

108TH CONGRESS  
1ST SESSION

# H. R. 1160

To impose tariff-rate quotas on certain casein and milk protein concentrates.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 6, 2003

Mr. SHERWOOD (for himself, Mr. OBEY, Mr. WALSH, Mr. SANDERS, Mr. McHUGH, Mr. HOLDEN, Mr. LATOURETTE, Mr. SWEENEY, Ms. BALDWIN, Mr. QUINN, Mr. EHLERS, Mr. GOODE, Mr. BROWN of Ohio, Mr. SHUSTER, Mr. PETERSON of Pennsylvania, Mr. OLVER, Mr. FILNER, Mr. LARSEN of Washington, Mr. HINCHEY, Mr. SANDLIN, Mr. MURTHA, Mr. McNULTY, Mr. OSBORNE, Mr. SIMMONS, Mr. BACA, Mr. BOUCHER, Mr. SENSENBRENNER, Mr. BOYD, Mr. PICKERING, Mr. BERRY, Ms. KAPTUR, Mr. REHBERG, Mr. GILCREST, Mr. POMEROY, Mr. DEFazio, Mr. LOBIONDO, Mrs. CAPITO, Mr. GRIJALVA, Mr. TURNER of Texas, Mr. GREENWOOD, Mr. ENGLISH, Mrs. KELLY, Ms. HART, Mr. ROGERS of Michigan, Mr. BARTLETT of Maryland, Mr. KLECZKA, Mr. HOUGHTON, Ms. DeLAURO, Mr. MCGOVERN, Mr. PETRI, Mr. SMITH of Michigan, Mr. DOYLE, Mr. KUCINICH, Mr. SIMPSON, Mr. PITTS, and Mrs. EMERSON) introduced the following bill; which was referred to the Committee on Ways and Means

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## A BILL

To impose tariff-rate quotas on certain casein and milk protein concentrates.

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.**

2 This Act may be cited as the “Milk Import Tariff  
3 Equity Act”.

4 **SEC. 2. IMPOSITION OF TARIFF-RATE QUOTAS ON CERTAIN**  
5 **CASEIN AND MILK CONCENTRATES.**

6 (a) CASEIN AND CASEIN PRODUCTS.—

7 (1) IN GENERAL.—The Additional U.S. notes to  
8 chapter 35 of the Harmonized Tariff Schedule of the  
9 United States are amended—

10 (A) in note 1, by striking “subheading  
11 3501.10.10” and inserting “subheadings  
12 3501.10.05, 3501.10.15, and 3501.10.20”; and

13 (B) by adding at the end the following new  
14 note:

15 “2. The aggregate quantity of casein, caseinates, milk  
16 protein concentrate, and other casein derivatives entered  
17 under subheadings 3501.10.15, 3501.10.65, and  
18 3501.90.65 in any calendar year shall not exceed  
19 54,051,000 kilograms. Articles the product of Mexico shall  
20 not be permitted or included under this quantitative limi-  
21 tation and no such article shall be classifiable therein.”.

22 (2) RATES FOR CERTAIN CASEINS, CASEINATES,  
23 AND OTHER DERIVATIVES AND GLUES.—Chapter 35  
24 of the Harmonized Tariff Schedule of the United  
25 States is amended by striking subheadings 3501.10  
26 through 3501.90.60 and inserting the following new

1 subheadings, with the article descriptions for sub-  
 2 headings 3501.10 and 3501.90 having the same de-  
 3 gree of indentation as the article description for sub-  
 4 heading 3502.20.00:

3501.10	Casein:			
	Milk protein concentrate:			
3501.10.05	Described in general note 15 of the tariff schedule and entered pursuant to its provisions .....	0.37¢/kg	Free (A*, CA, E, IL, J, JO, MX)	12¢/kg
3501.10.15	Described in additional U.S. note 2 to this chapter and entered according to its provisions .....	0.37¢/kg	Free (A*, CA, E, IL, J, JO)	12¢/kg
3501.10.20	Other .....	\$2.16/kg	Free (MX)	\$2.81/kg
3501.10.55	Other: Suitable only for industrial uses other than the manufacture of food for humans or other animals or as ingredients in such food .....	Free		Free
3501.10.60	Other: Described in general note 15 of the tariff schedule and entered pursuant to its provisions .....	0.37¢/kg	Free (A*, CA, E, IL, J, JO, MX)	12¢/kg
3501.10.65	Described in additional U.S. note 2 to this chapter and entered according to its provisions .....	0.37¢/kg	Free (A*, CA, E, IL, J, JO)	12¢/kg
3501.10.70	Other .....	\$2.16/kg	Free (MX)	\$2.81/kg
3501.90	Other:			
3501.90.05	Casein glues .....	6%	Free (A*, CA, E, IL, J, MX) 1.5% (JO)	30%
3501.90.30	Other: Suitable only for industrial uses other than the manufacture of food for humans or other animals or as ingredients in such food .....	6%	Free (A*, CA, E, IL, J, MX) 1.5% (JO)	30%
3501.90.55	Other: Described in general note 15 of the tariff schedule and entered pursuant to its provisions .....	0.37¢/kg	Free (A*, CA, E, IL, J, JO, MX)	12.1¢/kg
3501.90.65	Described in additional U.S. note 2 to this chapter and entered according to its provisions .....	0.37¢/kg	Free (A*, CA, E, IL, J, JO)	12.1¢/kg
3501.90.70	Other .....	\$2.16/kg	Free (MX)	\$2.81/kg

