

United States Senate Committee on Finance

For Immediate Release

Tuesday, April 25, 2006

Grassley, Baucus Solicit Input for Miscellaneous Tariff Bill

WASHINGTON – Sen. Chuck Grassley, chairman of the Committee on Finance, and Sen. Max Baucus, ranking member, have invited senators to submit items for possible inclusion in a miscellaneous tariff bill. In a “Dear Colleague” letter, the senators emphasized that items to be considered must, in accordance with the long-running practice, meet specific criteria. Namely, they must be non-controversial and must amount to less than \$500,000 in annual lost revenue. The last miscellaneous tariff bill took two Congresses to complete because some senators departed from the usual criteria.

The text of the Grassley-Baucus “Dear Colleague” letter follows.

April 21, 2006

Miscellaneous Tariff Bill Deadline to Introduce Bills – May 26, 2006

Dear Colleague:

The Senate Finance Committee is initiating the process of compiling a Miscellaneous Tariff Bill (MTB). Senators who are interested in introducing bills for potential inclusion in the MTB should do so by May 26, 2006.

The MTB is comprised of numerous non-controversial tariff bills introduced by various Senators. The MTB will provide an opportunity to temporarily eliminate or reduce duties on narrowly defined products that are imported into the United States and to liquidate or reliquidate certain duty entries that were incorrectly classified by the Bureau of Customs and Border Protection (CBP). Duty suspension bills, which account for the majority of the provisions that are included in the MTB, reduce input costs for U.S. businesses and thus ultimately increase the competitiveness of their products.

Since the early 1980s, the Finance Committee has sought to report an MTB each Congress. Unfortunately, the last MTB – which was signed into law in 2004 – took two Congresses to complete. This was because the regular order for assembling the bill broke down. Namely, some Senators insisted on the inclusion of provisions in the MTB even though those provisions did not meet each of the criteria for including a bill in the MTB.

We will be very clear. With this announcement of the initiation of the MTB process, we are also announcing a return to regular order. We are pledging to work together to resist any efforts to include provisions in the MTB that do not meet the following criteria.

First and foremost, in order to be included in the MTB, a bill must be non-controversial. A bill will be controversial if it is objected to by a domestic producer of the product for which the duty reduction is being sought. Because the MTB is passed by unanimous consent, its provisions must be non-controversial. Secondly, the cost for each bill must amount to less than \$500,000 of lost revenue per year.

All provisions in the MTB must have been introduced as stand-alone bills by May 26 and should include the following information: (1) a precise description of the imported product (chemical products should be described by their chemical name – not their trade name – and should have a Chemical Abstracts Service (CAS) registry number in the description); and (2) the correct 8-digit Harmonized Tariff Schedule (HTS) number. Liquidation and reliquidation bills must include the date of entry and the 11-digit entry number. This information can be very technical. Members should contact the International Trade Commission (ITC) or CBP prior to introduction to make sure that the bill text is technically correct.

During the MTB process, we anticipate that the Senate Legislative Counsel will be busy working on numerous tariff bills. The House passed an MTB – H.R. 4944 – on March 15, and in order to reduce the workload of the Legislative Counsel, if the bill you are seeking to introduce is included in the House MTB – or has companion legislation introduced in the House of Representative yet was not included in the House MTB – please reference the corresponding bill section number or the H.R. number, respectively, when contacting the Senate Legislative Counsel.

Soon after the deadline for introduction (May 26), the Finance Committee will issue a press release seeking public comments on provisions for which inclusion in the MTB is being sought. Simultaneously, the ITC will review the product description and tariff classification in each of the bills and solicit comments from industry on the bills. The ITC will also report on any domestic opposition to a bill and will provide a duty loss estimate for each bill. The ITC's duty loss estimates will be used by the Congressional Budget Office to score each bill. Information obtained by the Finance Committee and the ITC through this process will be taken into consideration when assembling a final MTB package.

If you have questions on the MTB process, please contact {staff name deleted} or {staff name deleted}. Thank you in advance for your cooperation in helping to develop this legislation.

Sincerely,

Charles E. Grassley
Chairman

Max Baucus
Ranking Member