

107TH CONGRESS
2D SESSION

H. R. 3129

AN ACT

To authorize appropriations for fiscal years 2002 through 2004 for the United States Customs Service for antiterrorism, drug interdiction, and other operations, for the Office of the United States Trade Representative, for the United States International Trade Commission, and for other purposes.

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To authorize appropriations for fiscal years 2002 through 2004 for the United States Customs Service for antiterrorism, drug interdiction, and other operations, for the Office of the United States Trade Representative, for the United States International Trade Commission, and for other purposes.

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

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Customs Border Secu-
 5 rity Act of 2002”.

6 **SEC. 2. TABLE OF CONTENTS.**

7 The table of contents for this Act is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.

TITLE I—UNITED STATES CUSTOMS SERVICE

Subtitle A—Drug Enforcement and Other Noncommercial and Commercial
Operations

- Sec. 101. Authorization of appropriations for noncommercial operations, commercial operations, and air and marine interdiction.
- Sec. 102. Antiterrorist and illicit narcotics detection equipment for the United States-Mexico border, United States-Canada border, and Florida and the Gulf Coast seaports.
- Sec. 103. Compliance with performance plan requirements.

Subtitle B—Child Cyber-Smuggling Center of the Customs Service

- Sec. 111. Authorization of appropriations for program to prevent child pornography/child sexual exploitation.

Subtitle C—Miscellaneous Provisions

- Sec. 121. Additional Customs Service officers for United States-Canada border.
- Sec. 122. Study and report relating to personnel practices of the Customs Service.
- Sec. 123. Study and report relating to accounting and auditing procedures of the Customs Service.
- Sec. 124. Establishment and implementation of cost accounting system; reports.
- Sec. 125. Study and report relating to timeliness of prospective rulings.
- Sec. 126. Study and report relating to Customs user fees.
- Sec. 127. Fees for Customs inspections at express courier facilities.
- Sec. 128. National Customs Automation Program.

Subtitle D—Antiterrorism Provisions

- Sec. 141. Immunity for United States officials that act in good faith.
- Sec. 142. Emergency adjustments to offices, ports of entry, or staffing of the Customs Service.
- Sec. 143. Mandatory advanced electronic information for cargo and passengers.
- Sec. 144. Border search authority for certain contraband in outbound mail.

Sec. 145. Authorization of appropriations for reestablishment of Customs operations in New York City.

Subtitle E—Textile Transshipment Provisions

Sec. 151. GAO audit of textile transshipment monitoring by Customs Service.

Sec. 152. Authorization of appropriations for textile transshipment enforcement operations.

Sec. 153. Implementation of the African Growth and Opportunity Act.

TITLE II—OFFICE OF THE UNITED STATES TRADE REPRESENTATIVE

Sec. 201. Authorization of appropriations.

TITLE III—UNITED STATES INTERNATIONAL TRADE COMMISSION

Sec. 301. Authorization of appropriations.

TITLE IV—OTHER TRADE PROVISIONS

Sec. 401. Increase in aggregate value of articles exempt from duty acquired abroad by United States residents.

Sec. 402. Regulatory audit procedures.

1 **TITLE I—UNITED STATES**
 2 **CUSTOMS SERVICE**
 3 **Subtitle A—Drug Enforcement and**
 4 **Other Noncommercial and Com-**
 5 **mercial Operations**

6 **SEC. 101. AUTHORIZATION OF APPROPRIATIONS FOR NON-**
 7 **COMMERCIAL OPERATIONS, COMMERCIAL**
 8 **OPERATIONS, AND AIR AND MARINE INTER-**
 9 **DICTION.**

10 (a) NONCOMMERCIAL OPERATIONS.—Section
 11 301(b)(1) of the Customs Procedural Reform and Sim-
 12 plification Act of 1978 (19 U.S.C. 2075(b)(1)) is
 13 amended—

14 (1) in subparagraph (A) to read as follows:

15 “(A) \$899,121,000 for fiscal year 2002.”;

1 (2) in subparagraph (B) to read as follows:

2 “(B) \$1,365,456,000 for fiscal year
3 2003.”; and

4 (3) by adding at the end the following:

5 “(C) \$1,399,592,400 for fiscal year
6 2004.”.

7 (b) COMMERCIAL OPERATIONS.—

8 (1) IN GENERAL.—Section 301(b)(2)(A) of the
9 Customs Procedural Reform and Simplification Act
10 of 1978 (19 U.S.C. 2075(b)(2)(A)) is amended—

11 (A) in clause (i) to read as follows:

12 “(i) \$1,606,068,000 for fiscal year 2002.”;

13 (B) in clause (ii) to read as follows:

14 “(ii) \$1,642,602,000 for fiscal year
15 2003.”; and

16 (C) by adding at the end the following:

17 “(iii) \$1,683,667,050 for fiscal year
18 2004.”.

19 (2) AUTOMATED COMMERCIAL ENVIRONMENT
20 COMPUTER SYSTEM.—Of the amount made available
21 for each of fiscal years 2002 through 2004 under
22 section 301(b)(2)(A) of the Customs Procedural Re-
23 form and Simplification Act of 1978 (19 U.S.C.
24 2075(b)(2)(A)), as amended by paragraph (1),
25 \$308,000,000 shall be available until expended for

1 each such fiscal year for the development, establish-
2 ment, and implementation of the Automated Com-
3 mercial Environment computer system.

4 (3) REPORTS.—Not later than 90 days after
5 the date of the enactment of this Act, and not later
6 than each subsequent 90-day period, the Commis-
7 sioner of Customs shall prepare and submit to the
8 Committee on Ways and Means of the House of
9 Representatives and the Committee on Finance of
10 the Senate a report demonstrating that the develop-
11 ment and establishment of the Automated Commer-
12 cial Environment computer system is being carried
13 out in a cost-effective manner and meets the mod-
14 ernization requirements of title VI of the North
15 American Free Trade Agreement Implementation
16 Act.

17 (c) AIR AND MARINE INTERDICTION.—Section
18 301(b)(3) of the Customs Procedural Reform and Sim-
19 plification Act of 1978 (19 U.S.C. 2075(b)(3)) is
20 amended—

21 (1) in subparagraph (A) to read as follows:

22 “(A) \$177,860,000 for fiscal year 2002.”;

23 (2) in subparagraph (B) to read as follows:

24 “(B) \$170,829,000 for fiscal year 2003.”;

25 and

1 (3) by adding at the end the following:

2 “(C) \$175,099,725 for fiscal year 2004.”.

