Not later than 120 days after  
3 the date on which an investigation is initiated under sec-  
4 tion 311(b) with respect to a petition, the Commission  
5 shall make the determination required under that section.

6 (b) APPLICABLE PROVISIONS.—For purposes of this  
7 subtitle, the provisions of paragraphs (1), (2), and (3) of  
8 section 330(d) of the Tariff Act of 1930 (19 U.S.C.  
9 1330(d) (1), (2), and (3)) shall be applied with respect  
10 to determinations and findings made under this section  
11 as if such determinations and findings were made under  
12 section 202 of the Trade Act of 1974 (19 U.S.C. 2252).

13 (c) ADDITIONAL FINDING AND RECOMMENDATION IF  
14 DETERMINATION AFFIRMATIVE.—

15 (1) IN GENERAL.—If the determination made  
16 by the Commission under subsection (a) with respect  
17 to imports of an article is affirmative, or if the  
18 President may consider a determination of the Com-  
19 mission to be an affirmative determination as pro-  
20 vided for under paragraph (1) of section 330(d) of  
21 the Tariff Act of 1930 (19 U.S.C. 1330(d)(1)), the  
22 Commission shall find, and recommend to the Presi-  
23 dent in the report required under subsection (d), the  
24 amount of import relief that is necessary to remedy  
25 or prevent the injury found by the Commission in  
26 the determination and to facilitate the efforts of the

1 domestic industry to make a positive adjustment to  
2 import competition.

3 (2) LIMITATION ON RELIEF.—The import relief  
4 recommended by the Commission under this sub-  
5 section shall be limited to the relief described in sec-  
6 tion 313(e).

7 (3) VOTING; SEPARATE VIEWS.—Only those  
8 members of the Commission who voted in the af-  
9 firmative under subsection (a) are eligible to vote on  
10 the proposed action to remedy or prevent the injury  
11 found by the Commission. Members of the Commis-  
12 sion who did not vote in the affirmative may submit,  
13 in the report required under subsection (d), separate  
14 views regarding what action, if any, should be taken  
15 to remedy or prevent the injury.

16 (d) REPORT TO PRESIDENT.—Not later than the  
17 date that is 30 days after the date on which a determina-  
18 tion is made under subsection (a) with respect to an inves-  
19 tigation, the Commission shall submit to the President a  
20 report that includes—

21 (1) the determination made under subsection  
22 (a) and an explanation of the basis for the deter-  
23 mination;

24 (2) if the determination under subsection (a) is  
25 affirmative, any findings and recommendations for

1 import relief made under subsection (c) and an ex-  
2 planation of the basis for each recommendation; and

3 (3) any dissenting or separate views by mem-  
4 bers of the Commission regarding the determination  
5 referred to in paragraph (1) and any finding or rec-  
6 ommendation referred to in paragraph (2).

7 (e) PUBLIC NOTICE.—Upon submitting a report to  
8 the President under subsection (d), the Commission shall  
9 promptly make public the report (with the exception of  
10 information which the Commission determines to be con-  
11 fidential) and shall publish a summary of the report in  
12 the Federal Register.

13 **SEC. 313. PROVISION OF RELIEF.**

14 (a) IN GENERAL.—Not later than the date that is  
15 30 days after the date on which the President receives a  
16 report of the Commission in which the Commission's de-  
17 termination under section 312(a) is affirmative, or which  
18 contains a determination under section 312(a) that the  
19 President considers to be affirmative under paragraph (1)  
20 of section 330(d) of the Tariff Act of 1930 (19 U.S.C.  
21 1330(d)(1)), the President, subject to subsection (b), shall  
22 provide relief from imports of the article that is the subject  
23 of such determination to the extent that the President de-  
24 termines necessary to remedy or prevent the injury found  
25 by the Commission and to facilitate the efforts of the do-

1 mestic industry to make a positive adjustment to import  
2 competition.

3 (b) EXCEPTION.—The President is not required to  
4 provide import relief under this section if the President  
5 determines that the provision of the import relief will not  
6 provide greater economic and social benefits than costs.

