

AMENDMENT TO RULES COMM. PRINT 117-31
OFFERED BY MRS. MURPHY OF FLORIDA

At the end of title V of division K, add the following:

1 **SEC. 105003. CNL UPDATE ACT.**

2 (a) **SHORT TITLE.**—This section may be cited as the
3 “CNL Update Act”.

4 (b) **SENSE OF CONGRESS.**—It is the sense of Con-
5 gress that—

6 (1) United States trade capacity building agen-
7 cies should work with, and provide appropriate re-
8 sources to, beneficiary developing countries under
9 the Generalized System of Preferences program
10 under title V of the Trade Act of 1974 (19 U.S.C.
11 2461 et seq.) to assist such countries in meeting the
12 eligibility criteria under such program;

13 (2) the goal of such eligibility criteria is to raise
14 standards and improve the well-being of individuals
15 in the beneficiary developing countries through trade
16 and economic development;

17 (3) trade policies cannot create a race to the
18 top if punitive actions treat good and bad actors
19 alike;

1 (4) in determining appropriate actions to take
2 under subsection (d) of section 502 of the Trade Act
3 of 1974 (19 U.S.C. 2462(d)), the President should,
4 in a manner consistent with statutory require-
5 ments—

6 (A) consider the impact of withdrawal, sus-
7 pension, or limitation of duty-free treatment on
8 the criteria and factors affecting eligibility de-
9 scribed in subsections (b) and (c) of such sec-
10 tion; and

11 (B) take all available steps to facilitate
12 continued duty-free treatment for products
13 where the imposition of duties is likely to slow
14 or reverse progress made toward meeting the
15 criteria and factors described in subsections (b)
16 and (c) of such section or result in severe eco-
17 nomic harm to United States entities, particu-
18 larly small businesses; and

19 (5) the United States Trade Representative
20 should establish and maintain a process to mitigate
21 the harm for products determined to meet the cri-
22 teria and factors described in subsections (b) and (c)
23 of section 502 of the Trade Act of 1974, including
24 exploring the feasibility of preserving duty-free eligi-
25 bility on a case-by-case basis for qualifying compa-

1 nies if the President decides to withdraw, suspend,
2 or limit the application of the duty-free treatment
3 accorded under title V of such Act.

4 (c) MODIFICATION OF COMPETITIVE NEED LIMITA-
5 TION PROVISIONS UNDER THE GENERALIZED SYSTEM OF
6 PREFERENCES PROGRAM.—

7 (1) IN GENERAL.—Section 503 of the Trade
8 Act of 1974 (19 U.S.C. 2463) is amended—

9 (A) in subsection (c)(2)—

10 (i) in subparagraph (A)(ii)(II), by
11 striking “\$5,000,000” and inserting “an
12 amount equal to 6.5 percent of such appli-
13 cable amount”;

14 (ii) in subparagraph (C)—

15 (I) by striking “may, subject”
16 and inserting “should, subject”; and

17 (II) by striking “the limitations
18 in subparagraph (A)” and inserting
19 “the limitations in subparagraph (A)
20 or (F)”;

21 (iii) in subparagraph (F)—

22 (I) in clause (i), by striking “may
23 disregard” and inserting “should dis-
24 regard”; and

1 (II) in clause (ii)(II), by striking
2 “\$500,000” and inserting “an amount
3 equal to 6.5 percent of such applicable
4 amount”; and

5 (iv) by inserting after subparagraph
6 (F) the following:

7 “(G) CALCULATION OF LIMITATIONS.—
8 There shall be counted against the limitations
9 imposed under subparagraph (A) for any cal-
10 endar year only that value of any eligible article
11 of a beneficiary developing country that entered
12 duty-free under this title during such calendar
13 year.”; and

14 (B) in subsection (d)(1), by striking “, be-
15 fore November 1 of the calendar year beginning
16 after the calendar year for which a determina-
17 tion described in subsection (c)(2)(A) was made
18 with respect to such eligible article,”.

19 (2) EFFECTIVE DATE.—The amendments made
20 by subsection (a)—

21 (A) take effect on the date of the enact-
22 ment of this Act; and

23 (B) apply with respect to imports into the
24 United States of eligible articles from bene-
25 ficiary developing countries under title V of the

1 Trade Act of 1974 (19 U.S.C. 2461 et seq.)
2 during the calendar year preceding the calendar
3 year in which the first annual review is carried
4 out under such title V after such date of enact-
5 ment and each subsequent calendar year.