3 (d) SUBMISSION OF OUT-YEAR BUDGET PROJEC-
4 TIONS.—Section 301(a) of the Customs Procedural Re-
5 form and Simplification Act of 1978 (19 U.S.C. 2075(a))
6 is amended by adding at the end the following:

7 “(3) By not later than the date on which the Presi-
8 dent submits to Congress the budget of the United States
9 Government for a fiscal year, the Commissioner of Cus-
10 toms shall submit to the Committee on Ways and Means
11 of the House of Representatives and the Committee on
12 Finance of the Senate the projected amount of funds for
13 the succeeding fiscal year that will be necessary for the
14 operations of the Customs Service as provided for in sub-
15 section (b).”.

16 **SEC. 102. ANTITERRORIST AND ILLICIT NARCOTICS DETEC-**
17 **TION EQUIPMENT FOR THE UNITED STATES-**
18 **MEXICO BORDER, UNITED STATES-CANADA**
19 **BORDER, AND FLORIDA AND THE GULF**
20 **COAST SEAPORTS.**

21 (a) FISCAL YEAR 2002.—Of the amounts made avail-
22 able for fiscal year 2002 under section 301(b)(1)(A) of
23 the Customs Procedural Reform and Simplification Act of
24 1978 (19 U.S.C. 2075(b)(1)(A)), as amended by section
25 101(a) of this Act, \$90,244,000 shall be available until

1 expended for acquisition and other expenses associated
2 with implementation and deployment of antiterrorist and
3 illicit narcotics detection equipment along the United
4 States-Mexico border, the United States-Canada border,
5 and Florida and the Gulf Coast seaports, as follows:

6 (1) UNITED STATES-MEXICO BORDER.—For the
7 United States-Mexico border, the following:

8 (A) \$6,000,000 for 8 Vehicle and Con-
9 tainer Inspection Systems (VACIS).

10 (B) \$11,200,000 for 5 mobile truck x-rays
11 with transmission and backscatter imaging.

12 (C) \$13,000,000 for the upgrade of 8
13 fixed-site truck x-rays from the present energy
14 level of 450,000 electron volts to 1,000,000
15 electron volts (1-MeV).

16 (D) \$7,200,000 for 8 1-MeV pallet x-rays.

17 (E) \$1,000,000 for 200 portable contra-
18 band detectors (busters) to be distributed
19 among ports where the current allocations are
20 inadequate.

21 (F) \$600,000 for 50 contraband detection
22 kits to be distributed among all southwest bor-
23 der ports based on traffic volume.

24 (G) \$500,000 for 25 ultrasonic container
25 inspection units to be distributed among all

1 ports receiving liquid-filled cargo and to ports
2 with a hazardous material inspection facility.

3 (H) \$2,450,000 for 7 automated targeting
4 systems.

5 (I) \$360,000 for 30 rapid tire deflator sys-
6 tems to be distributed to those ports where port
7 runners are a threat.

8 (J) \$480,000 for 20 portable Treasury En-
9 forcement Communications Systems (TECS)
10 terminals to be moved among ports as needed.

11 (K) \$1,000,000 for 20 remote watch sur-
12 veillance camera systems at ports where there
13 are suspicious activities at loading docks, vehi-
14 cle queues, secondary inspection lanes, or areas
15 where visual surveillance or observation is ob-
16 scured.

17 (L) \$1,254,000 for 57 weigh-in-motion
18 sensors to be distributed among the ports with
19 the greatest volume of outbound traffic.

20 (M) \$180,000 for 36 AM traffic informa-
21 tion radio stations, with 1 station to be located
22 at each border crossing.

23 (N) \$1,040,000 for 260 inbound vehicle
24 counters to be installed at every inbound vehicle
25 lane.

1 (O) \$950,000 for 38 spotter camera sys-
2 tems to counter the surveillance of customs in-
3 spection activities by persons outside the bound-
4 aries of ports where such surveillance activities
5 are occurring.

6 (P) \$390,000 for 60 inbound commercial
7 truck transponders to be distributed to all ports
8 of entry.

9 (Q) \$1,600,000 for 40 narcotics vapor and
10 particle detectors to be distributed to each bor-
11 der crossing.

12 (R) \$400,000 for license plate reader auto-
13 matic targeting software to be installed at each
14 port to target inbound vehicles.

15 (2) UNITED STATES-CANADA BORDER.—For the
16 United States-Canada border, the following:

17 (A) \$3,000,000 for 4 Vehicle and Con-
18 tainer Inspection Systems (VACIS).

19 (B) \$8,800,000 for 4 mobile truck x-rays
20 with transmission and backscatter imaging.

21 (C) \$3,600,000 for 4 1-MeV pallet x-rays.

22 (D) \$250,000 for 50 portable contraband
23 detectors (busters) to be distributed among
24 ports where the current allocations are inad-
25 equate.

1 (E) \$300,000 for 25 contraband detection
2 kits to be distributed among ports based on
3 traffic volume.

4 (F) \$240,000 for 10 portable Treasury
5 Enforcement Communications Systems (TECS)
6 terminals to be moved among ports as needed.

7 (G) \$400,000 for 10 narcotics vapor and
8 particle detectors to be distributed to each bor-
9 der crossing based on traffic volume.

10 (3) FLORIDA AND GULF COAST SEAPORTS.—

11 For Florida and the Gulf Coast seaports, the fol-
12 lowing:

13 (A) \$4,500,000 for 6 Vehicle and Con-
14 tainer Inspection Systems (VACIS).

15 (B) \$11,800,000 for 5 mobile truck x-rays
16 with transmission and backscatter imaging.

17 (C) \$7,200,000 for 8 1-MeV pallet x-rays.

18 (D) \$250,000 for 50 portable contraband
19 detectors (busters) to be distributed among
20 ports where the current allocations are inad-
21 equate.

22 (E) \$300,000 for 25 contraband detection
23 kits to be distributed among ports based on
24 traffic volume.

1 (b) FISCAL YEAR 2003.—Of the amounts made avail-
2 able for fiscal year 2003 under section 301(b)(1)(B) of
3 the Customs Procedural Reform and Simplification Act of
4 1978 (19 U.S.C. 2075(b)(1)(B)), as amended by section
5 101(a) of this Act, \$9,000,000 shall be available until ex-
6 pended for the maintenance and support of the equipment
7 and training of personnel to maintain and support the
8 equipment described in subsection (a).