7 (c) NATURE OF RELIEF.—

8 (1) IN GENERAL.—The import relief that the  
9 President is authorized to provide under this section  
10 with respect to imports of an article is as follows:

11 (A) The suspension of any further reduc-  
12 tion provided for under Annex 3.3 of the Agree-  
13 ment in the duty imposed on the article.

14 (B) An increase in the rate of duty im-  
15 posed on the article to a level that does not ex-  
16 ceed the lesser of—

17 (i) the column 1 general rate of duty  
18 imposed under the HTS on like articles at  
19 the time the import relief is provided; or

20 (ii) the column 1 general rate of duty  
21 imposed under the HTS on like articles on  
22 the day before the date on which the  
23 Agreement enters into force.

24 (2) PROGRESSIVE LIBERALIZATION.—If the pe-  
25 riod for which import relief is provided under this

1 section is greater than 1 year, the President shall  
2 provide for the progressive liberalization (described  
3 in article 8.2.3 of the Agreement) of such relief at  
4 regular intervals during the period of its application.

5 (d) PERIOD OF RELIEF.—

6 (1) IN GENERAL.—Subject to paragraph (2),  
7 any import relief that the President provides under  
8 this section may not, in the aggregate, be in effect  
9 for more than 4 years.

10 (2) EXTENSION.—

11 (A) IN GENERAL.—If the initial period for  
12 any import relief provided under this section is  
13 less than 4 years, the President, after receiving  
14 a determination from the Commission under  
15 subparagraph (B) that is affirmative, or which  
16 the President considers to be affirmative under  
17 paragraph (1) of section 330(d) of the Tariff  
18 Act of 1930 (19 U.S.C. 1330(d)(1)), may ex-  
19 tend the effective period of any import relief  
20 provided under this section, subject to the limi-  
21 tation under paragraph (1), if the President de-  
22 termines that—

23 (i) the import relief continues to be  
24 necessary to remedy or prevent serious in-

1 jury and to facilitate adjustment by the do-  
2 mestic industry to import competition; and

3 (ii) there is evidence that the industry  
4 is making a positive adjustment to import  
5 competition.

6 (B) ACTION BY COMMISSION.—

7 (i) INVESTIGATION.—Upon a petition  
8 on behalf of the industry concerned that is  
9 filed with the Commission not earlier than  
10 the date that is 9 months, and not later  
11 than the date that is 6 months, before the  
12 date on which any action taken under sub-  
13 section (a) is to terminate, the Commission  
14 shall conduct an investigation to determine  
15 whether action under this section continues  
16 to be necessary to remedy or prevent seri-  
17 ous injury and whether there is evidence  
18 that the industry is making a positive ad-  
19 justment to import competition.

20 (ii) NOTICE AND HEARING.—The  
21 Commission shall publish notice of the  
22 commencement of any proceeding under  
23 this subparagraph in the Federal Register  
24 and shall, within a reasonable time there-  
25 after, hold a public hearing at which the

1 Commission shall afford interested parties  
2 and consumers an opportunity to be  
3 present, to present evidence, and to re-  
4 spond to the presentations of other parties  
5 and consumers, and otherwise to be heard.

6 (iii) REPORT.—The Commission shall  
7 submit to the President a report on its in-  
8 vestigation and determination under this  
9 subparagraph not later than 60 days be-  
10 fore the action under subsection (a) is to  
11 terminate, unless the President specifies a  
12 different date.

13 (e) RATE AFTER TERMINATION OF IMPORT RE-  
14 LIEF.—When import relief under this section is termi-  
15 nated with respect to an article—

16 (1) the rate of duty on that article after such  
17 termination and on or before December 31 of the  
18 year in which such termination occurs shall be the  
19 rate that, according to the Schedule of the United  
20 States to Annex 3.3 of the Agreement, would have  
21 been in effect 1 year after the provision of relief  
22 under subsection (a); and

23 (2) the rate of duty for that article after De-  
24 cember 31 of the year in which such termination oc-

1       curs shall be, at the discretion of the President, ei-  
2       ther—

3               (A) the applicable rate of duty for that ar-  
4       ticle set forth in the Schedule of the United  
5       States to Annex 3.3 of the Agreement; or

6               (B) the rate of duty resulting from the  
7       elimination of the tariff in equal annual stages  
8       ending on the date set forth in the Schedule of  
9       the United States to Annex 3.3 of the Agree-  
10      ment for the elimination of the tariff.