5 (b) MILK PROTEIN CONCENTRATES.—

6 (1) IN GENERAL.—The Additional U.S. notes to  
 7 chapter 4 of the Harmonized Tariff Schedule of the  
 8 United States are amended—

1 (A) in note 13, by striking “subheading  
2 0404.90.10” and inserting “subheadings  
3 0404.90.05, 0404.90.15, and 0404.90.20”; and

4 (B) by adding at the end the following new  
5 note:

6 “27. The aggregate quantity of milk protein con-  
7 centrates entered under subheading 0404.90.15 in any  
8 calendar year shall not exceed 15,818,000 kilograms. Arti-  
9 cles the product of Mexico shall not be permitted or in-  
10 cluded under this quantitative limitation and no such arti-  
11 cle shall be classifiable therein.”

12 (2) RATES FOR CERTAIN MILK PROTEIN CON-  
13 CENTRATES.—Chapter 4 of the Harmonized Tariff  
14 Schedule of the United States is amended by strik-  
15 ing subheadings 0404.90 through 0404.90.10 and  
16 inserting the following new subheadings, with the ar-  
17 ticle description for subheading 0404.90 having the  
18 same degree of indentation as the article description  
19 for subheading 0404.10 and with the article descrip-  
20 tions for subheadings 0404.90.05, 0404.90.15, and  
21 0404.90.20 having the same degree of indentation as  
22 the article description for subheading 0405.20.40:

“ 0404.90 0404.90.05	Other: Milk protein concentrates: Described in general note 15 of the tariff schedule and entered pursuant to its provisions .....	0.37¢/kg	Free (A*, CA, E, IL, J, JO, MX)	12¢/kg
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0404.90.15	Described in additional U.S. note 27 to this chapter and entered pursuant to its provisions .....	0.37¢/kg	Free (A*, CA, E, IL, J, JO)	12¢/kg
0404.90.20	Other .....	\$1.56/kg	Free (MX)	\$2.02/kg

1 (c) EFFECTIVE DATE.—

2 (1) IN GENERAL.—The amendments made by  
3 this section apply to goods entered, or withdrawn  
4 from warehouse for consumption, on or after the  
5 first day of the first month after the date that is 90  
6 days after the date of enactment of this Act.

7 (2) TRANSITIONAL PROVISIONS.—

8 (A) CHAPTER 35.—Notwithstanding the  
9 amendments made by subsection (a)(1)(B) of  
10 this section, in the case of any calendar year  
11 that includes the effective date described in  
12 paragraph (1), the aggregate amount of casein,  
13 caseinates, milk protein concentrate, and other  
14 casein derivatives entered under subheadings  
15 3501.10.15, 3501.10.65, and 3501.90.65 shall  
16 not exceed an amount equal to 148,085 kilo-  
17 grams multiplied by the number of calendar  
18 days remaining in such year beginning with  
19 such effective date.

20 (B) CHAPTER 4.—Notwithstanding the  
21 amendments made by subsection (b)(1)(B) of  
22 this section, in the case of any calendar year  
23 that includes the effective date described in

1 paragraph (1), the aggregate amount of milk  
2 protein concentrates entered under subheading  
3 0404.90.15 shall not exceed an amount equal to  
4 43,337 kilograms multiplied by the number of  
5 calendar days remaining in such year beginning  
6 with such effective date.

7 **SEC. 3. COMPENSATION AUTHORITY.**

8 (a) IN GENERAL.—If the provisions of section 1 re-  
9 quire, the President—

10 (1) may enter into a trade agreement with any  
11 foreign country or instrumentality for the purpose of  
12 granting new concessions as compensation in order  
13 to maintain the general level of reciprocal and mutu-  
14 ally advantageous concessions; and

15 (2) may proclaim such modification or continu-  
16 ance of any general rate of duty, or such continu-  
17 ance of duty-free or excise treatment, or any quan-  
18 titative limitation, as the President determines to be  
19 required or appropriate to carry out any such agree-  
20 ment.

21 (b) LIMITATIONS.—

22 (1) IN GENERAL.—No proclamation shall be  
23 made pursuant to subsection (a) decreasing any gen-  
24 eral rate of duty to a rate which is less than 70 per-  
25 cent of the existing general rate of duty.

1           (2) SPECIAL RULE FOR CERTAIN DUTY REDUC-  
2           TIONS.—If the general rate of duty in effect is an  
3           intermediate stage under an agreement in effect be-  
4           fore August 6, 2002, under section 1102(a) of the  
5           Omnibus Trade and Competitiveness Act of 1988 or  
6           under an agreement entered into under section 2103  
7           (a) or (b) of the Bipartisan Trade Promotion Au-  
8           thority Act of 2002, the proclamation made pursu-  
9           ant to subsection (a) may provide for the reduction  
10          of each general rate of duty at each such stage by  
11          not more than 30 percent of such general rate of  
12          duty, and may provide for a final general rate of  
13          duty which is not less than 70 percent of the general  
14          rate of duty proclaimed as the final stage under  
15          such agreement.

16          (3) ROUNDING.—If the President determines  
17          that such action will simplify the computation of the  
18          amount of duty computed with respect to an article,  
19          the President may exceed the limitations provided in  
20          paragraphs (1) and (2) by not more than the lesser  
21          of—

22                   (A) the difference between such limitation  
23                   and the next lower whole number, or

24                   (B) one-half of 1 percent ad valorem.

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