9 (c) ACQUISITION OF TECHNOLOGICALLY SUPERIOR
10 EQUIPMENT; TRANSFER OF FUNDS.—

11 (1) IN GENERAL.—The Commissioner of Cus-
12 toms may use amounts made available for fiscal year
13 2002 under section 301(b)(1)(A) of the Customs
14 Procedural Reform and Simplification Act of 1978
15 (19 U.S.C. 2075(b)(1)(A)), as amended by section
16 101(a) of this Act, for the acquisition of equipment
17 other than the equipment described in subsection (a)
18 if such other equipment—

19 (A)(i) is technologically superior to the
20 equipment described in subsection (a); and

21 (ii) will achieve at least the same results at
22 a cost that is the same or less than the equip-
23 ment described in subsection (a); or

24 (B) can be obtained at a lower cost than
25 the equipment described in subsection (a).

1 (2) TRANSFER OF FUNDS.—Notwithstanding
2 any other provision of this section, the Commissioner
3 of Customs may reallocate an amount not to exceed
4 10 percent of—

5 (A) the amount specified in any of sub-
6 paragraphs (A) through (R) of subsection
7 (a)(1) for equipment specified in any other of
8 such subparagraphs (A) through (R);

9 (B) the amount specified in any of sub-
10 paragraphs (A) through (G) of subsection
11 (a)(2) for equipment specified in any other of
12 such subparagraphs (A) through (G); and

13 (C) the amount specified in any of sub-
14 paragraphs (A) through (E) of subsection
15 (a)(3) for equipment specified in any other of
16 such subparagraphs (A) through (E).

17 **SEC. 103. COMPLIANCE WITH PERFORMANCE PLAN RE-**
18 **QUIREMENTS.**

19 As part of the annual performance plan for each of
20 the fiscal years 2002 and 2003 covering each program ac-
21 tivity set forth in the budget of the United States Customs
22 Service, as required under section 1115 of title 31, United
23 States Code, the Commissioner of Customs shall establish
24 performance goals, performance indicators, and comply
25 with all other requirements contained in paragraphs (1)

1 through (6) of subsection (a) of such section with respect
2 to each of the activities to be carried out pursuant to sec-
3 tion 102.

4 **Subtitle B—Child Cyber-Smuggling**
5 **Center of the Customs Service**

6 **SEC. 111. AUTHORIZATION OF APPROPRIATIONS FOR PRO-**
7 **GRAM TO PREVENT CHILD PORNOGRAPHY/**
8 **CHILD SEXUAL EXPLOITATION.**

9 (a) AUTHORIZATION OF APPROPRIATIONS.—There is
10 authorized to be appropriated to the Customs Service
11 \$10,000,000 for fiscal year 2002 to carry out the program
12 to prevent child pornography/child sexual exploitation es-
13 tablished by the Child Cyber-Smuggling Center of the
14 Customs Service.

15 (b) USE OF AMOUNTS FOR CHILD PORNOGRAPHY
16 CYBER TIPLINE.—Of the amount appropriated under sub-
17 section (a), the Customs Service shall provide 3.75 percent
18 of such amount to the National Center for Missing and
19 Exploited Children for the operation of the child pornog-
20 raphy cyber tipline of the Center and for increased public
21 awareness of the tipline.

1 **Subtitle C—Miscellaneous**
2 **Provisions**

3 **SEC. 121. ADDITIONAL CUSTOMS SERVICE OFFICERS FOR**
4 **UNITED STATES-CANADA BORDER.**

5 Of the amount made available for fiscal year 2002
6 under paragraphs (1) and (2)(A) of section 301(b) of the
7 Customs Procedural Reform and Simplification Act of
8 1978 (19 U.S.C. 2075(b)), as amended by section 101 of
9 this Act, \$28,300,000 shall be available until expended for
10 the Customs Service to hire approximately 285 additional
11 Customs Service officers to address the needs of the of-
12 fices and ports along the United States-Canada border.

13 **SEC. 122. STUDY AND REPORT RELATING TO PERSONNEL**
14 **PRACTICES OF THE CUSTOMS SERVICE.**

15 (a) STUDY.—The Commissioner of Customs shall
16 conduct a study of current personnel practices of the Cus-
17 toms Service, including an overview of performance stand-
18 ards and the effect and impact of the collective bargaining
19 process on drug interdiction efforts of the Customs Service
20 and a comparison of duty rotation policies of the Customs
21 Service and other Federal agencies that employ similarly-
22 situated personnel.

23 (b) REPORT.—Not later than 120 days after the date
24 of the enactment of this Act, the Commissioner of Cus-
25 toms shall submit to the Committee on Ways and Means

1 of the House of Representatives and the Committee on
2 Finance of the Senate a report containing the results of
3 the study conducted under subsection (a).

4 **SEC. 123. STUDY AND REPORT RELATING TO ACCOUNTING**
5 **AND AUDITING PROCEDURES OF THE CUS-**
6 **TOMS SERVICE.**

7 (a) **STUDY.**—(1) The Commissioner of Customs shall
8 conduct a study of actions by the Customs Service to en-
9 sure that appropriate training is being provided to Cus-
10 toms Service personnel who are responsible for financial
11 auditing of importers.

12 (2) In conducting the study, the Commissioner—

13 (A) shall specifically identify those actions
14 taken to comply with provisions of law that protect
15 the privacy and trade secrets of importers, such as
16 section 552(b) of title 5, United States Code, and
17 section 1905 of title 18, United States Code; and

18 (B) shall provide for public notice and comment
19 relating to verification of the actions described in
20 subparagraph (A).

21 (b) **REPORT.**—Not later than 6 months after the date
22 of the enactment of this Act, the Commissioner of Cus-
23 toms shall submit to the Committee on Ways and Means
24 of the House of Representatives and the Committee on

1 Finance of the Senate a report containing the results of
2 the study conducted under subsection (a).

3 **SEC. 124. ESTABLISHMENT AND IMPLEMENTATION OF**
4 **COST ACCOUNTING SYSTEM; REPORTS.**

5 (a) ESTABLISHMENT AND IMPLEMENTATION.—

6 (1) IN GENERAL.—Not later than September
7 30, 2003, the Commissioner of Customs shall, in ac-
8 cordance with the audit of the Customs Service’s fis-
9 cal years 2000 and 1999 financial statements (as
10 contained in the report of the Office of the Inspector
11 General of the Department of the Treasury issued
12 on February 23, 2001), establish and implement a
13 cost accounting system for expenses incurred in both
14 commercial and noncommercial operations of the
15 Customs Service.