11      (f) **ARTICLES EXEMPT FROM RELIEF.**—No import  
12      relief may be provided under this section on—

13              (1) any article that is subject to import relief  
14      under—

15              (A) subtitle B; or

16              (B) chapter 1 of title II of the Trade Act  
17      of 1974 (19 U.S.C. 2251 et seq.); or

18              (2) any article on which an additional duty as-  
19      sessed under section 202(b) is in effect.

20      **SEC. 314. TERMINATION OF RELIEF AUTHORITY.**

21      (a) **GENERAL RULE.**—Subject to subsection (b), no  
22      import relief may be provided under this subtitle after the  
23      date that is 10 years after the date on which the Agree-  
24      ment enters into force.

1 (b) EXCEPTION.—If an article for which relief is pro-  
2 vided under this subtitle is an article for which the period  
3 for tariff elimination, set forth in the Schedule of the  
4 United States to Annex 3.3 of the Agreement, is greater  
5 than 10 years, no relief under this subtitle may be pro-  
6 vided for that article after the date on which that period  
7 ends.

8 **SEC. 315. COMPENSATION AUTHORITY.**

9 For purposes of section 123 of the Trade Act of 1974  
10 (19 U.S.C. 2133), any import relief provided by the Presi-  
11 dent under section 313 shall be treated as action taken  
12 under chapter 1 of title II of such Act (19 U.S.C. 2251  
13 et seq.).

14 **SEC. 316. CONFIDENTIAL BUSINESS INFORMATION.**

15 Section 202(a)(8) of the Trade Act of 1974 (19  
16 U.S.C. 2252(a)(8)) is amended in the first sentence—

17 (1) by striking “and”; and

18 (2) by inserting before the period at the end “,  
19 and title III of the United States–Panama Trade  
20 Promotion Agreement Implementation Act”.

21 **Subtitle B—Textile and Apparel**  
22 **Safeguard Measures**

23 **SEC. 321. COMMENCEMENT OF ACTION FOR RELIEF.**

24 (a) IN GENERAL.—A request for action under this  
25 subtitle for the purpose of adjusting to the obligations of

1 the United States under the Agreement may be filed with  
2 the President by an interested party. Upon the filing of  
3 a request, the President shall review the request to deter-  
4 mine, from information presented in the request, whether  
5 to commence consideration of the request.

6 (b) PUBLICATION OF REQUEST.—If the President de-  
7 termines that the request under subsection (a) provides  
8 the information necessary for the request to be considered,  
9 the President shall publish in the Federal Register a no-  
10 tice of commencement of consideration of the request, and  
11 notice seeking public comments regarding the request. The  
12 notice shall include a summary of the request and the  
13 dates by which comments and rebuttals must be received.

14 **SEC. 322. DETERMINATION AND PROVISION OF RELIEF.**

15 (a) DETERMINATION.—

16 (1) IN GENERAL.—If a positive determination is  
17 made under section 321(b), the President shall de-  
18 termine whether, as a result of the elimination of a  
19 duty under the Agreement, a Panamanian textile or  
20 apparel article is being imported into the United  
21 States in such increased quantities, in absolute  
22 terms or relative to the domestic market for that ar-  
23 ticle, and under such conditions as to cause serious  
24 damage, or actual threat thereof, to a domestic in-

1 industry producing an article that is like, or directly  
2 competitive with, the imported article.

3 (2) SERIOUS DAMAGE.—In making a deter-  
4 mination under paragraph (1), the President—

5 (A) shall examine the effect of increased  
6 imports on the domestic industry, as reflected  
7 in changes in such relevant economic factors as  
8 output, productivity, utilization of capacity, in-  
9 ventories, market share, exports, wages, em-  
10 ployment, domestic prices, profits, and invest-  
11 ment, no one of which is necessarily decisive;  
12 and

13 (B) shall not consider changes in consumer  
14 preference or changes in technology as factors  
15 supporting a determination of serious damage  
16 or actual threat thereof.