16 (2) ADDITIONAL REQUIREMENT.—The cost ac-
17 counting system described in paragraph (1) shall
18 provide for an identification of expenses based on
19 the type of operation, the port at which the oper-
20 ation took place, the amount of time spent on the
21 operation by personnel of the Customs Service, and
22 an identification of expenses based on any other ap-
23 propriate classification necessary to provide for an
24 accurate and complete accounting of the expenses.

1 (b) REPORTS.—Beginning on the date of the enact-
2 ment of this Act and ending on the date on which the
3 cost accounting system described in subsection (a) is fully
4 implemented, the Commissioner of Customs shall prepare
5 and submit to Congress on a quarterly basis a report on
6 the progress of implementing the cost accounting system
7 pursuant to subsection (a).

8 **SEC. 125. STUDY AND REPORT RELATING TO TIMELINESS**
9 **OF PROSPECTIVE RULINGS.**

10 (a) STUDY.—The Comptroller General shall conduct
11 a study on the extent to which the Office of Regulations
12 and Rulings of the Customs Service has made improve-
13 ments to decrease the amount of time to issue prospective
14 rulings from the date on which a request for the ruling
15 is received by the Customs Service.

16 (b) REPORT.—Not later than 1 year after the date
17 of the enactment of this Act, the Comptroller General shall
18 submit to the Committee on Ways and Means of the
19 House of Representatives and the Committee on Finance
20 of the Senate a report containing the results of the study
21 conducted under subsection (a).

22 (c) DEFINITION.—In this section, the term “prospec-
23 tive ruling” means a ruling that is requested by an im-
24 porter on goods that are proposed to be imported into the

1 United States and that relates to the proper classification,
2 valuation, or marking of such goods.

3 **SEC. 126. STUDY AND REPORT RELATING TO CUSTOMS**
4 **USER FEES.**

5 (a) STUDY.—The Comptroller General shall conduct
6 a study on the extent to which the amount of each customs
7 user fee imposed under section 13031(a) of the Consoli-
8 dated Omnibus Budget Reconciliation Act of 1985 (19
9 U.S.C. 58c(a)) is commensurate with the level of services
10 provided by the Customs Service relating to the fee so im-
11 posed.

12 (b) REPORT.—Not later than 120 days after the date
13 of the enactment of this Act, the Comptroller General shall
14 submit to the Committee on Ways and Means of the
15 House of Representatives and the Committee on Finance
16 of the Senate a report in classified form containing—

17 (1) the results of the study conducted under
18 subsection (a); and

19 (2) recommendations for the appropriate
20 amount of the customs user fees if such results indi-
21 cate that the fees are not commensurate with the
22 level of services provided by the Customs Service.

1 **SEC. 127. FEES FOR CUSTOMS INSPECTIONS AT EXPRESS**
2 **COURIER FACILITIES.**

3 (a) IN GENERAL.—Section 13031(b)(9) of the Con-
4 solidated Omnibus Budget Reconciliation Act of 1985 (19
5 U.S.C. 58c(b)(9)) is amended as follows:

6 (1) In subparagraph (A)—

7 (A) in the matter preceding clause (i), by
8 striking “the processing of merchandise that is
9 informally entered or released” and inserting
10 “the processing of letters, documents, records,
11 shipments, merchandise, or any other item that
12 is valued at an amount under \$2,000 (or such
13 higher amount as the Secretary may set by reg-
14 ulation pursuant to section 498 of the Tariff
15 Act of 1930), whether or not such items are in-
16 formally entered or released (except items en-
17 tered or released for immediate exportation),”;
18 and

19 (B) in clause (ii) to read as follows:

20 “(ii) In the case of an express consignment
21 carrier facility or centralized hub facility, \$.66
22 per individual airway bill or bill of lading.”.

23 (2) By redesignating subparagraph (B) as sub-
24 paragraph (C) and inserting after subparagraph (A)
25 the following:

1 “(B)(i) For fiscal year 2004 and subsequent
2 fiscal years, the Secretary of the Treasury may ad-
3 just (not more than once per fiscal year) the amount
4 described in subparagraph (A)(ii) to not less than
5 \$.35 but not more than \$1.00 per individual airway
6 bill or bill of lading. The Secretary shall provide no-
7 tice in the Federal Register of a proposed adjust-
8 ment under the preceding sentence and the reasons
9 therefor and shall allow for public comment on the
10 proposed adjustment.

11 “(ii) The payment required by subparagraph
12 (A)(ii) shall be the only payment required for reim-
13 bursement of the Customs Service in connection with
14 the processing of an individual airway bill or bill of
15 lading in accordance with such subparagraph, except
16 that the Customs Service may charge a fee to cover
17 expenses of the Customs Service for adequate office
18 space, equipment, furnishings, supplies, and secu-
19 rity.

20 “(iii)(I) The payment required by subparagraph
21 (A)(ii) and clause (ii) shall be paid on a quarterly
22 basis to the Customs Service in accordance with reg-
23 ulations prescribed by the Secretary of the Treasury.

24 “(II) 50 percent of the amount of payments re-
25 ceived under subparagraph (A)(ii) and clause (ii)

1 shall, in accordance with section 524 of the Tariff
2 Act of 1930, be deposited as a refund to the appro-
3 priation for the amount paid out of that appropria-
4 tion for the costs incurred in providing services to
5 express consignment carrier facilities or centralized
6 hub facilities. Amounts deposited in accordance with
7 the preceding sentence shall be available until ex-
8 pended for the provision of customs services to ex-
9 press consignment carrier facilities or centralized
10 hub facilities.

11 “(III) Notwithstanding section 524 of the Tar-
12 iff Act of 1930, the remaining 50 percent of the
13 amount of payments received under subparagraph
14 (A)(ii) and clause (ii) shall be paid to the Secretary
15 of the Treasury, which is in lieu of the payment of
16 fees under subsection (a)(10) of this section.”.

17 (b) **EFFECTIVE DATE.**—The amendments made by
18 subsection (a) take effect on October 1, 2002.

19 **SEC. 128. NATIONAL CUSTOMS AUTOMATION PROGRAM.**

20 Section 411(b) of the Tariff Act of 1930 (19 U.S.C.
21 1411(b)) is amended by striking the second sentence and
22 inserting the following: “The Secretary may, by regula-
23 tion, require the electronic submission of information de-
24 scribed in subsection (a) or any other information required

1 to be submitted to the Customs Service separately pursu-
2 ant to this subpart.”.

3 **Subtitle D—Antiterrorism** 4 **Provisions**

5 **SEC. 141. IMMUNITY FOR UNITED STATES OFFICIALS THAT** 6 **ACT IN GOOD FAITH.**

7 (a) IMMUNITY.—Section 3061 of the Revised Stat-
8 utes (19 U.S.C. 482) is amended—

9 (1) by striking “Any of the officers” and insert-
10 ing “(a) Any of the officers”; and

11 (2) by adding at the end the following:

12 “(b) Any officer or employee of the United States
13 conducting a search of a person pursuant to subsection
14 (a) shall not be held liable for any civil damages as a result
15 of such search if the officer or employee performed the
16 search in good faith.”.

17 (b) REQUIREMENT TO POST POLICY AND PROCE-
18 DURES FOR SEARCHES OF PASSENGERS.—Not later than
19 30 days after the date of the enactment of this Act, the
20 Commissioner of the Customs Service shall ensure that at
21 each Customs border facility appropriate notice is posted
22 that provides a summary of the policy and procedures of
23 the Customs Service for searching passengers, including
24 a statement of the policy relating to the prohibition on

1 the conduct of profiling of passengers based on gender,
2 race, color, religion, or ethnic background.

3 **SEC. 142. EMERGENCY ADJUSTMENTS TO OFFICES, PORTS**
4 **OF ENTRY, OR STAFFING OF THE CUSTOMS**
5 **SERVICE.**

6 Section 318 of the Tariff Act of 1930 (19 U.S.C.
7 1318) is amended—

8 (1) by striking “Whenever the President” and
9 inserting “(a) Whenever the President”; and

10 (2) by adding at the end the following:

11 “(b)(1) Notwithstanding any other provision of law,
12 the Secretary of the Treasury, when necessary to respond
13 to a national emergency declared under the National
14 Emergencies Act (50 U.S.C. 1601 et seq.) or to a specific
15 threat to human life or national interests, is authorized
16 to take the following actions on a temporary basis:

17 “(A) Eliminate, consolidate, or relocate any of-
18 fice or port of entry of the Customs Service.

19 “(B) Modify hours of service, alter services ren-
20 dered at any location, or reduce the number of em-
21 ployees at any location.

22 “(C) Take any other action that may be nec-
23 essary to directly respond to the national emergency
24 or specific threat.

1 “(2) Notwithstanding any other provision of law, the
2 Commissioner of Customs, when necessary to respond to
3 a specific threat to human life or national interests, is au-
4 thorized to close temporarily any Customs office or port
5 of entry or take any other lesser action that may be nec-
6 essary to respond to the specific threat.

7 “(3) The Secretary of the Treasury or the Commis-
8 sioner of Customs, as the case may be, shall notify the
9 Committee on Ways and Means of the House of Rep-
10 resentatives and the Committee on Finance of the Senate
11 not later than 72 hours after taking any action under
12 paragraph (1) or (2).”.

13 **SEC. 143. MANDATORY ADVANCED ELECTRONIC INFORMA-**
14 **TION FOR CARGO AND PASSENGERS.**

15 (a) CARGO INFORMATION.—

16 (1) IN GENERAL.—Section 431(b) of the Tariff
17 Act of 1930 (19 U.S.C. 1431(b)) is amended—

18 (A) in the first sentence, by striking “Any
19 manifest” and inserting “(1) Any manifest”;
20 and

21 (B) by adding at the end the following:

22 “(2)(A) In addition to any other requirement under
23 this section, for each land, air, or vessel carrier required
24 to make entry under the customs laws of the United
25 States, the pilot, the master, operator, or owner of such

1 carrier (or the authorized agent of such operator or owner)
2 shall provide by electronic transmission cargo manifest in-
3 formation in advance of such entry in such manner, time,
4 and form as prescribed under regulations by the Sec-
5 retary. The Secretary may exclude any class of land, air,
6 or vessel carrier for which the Secretary concludes the re-
7 quirements of this subparagraph are not necessary.

8 “(B) The Secretary shall cooperate with other appro-
9 priate Federal departments and agencies for the purpose
10 of providing to such departments and agencies as soon as
11 practicable cargo manifest information obtained pursuant
12 to subparagraph (A). In carrying out the preceding sen-
13 tence, the Secretary, to the maximum extent practicable,
14 shall protect the privacy and property rights with respect
15 to the cargo involved.”.

16 (2) CONFORMING AMENDMENTS.—Subpara-
17 graphs (A) and (C) of section 431(d)(1) of such Act
18 are each amended by inserting before the semicolon
19 “or subsection (b)(2)”.

20 (b) PASSENGER INFORMATION.—Part II of title IV
21 of the Tariff Act of 1930 (19 U.S.C. 1431 et seq.) is
22 amended by inserting after section 431 the following:

1 **“SEC. 432. PASSENGER AND CREW INFORMATION RE-**
2 **QUIRED FOR LAND, AIR, OR VESSEL CAR-**
3 **RIERS.**

4 “(a) IN GENERAL.—For every person arriving or de-
5 parting on a land, air, or vessel carrier required to make
6 entry or obtain clearance under the customs laws of the
7 United States, the pilot, the master, operator, or owner
8 of such carrier (or the authorized agent of such operator
9 or owner) shall provide by electronic transmission informa-
10 tion described in subsection (b) in advance of such entry
11 or clearance in such manner, time, and form as prescribed
12 under regulations by the Secretary.

13 “(b) INFORMATION DESCRIBED.—The information
14 described in this subsection shall include for each person
15 described in subsection (a), if applicable, the person’s—

16 “(1) full name;

17 “(2) date of birth and citizenship;

18 “(3) gender;

19 “(4) passport number and country of issuance;

20 “(5) United States visa number or resident
21 alien card number;

22 “(6) passenger name record; and

23 “(7) such additional information that the Sec-
24 retary, by regulation, determines is reasonably nec-
25 essary to ensure aviation and maritime safety pursu-

1 ant to the laws enforced or administered by the Cus-
2 toms Service.