17 (3) DEADLINE FOR DETERMINATION.—The  
18 President shall make the determination under para-  
19 graph (1) not later than 30 days after the comple-  
20 tion of any consultations held pursuant to article  
21 3.24.4 of the Agreement.

22 (b) PROVISION OF RELIEF.—

23 (1) IN GENERAL.—If a determination under  
24 subsection (a) is affirmative, the President may pro-  
25 vide relief from imports of the article that is the

1 subject of such determination, as provided in para-  
2 graph (2), to the extent that the President deter-  
3 mines necessary to remedy or prevent the serious  
4 damage and to facilitate adjustment by the domestic  
5 industry.

6 (2) NATURE OF RELIEF.—The relief that the  
7 President is authorized to provide under this sub-  
8 section with respect to imports of an article is an in-  
9 crease in the rate of duty imposed on the article to  
10 a level that does not exceed the lesser of—

11 (A) the column 1 general rate of duty im-  
12 posed under the HTS on like articles at the  
13 time the import relief is provided; or

14 (B) the column 1 general rate of duty im-  
15 posed under the HTS on like articles on the  
16 day before the date on which the Agreement en-  
17 ters into force.

18 **SEC. 323. PERIOD OF RELIEF.**

19 (a) IN GENERAL.—Subject to subsection (b), any im-  
20 port relief that the President provides under section  
21 322(b) may not, in the aggregate, be in effect for more  
22 than 3 years.

23 (b) EXTENSION.—If the initial period for any import  
24 relief provided under section 322 is less than 3 years, the  
25 President may extend the effective period of any import

1 relief provided under that section, subject to the limitation  
2 set forth in subsection (a), if the President determines  
3 that—

4           (1) the import relief continues to be necessary  
5           to remedy or prevent serious damage and to facili-  
6           tate adjustment by the domestic industry to import  
7           competition; and

8           (2) there is evidence that the industry is mak-  
9           ing a positive adjustment to import competition.

10 **SEC. 324. ARTICLES EXEMPT FROM RELIEF.**

11       The President may not provide import relief under  
12 this subtitle with respect to an article if—

13           (1) import relief previously has been provided  
14           under this subtitle with respect to that article; or

15           (2) the article is subject to import relief  
16           under—

17                   (A) subtitle A; or

18                   (B) chapter 1 of title II of the Trade Act  
19                   of 1974 (19 U.S.C. 2251 et seq.).

20 **SEC. 325. RATE AFTER TERMINATION OF IMPORT RELIEF.**

21       On the date on which import relief under this subtitle  
22 is terminated with respect to an article, the rate of duty  
23 on that article shall be the rate that would have been in  
24 effect but for the provision of such relief.

1 **SEC. 326. TERMINATION OF RELIEF AUTHORITY.**

2 No import relief may be provided under this subtitle  
3 with respect to any article after the date that is 5 years  
4 after the date on which the Agreement enters into force.

5 **SEC. 327. COMPENSATION AUTHORITY.**

6 For purposes of section 123 of the Trade Act of 1974  
7 (19 U.S.C. 2133), any import relief provided by the Presi-  
8 dent under this subtitle shall be treated as action taken  
9 under chapter 1 of title II of such Act (19 U.S.C. 2251  
10 et seq.).

11 **SEC. 328. CONFIDENTIAL BUSINESS INFORMATION.**

12 The President may not release information received  
13 in connection with an investigation or determination under  
14 this subtitle which the President considers to be confiden-  
15 tial business information unless the party submitting the  
16 confidential business information had notice, at the time  
17 of submission, that such information would be released by  
18 the President, or such party subsequently consents to the  
19 release of the information. To the extent a party submits  
20 confidential business information, the party shall also pro-  
21 vide a nonconfidential version of the information in which  
22 the confidential business information is summarized or, if  
23 necessary, deleted.