3 “(c) SHARING OF INFORMATION.—The Secretary
4 shall cooperate with other appropriate Federal depart-
5 ments and agencies for the purpose of providing to such
6 departments and agencies as soon as practicable electronic
7 transmission information obtained pursuant to subsection
8 (a). In carrying out the preceding sentence, the Secretary,
9 to the maximum extent practicable, shall protect the pri-
10 vacy rights of the person with respect to which the infor-
11 mation relates.”.

12 (c) DEFINITION.—Section 401 of the Tariff Act of
13 1930 (19 U.S.C. 1401) is amended by adding at the end
14 the following:

15 “(t) The term ‘land, air, or vessel carrier’ means a
16 land, air, or vessel carrier, as the case may be, that trans-
17 ports goods or passengers for payment or other consider-
18 ation, including money or services rendered.”.

19 (d) EFFECTIVE DATE.—The amendments made by
20 this section shall take effect beginning 45 days after the
21 date of the enactment of this Act.

22 **SEC. 144. BORDER SEARCH AUTHORITY FOR CERTAIN CON-**
23 **TRABAND IN OUTBOUND MAIL.**

24 The Tariff Act of 1930 is amended by inserting after
25 section 582 the following:

1 **“SEC. 583. EXAMINATION OF OUTBOUND MAIL.**

2 “(a) EXAMINATION.—

3 “(1) IN GENERAL.—For purposes of ensuring
4 compliance with the Customs laws of the United
5 States and other laws enforced by the Customs Serv-
6 ice, including the provisions of law described in
7 paragraph (2), a Customs officer may, subject to the
8 provisions of this section, stop and search at the
9 border, without a search warrant, mail of domestic
10 origin transmitted for export by the United States
11 Postal Service and foreign mail transiting the
12 United States that is being imported or exported by
13 the United States Postal Service.

14 “(2) PROVISIONS OF LAW DESCRIBED.—The
15 provisions of law described in this paragraph are the
16 following:

17 “(A) Section 5316 of title 31, United
18 States Code (relating to reports on exporting
19 and importing monetary instruments).

20 “(B) Sections 1461, 1463, 1465, and 1466
21 and chapter 110 of title 18, United States Code
22 (relating to obscenity and child pornography).

23 “(C) Section 1003 of the Controlled Sub-
24 stances Import and Export Act (21 U.S.C. 953;
25 relating to exportation of controlled sub-
26 stances).

1 “(D) The Export Administration Act of
2 1979 (50 U.S.C. app. 2401 et seq.).

3 “(E) Section 38 of the Arms Export Con-
4 trol Act (22 U.S.C. 2778).

5 “(F) The International Emergency Eco-
6 nomic Powers Act (50 U.S.C. 1701 et seq.).

7 “(b) SEARCH OF MAIL NOT SEALED AGAINST IN-
8 SPECTION AND OTHER MAIL.—Mail not sealed against in-
9 spection under the postal laws and regulations of the
10 United States, mail which bears a customs declaration,
11 and mail with respect to which the sender or addressee
12 has consented in writing to search, may be searched by
13 a Customs officer.

14 “(c) SEARCH OF MAIL SEALED AGAINST INSPEC-
15 TION.—(1) Mail sealed against inspection under the postal
16 laws and regulations of the United States may be searched
17 by a Customs officer, subject to paragraph (2), upon rea-
18 sonable cause to suspect that such mail contains one or
19 more of the following:

20 “(A) Monetary instruments, as defined in sec-
21 tion 1956 of title 18, United States Code.

22 “(B) A weapon of mass destruction, as defined
23 in section 2332a(b) of title 18, United States Code.

1 “(C) A drug or other substance listed in sched-
2 ule I, II, III, or IV in section 202 of the Controlled
3 Substances Act (21 U.S.C. 812).

4 “(D) National defense and related information
5 transmitted in violation of any of sections 793
6 through 798 of title 18, United States Code.

7 “(E) Merchandise mailed in violation of section
8 1715 or 1716 of title 18, United States Code.

9 “(F) Merchandise mailed in violation of any
10 provision of chapter 71 (relating to obscenity) or
11 chapter 110 (relating to sexual exploitation and
12 other abuse of children) of title 18, United States
13 Code.

14 “(G) Merchandise mailed in violation of the Ex-
15 port Administration Act of 1979 (50 U.S.C. app.
16 2401 et seq.).

17 “(H) Merchandise mailed in violation of section
18 38 of the Arms Export Control Act (22 U.S.C.
19 2778).

20 “(I) Merchandise mailed in violation of the
21 International Emergency Economic Powers Act (50
22 U.S.C. 1701 et seq.).

23 “(J) Merchandise mailed in violation of the
24 Trading with the Enemy Act (50 U.S.C. app. 1 et
25 seq.).

1 “(K) Merchandise subject to any other law en-
2 forced by the Customs Service.

3 “(2) No person acting under authority of paragraph
4 (1) shall read, or authorize any other person to read, any
5 correspondence contained in mail sealed against inspection
6 unless prior to so reading—

7 “(A) a search warrant has been issued pursuant
8 to Rule 41, Federal Rules of Criminal Procedure; or

9 “(B) the sender or addressee has given written
10 authorization for such reading.”.

11 **SEC. 145. AUTHORIZATION OF APPROPRIATIONS FOR REES-**
12 **TABLISHMENT OF CUSTOMS OPERATIONS IN**
13 **NEW YORK CITY.**

14 (a) AUTHORIZATION OF APPROPRIATIONS.—

15 (1) IN GENERAL.—There is authorized to be
16 appropriated for the reestablishment of operations of
17 the Customs Service in New York, New York, such
18 sums as may be necessary for fiscal year 2002.

19 (2) OPERATIONS DESCRIBED.—The operations
20 referred to in paragraph (1) include, but are not
21 limited to, the following:

22 (A) Operations relating to the Port Direc-
23 tor of New York City, the New York Customs
24 Management Center (including the Director of

1 Field Operations), and the Special Agent-In-
2 Charge for New York.

3 (B) Commercial operations, including tex-
4 tile enforcement operations and salaries and ex-
5 penses of—

6 (i) trade specialists who determine the
7 origin and value of merchandise;

8 (ii) analysts who monitor the entry
9 data into the United States of textiles and
10 textile products; and

11 (iii) Customs officials who work with
12 foreign governments to examine textile
13 makers and verify entry information.

14 (b) AVAILABILITY.—Amounts appropriated pursuant
15 to the authorization of appropriations under subsection (a)
16 are authorized to remain available until expended.

17 **Subtitle E—Textile Transshipment**
18 **Provisions**

19 **SEC. 151. GAO AUDIT OF TEXTILE TRANSSHIPMENT MONI-**
20 **TORING BY CUSTOMS SERVICE.**

21 (a) GAO AUDIT.—The Comptroller General of the
22 United States shall conduct an audit of the system estab-
23 lished and carried out by the Customs Service to monitor
24 textile transshipment.

1 (b) REPORT.—Not later than 9 months after the date
2 of enactment of this Act, the Comptroller General shall
3 submit to the Committee on Ways and Means of the
4 House of Representatives and Committee on Finance of
5 the Senate a report that contains the results of the study
6 conducted under subsection (a), including recommenda-
7 tions for improvements to the transshipment monitoring
8 system if applicable.

9 (c) TRANSSHIPMENT DESCRIBED.—Transshipment
10 within the meaning of this section has occurred when pref-
11 erential treatment under any provision of law has been
12 claimed for a textile or apparel article on the basis of ma-
13 terial false information concerning the country of origin,
14 manufacture, processing, or assembly of the article or any
15 of its components. For purposes of the preceding sentence,
16 false information is material if disclosure of the true infor-
17 mation would mean or would have meant that the article
18 is or was ineligible for preferential treatment under the
19 provision of law in question.

20 **SEC. 152. AUTHORIZATION OF APPROPRIATIONS FOR TEX-**
21 **TILE TRANSSHIPMENT ENFORCEMENT OPER-**
22 **ATIONS.**

23 (a) AUTHORIZATION OF APPROPRIATIONS.—

24 (1) IN GENERAL.—There is authorized to be
25 appropriated for textile transshipment enforcement

1 operations of the Customs Service \$9,500,000 for
2 fiscal year 2002.

3 (2) AVAILABILITY.—Amounts appropriated pur-
4 suant to the authorization of appropriations under
5 paragraph (1) are authorized to remain available
6 until expended.

7 (b) USE OF FUNDS.—Of the amount appropriated
8 pursuant to the authorization of appropriations under sub-
9 section (a), the following amounts are authorized to be
10 made available for the following purposes:

11 (1) IMPORT SPECIALISTS.—\$1,463,000 for 21
12 Customs import specialists to be assigned to selected
13 ports for documentation review to support detentions
14 and exclusions and 1 additional Customs import spe-
15 cialist assigned to the Customs headquarters textile
16 program to administer the program and provide
17 oversight.

18 (2) INSPECTORS.—\$652,080 for 10 Customs
19 inspectors to be assigned to selected ports to exam-
20 ine targeted high-risk shipments.

21 (3) INVESTIGATORS.—(A) \$1,165,380 for 10
22 investigators to be assigned to selected ports to in-
23 vestigate instances of smuggling, quota and trade
24 agreement circumvention, and use of counterfeit
25 visas to enter inadmissible goods.

1 (B) \$149,603 for 1 investigator to be assigned
2 to Customs headquarters textile program to coordi-
3 nate and ensure implementation of textile production
4 verification team results from an investigation per-
5 spective.

6 (4) INTERNATIONAL TRADE SPECIALISTS.—
7 \$226,500 for 3 international trade specialists to be
8 assigned to Customs headquarters to be dedicated to
9 illegal textile transshipment policy issues and other
10 free trade agreement enforcement issues.

11 (5) PERMANENT IMPORT SPECIALISTS FOR
12 HONG KONG.—\$500,000 for 2 permanent import
13 specialist positions and \$500,000 for 2 investigators
14 to be assigned to Hong Kong to work with Hong
15 Kong and other government authorities in Southeast
16 Asia to assist such authorities pursue proactive en-
17 forcement of bilateral trade agreements.

18 (6) VARIOUS PERMANENT TRADE POSITIONS.—
19 \$3,500,000 for the following:

20 (A) 2 permanent positions to be assigned
21 to the Customs attaché office in Central Amer-
22 ica to address trade enforcement issues for that
23 region.

24 (B) 2 permanent positions to be assigned
25 to the Customs attaché office in South Africa to

1 address trade enforcement issues pursuant to
2 the African Growth and Opportunity Act (title
3 I of Public Law 106–200).

4 (C) 4 permanent positions to be assigned
5 to the Customs attaché office in Mexico to ad-
6 dress the threat of illegal textile transshipment
7 through Mexico and other related issues under
8 the North American Free Trade Agreement
9 Act.

10 (D) 2 permanent positions to be assigned
11 to the Customs attaché office in Seoul, South
12 Korea, to address the trade issues in the geo-
13 graphic region.

14 (E) 2 permanent positions to be assigned
15 to the proposed Customs attaché office in New
16 Delhi, India, to address the threat of illegal tex-
17 tile transshipment and other trade enforcement
18 issues.

19 (F) 2 permanent positions to be assigned
20 to the Customs attaché office in Rome, Italy, to
21 address trade enforcement issues in the geo-
22 graphic region, including issues under free
23 trade agreements with Jordan and Israel.

24 (7) ATTORNEYS.—\$179,886 for 2 attorneys for
25 the Office of the Chief Counsel of the Customs Serv-

1 ice to pursue cases regarding illegal textile trans-
2 shipment.

3 (8) AUDITORS.—\$510,000 for 6 Customs audi-
4 tors to perform internal control reviews and docu-
5 ment and record reviews of suspect importers.

6 (9) ADDITIONAL TRAVEL FUNDS.—\$250,000
7 for deployment of additional textile production
8 verification teams to sub-Saharan Africa.

9 (10) TRAINING.—(A) \$75,000 for training of
10 Customs personnel.

11 (B) \$200,000 for training for foreign counter-
12 parts in risk management analytical techniques and
13 for teaching factory inspection techniques, model law
14 Development, and enforcement techniques.

15 (11) OUTREACH.—\$60,000 for outreach efforts
16 to United States importers.

17 **SEC. 153. IMPLEMENTATION OF THE AFRICAN GROWTH**
18 **AND OPPORTUNITY ACT.**

19 Of the amount made available for fiscal year 2002
20 under section 301(b)(2)(A) of the Customs Procedural Re-
21 form and Simplification Act of 1978 (19 U.S.C.
22 2075(b)(2)(A)), as amended by section 101(b)(1) of this
23 Act, \$1,317,000 shall be available until expended for the
24 Customs Service to provide technical assistance to help
25 sub-Saharan Africa countries develop and implement ef-

1 fective visa and anti-transshipment systems as required by
2 the African Growth and Opportunity Act (title I of Public
3 Law 106–200), as follows:

4 (1) TRAVEL FUNDS.—\$600,000 for import spe-
5 cialists, special agents, and other qualified Customs
6 personnel to travel to sub-Saharan Africa countries
7 to provide technical assistance in developing and im-
8 plementing effective visa and anti-transshipment sys-
9 tems.