1 **Subtitle C—Cases Under Title II of**  
2 **the Trade Act of 1974**

3 **SEC. 331. FINDINGS AND ACTION ON PANAMANIAN ARTI-**  
4 **CLES.**

5 (a) EFFECT OF IMPORTS.—If, in any investigation  
6 initiated under chapter 1 of title II of the Trade Act of  
7 1974 (19 U.S.C. 2251 et seq.), the Commission makes an  
8 affirmative determination (or a determination which the  
9 President may treat as an affirmative determination under  
10 such chapter by reason of section 330(d) of the Tariff Act  
11 of 1930 (19 U.S.C. 1330(d))), the Commission shall also  
12 find (and report to the President at the time such injury  
13 determination is submitted to the President) whether im-  
14 ports of the Panamanian article are a substantial cause  
15 of serious injury or threat thereof.

16 (b) PRESIDENTIAL DETERMINATION REGARDING IM-  
17 PORTS OF PANAMANIAN ARTICLES.—In determining the  
18 nature and extent of action to be taken under chapter 1  
19 of title II of the Trade Act of 1974 (19 U.S.C. 2251 et  
20 seq.), the President may exclude from the action Panama-  
21 nian articles with respect to which the Commission has  
22 made a negative finding under subsection (a).

1       **TITLE IV—MISCELLANEOUS**

2       **SEC. 401. ELIGIBLE PRODUCTS.**

3       Section 308(4)(A) of the Trade Agreements Act of  
4 1979 (19 U.S.C. 2518(4)(A)) is amended—

5             (1) by striking “or” at the end of clause (viii);

6             (2) by striking the period at the end of clause  
7 (ix) and inserting “; or”; and

8             (3) by adding at the end the following new  
9 clause:

10                     “(x) a party to the United States—  
11 Panama Trade Promotion Agreement, a  
12 product or service of that country or in-  
13 strumentality which is covered under that  
14 agreement for procurement by the United  
15 States.”.

16       **SEC. 402. MODIFICATION TO THE CARIBBEAN BASIN ECO-  
17                     NOMIC RECOVERY ACT.**

18             (a) IN GENERAL.—Section 212(b) of the Caribbean  
19 Basin Economic Recovery Act (19 U.S.C. 2702(b)) is  
20 amended by striking “Panama” from the list of countries  
21 eligible for designation as beneficiary countries.

22             (b) EFFECTIVE DATE.—The amendment made by  
23 subsection (a) takes effect on the date on which the Presi-  
24 dent terminates the designation of Panama as a bene-  
25 ficiary country pursuant to section 201(a)(3) of this Act.

## **TITLE V—OFFSETS**

### **2 SEC. 501. EXTENSION OF CUSTOMS USER FEES.**

3 Section 13031(j)(3) of the Consolidated Omnibus  
4 Budget Reconciliation Act of 1985 (19 U.S.C. 58c(j)(3))  
5 is amended by adding at the end the following:

6 “(D) Notwithstanding subparagraph (B)(i), fees may  
7 be charged under paragraphs (1) through (8) of sub-  
8 section (a) during the period beginning on September 1,  
9 2021, and ending on September 30, 2021.”.

### **10 SEC. 502. TIME FOR PAYMENT OF CORPORATE ESTIMATED 11 TAXES.**

12 Notwithstanding section 6655 of the Internal Rev-  
13 enue Code of 1986, in the case of a corporation with assets  
14 of not less than \$1,000,000,000 (determined as of the end  
15 of the preceding taxable year)—

16 (1) the amount of any required installment of  
17 corporate estimated tax which is otherwise due in  
18 July, August, or September of 2012 shall be in-  
19 creased by 0.25 percent of such amount (determined  
20 without regard to any increase in such amount not  
21 contained in such Code);

22 (2) the amount of any required installment of  
23 corporate estimated tax which is otherwise due in  
24 July, August, or September of 2016 shall be in-  
25 creased by 0.25 percent of such amount (determined

1 without regard to any increase in such amount not  
2 contained in such Code); and

3 (3) the amount of the next required installment  
4 after an installment referred to in paragraph (1) or  
5 (2) shall be appropriately reduced to reflect the  
6 amount of the increase by reason of such paragraph.

Passed the House of Representatives October 12,  
2011.

Attest:

*Clerk.*



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

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**H. R. 3079**

**AN ACT**

To implement the United States–Panama Trade  
Promotion Agreement.