10 (2) IMPORT SPECIALISTS.—\$266,000 for 4 im-
11 port specialists to be assigned to Customs head-
12 quarters to be dedicated to providing technical as-
13 sistance to sub-Saharan African countries for devel-
14 oping and implementing effective visa and anti-
15 transshipment systems.

16 (3) DATA RECONCILIATION ANALYSTS.—
17 \$151,000 for 2 data reconciliation analysts to review
18 apparel shipments.

19 (4) SPECIAL AGENTS.—\$300,000 for 2 special
20 agents to be assigned to Customs headquarters to be
21 available to provide technical assistance to sub-Saha-
22 ran African countries in the performance of inves-
23 tigations and other enforcement initiatives.

1 **TITLE II—OFFICE OF THE**
2 **UNITED STATES TRADE REP-**
3 **RESENTATIVE**

4 **SEC. 201. AUTHORIZATION OF APPROPRIATIONS.**

5 (a) IN GENERAL.—Section 141(g)(1) of the Trade
6 Act of 1974 (19 U.S.C. 2171(g)(1)) is amended—

7 (1) in subparagraph (A)—

8 (A) in the matter preceding clause (i), by
9 striking “not to exceed”;

10 (B) in clause (i) to read as follows:

11 “(i) \$30,000,000 for fiscal year 2002.”;

12 (C) in clause (ii) to read as follows:

13 “(ii) \$32,300,000 for fiscal year 2003.”; and

14 (D) by adding at the end the following:

15 “(iii) \$33,108,000 for fiscal year 2004.”; and

16 (2) in subparagraph (B)—

17 (A) in clause (i), by adding “and” at the
18 end;

19 (B) by striking clause (ii); and

20 (C) by redesignating clause (iii) as clause
21 (ii).

22 (b) SUBMISSION OF OUT-YEAR BUDGET PROJEC-
23 TIONS.—Section 141(g) of the Trade Act of 1974 (19
24 U.S.C. 2171(g)) is amended by adding at the end the fol-
25 lowing:

1 “(3) By not later than the date on which the Presi-
2 dent submits to Congress the budget of the United States
3 Government for a fiscal year, the United States Trade
4 Representative shall submit to the Committee on Ways
5 and Means of the House of Representatives and the Com-
6 mittee on Finance of the Senate the projected amount of
7 funds for the succeeding fiscal year that will be necessary
8 for the Office to carry out its functions.”.

9 (c) ADDITIONAL STAFF FOR OFFICE OF ASSISTANT
10 U.S. TRADE REPRESENTATIVE FOR CONGRESSIONAL AF-
11 FAIRS.—

12 (1) IN GENERAL.—There is authorized to be
13 appropriated such sums as may be necessary for fis-
14 cal year 2002 for the salaries and expenses of two
15 additional legislative specialist employee positions
16 within the Office of the Assistant United States
17 Trade Representative for Congressional Affairs.

18 (2) AVAILABILITY.—Amounts appropriated pur-
19 suant to the authorization of appropriations under
20 paragraph (1) are authorized to remain available
21 until expended.

1 **TITLE III—UNITED STATES**
2 **INTERNATIONAL TRADE COM-**
3 **MISSION**

4 **SEC. 301. AUTHORIZATION OF APPROPRIATIONS.**

5 (a) IN GENERAL.—Section 330(e)(2)(A) of the Tariff
6 Act of 1930 (19 U.S.C. 1330(e)(2)) is amended—

7 (1) in clause (i) to read as follows:

8 “(i) \$51,440,000 for fiscal year 2002.”;

9 (2) in clause (ii) to read as follows:

10 “(ii) \$54,000,000 for fiscal year 2003.”; and

11 (3) by adding at the end the following:

12 “(iii) \$57,240,000 for fiscal year 2004.”.

13 (b) SUBMISSION OF OUT-YEAR BUDGET PROJEC-
14 TIONS.—Section 330(e) of the Tariff Act of 1930 (19
15 U.S.C. 1330(e)(2)) is amended by adding at the end the
16 following:

17 “(4) By not later than the date on which the Presi-
18 dent submits to Congress the budget of the United States
19 Government for a fiscal year, the Commission shall submit
20 to the Committee on Ways and Means of the House of
21 Representatives and the Committee on Finance of the
22 Senate the projected amount of funds for the succeeding
23 fiscal year that will be necessary for the Commission to
24 carry out its functions.”.

1 **TITLE IV—OTHER TRADE**
2 **PROVISIONS**

3 **SEC. 401. INCREASE IN AGGREGATE VALUE OF ARTICLES**
4 **EXEMPT FROM DUTY ACQUIRED ABROAD BY**
5 **UNITED STATES RESIDENTS.**

6 (a) IN GENERAL.—Subheading 9804.00.65 of the
7 Harmonized Tariff Schedule of the United States is
8 amended in the article description column by striking
9 “\$400” and inserting “\$800”.

10 (b) EFFECTIVE DATE.—The amendment made by
11 subsection (a) shall take effect 90 days after the date of
12 the enactment of this Act.

13 **SEC. 402. REGULATORY AUDIT PROCEDURES.**

14 Section 509(b) of the Tariff Act of 1930 (19 U.S.C.
15 1509(b)) is amended by adding at the end the following:

16 “(6)(A) If during the course of any audit con-
17 cluded under this subsection, the Customs Service
18 identifies overpayments of duties or fees or over-dec-
19 larations of quantities or values that are within the
20 time period and scope of the audit that the Customs
21 Service has defined, then in calculating the loss of
22 revenue or monetary penalties under section 592,
23 the Customs Service shall treat the overpayments or
24 over-declarations on finally liquidated entries as an
25 offset to any underpayments or underdeclarations

1 also identified on finally liquidated entries if such
2 overpayments or over-declarations were not made by
3 the person being audited for the purpose of violating
4 any provision of law.

5 “(B) Nothing in this paragraph shall be con-
6 strued to authorize a refund not otherwise author-
7 ized under section 520.”.

Passed the House of Representatives May 22, 2002.

Attest:

Clerk.