

118TH CONGRESS
1ST SESSION

S. 1969

To amend the Tariff Act of 1930 to require reciprocity with respect to de minimis entries of articles, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JUNE 14, 2023

Mr. CASSIDY (for himself, Ms. BALDWIN, and Mr. VANCE) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To amend the Tariff Act of 1930 to require reciprocity with respect to de minimis entries of articles, 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 “De Minimis Reci-
5 procity Act of 2023”.

6 **SEC. 2. MODIFICATION OF TREATMENT OF DE MINIMIS EN-**
7 **TRIES OF ARTICLES.**

8 Section 321 of Tariff Act of 1930 (19 U.S.C. 1321)
9 is amended—

1 (1) by amending subsection (a)(2)(C) to read as
 2 follows:

3 “(C) in any other case, such amount as the
 4 Secretary establishes under subsection (c)(1).”;
 5 and

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

7 “(c) TREATMENT OF DE MINIMIS ENTRIES.—

8 “(1) RECIPROCITY WITH RESPECT TO DE MINI-
 9 MIS ENTRIES.—

10 “(A) ESTABLISHMENT OF THRESHOLDS.—

11 “(i) IN GENERAL.—Not later than
 12 180 days after the date of the enactment
 13 of the De Minimis Reciprocity Act of 2023,
 14 the Secretary of the Treasury shall pre-
 15 scribe regulations to establish dollar
 16 amount thresholds, which may not exceed
 17 \$800, for de minimis entries for purposes
 18 of subsection (a)(2)(C).

19 “(ii) REQUIREMENTS.—The Secretary
 20 shall establish a threshold under clause (i)
 21 for each country that takes into consider-
 22 ation—

23 “(I) the dollar amount threshold
 24 of that country for de minimis entries
 25 from the United States; and

1 “(II) any related thresholds of
 2 that country, such as a threshold re-
 3 lating to a value-added tax on im-
 4 ports.

5 “(iii) PUBLICATION; NOTIFICATION.—
 6 Not later than 180 days after the date of
 7 the enactment of the De Minimis Reci-
 8 procity Act of 2023, the Secretary shall—

9 “(I) publish the threshold estab-
 10 lished under clause (i) in the Federal
 11 Register; and

12 “(II) notify the governments of
 13 foreign countries of the threshold.

14 “(B) RE-SHORING AND NEAR-SHORING AC-
 15 COUNT.—

16 “(i) IN GENERAL.—There is estab-
 17 lished within the Treasury of the United
 18 States an account to be known as the ‘Re-
 19 shoring and Near-shoring Account’ (in this
 20 subparagraph referred to as the ‘Account’),
 21 consisting of such amounts as are—

22 “(I) transferred to the Account
 23 under clause (ii); and

24 “(II) credited to the Account
 25 under clause (iv).

1 “(ii) TRANSFER OF AMOUNTS ATTRIB-
 2 UTABLE TO DE MINIMIS ENTRIES.—

3 “(I) IN GENERAL.—The Sec-
 4 retary of the Treasury shall transfer
 5 to the Account from the general fund
 6 of the Treasury, for fiscal year 2024
 7 and each fiscal year thereafter, an
 8 amount equivalent to the amount re-
 9 ceived into the general fund during
 10 that fiscal year that the Secretary de-
 11 termines is attributable to revenue re-
 12 ceived as a result of the dollar amount
 13 thresholds established under subpara-
 14 graph (A).

15 “(II) FREQUENCY OF TRANS-
 16 FERS.—The Secretary shall transfer
 17 amounts required by subclause (I) to
 18 be transferred to the Account not less
 19 frequently than quarterly.

20 “(iii) USE OF AMOUNTS.—Amounts in
 21 the Account shall be available, without fur-
 22 ther appropriation, for the purposes of fa-
 23 cilitating the movement of manufacturing
 24 from the People’s Republic of China to the
 25 United States.

1 “(iv) INVESTMENT OF AMOUNTS.—

2 “(I) IN GENERAL.—Except as
3 provided in subclause (II), the Sec-
4 retary shall invest such portion of the
5 Account as is not required to meet
6 current withdrawals in interest-bear-
7 ing obligations of the United States or
8 in obligations guaranteed as to both
9 principal and interest by the United
10 States.

11 “(II) AUTHORIZATION OF IN-
12 VESTMENT IN OTHER INSTRU-
13 MENTS.—

14 “(aa) IN GENERAL.—The
15 Secretary may invest such por-
16 tion of the Account as the Sec-
17 retary anticipates will be held in
18 the Account for not less than 2
19 years in equity securities or other
20 securities through a commercial
21 bank if the Secretary determines
22 such investments are appropriate.

23 “(bb) DEFINITIONS.—In
24 this subclause, the terms ‘equity
25 security’ and ‘security’ have the

1 meanings given those terms in
 2 section 3(a) of the Securities Ex-
 3 change Act of 1934 (15 U.S.C.
 4 78c(a)).

5 “(III) INTEREST AND PRO-
 6 CEEDS.—The interest on, and the pro-
 7 ceeds from the sale or redemption of,
 8 any obligations held in the Account
 9 shall be credited to and form a part of
 10 the Account.

11 “(2) PROHIBITION ON DE MINIMIS ENTRIES
 12 FROM CERTAIN COUNTRIES.—

13 “(A) IN GENERAL.—Not later than one
 14 year after the date of the enactment of the De
 15 Minimis Reciprocity Act of 2023, and annually
 16 thereafter, the Secretary of the Treasury shall
 17 publish a list of countries the articles of which
 18 are not eligible for entry under subsection
 19 (a)(2)(C).

20 “(B) CRITERIA FOR INCLUSION.—

21 “(i) IN GENERAL.—Not later than
 22 180 days after the date of the enactment
 23 of the De Minimis Reciprocity Act of 2023,
 24 the Secretary shall establish, and submit to
 25 Congress a report on, the conditions for in-

cluding a country on the list required by
subparagraph (A).

“(ii) CONSIDERATIONS.—In estab-
lishing under clause (i) conditions for in-
cluding a country on the list required by
subparagraph (A), the Secretary shall con-
sider the following:

“(I) Violations by the country of
the Act entitled ‘An Act to ensure
that goods made with forced labor in
the Xinjiang Autonomous Region of
the People’s Republic of China do not
enter the United States market, and
for other purposes’, approved Decem-
ber 23, 2021 (Public Law 117–78;
135 Stat. 1525) (commonly referred
to as the ‘Uyghur Forced Labor Pre-
vention Act’).

“(II) Transshipment through the
country of goods from countries on
the list.

“(III) The exportation from the
country of counterfeit goods.

“(IV) Whether the government of
the country is committed to the fight

1 against trafficking in persons, illegal
 2 narcotics, and terrorism, as dem-
 3 onstrated by—

4 “(aa) the government of the
 5 country not being listed under
 6 subparagraph (C) of section
 7 110(b)(1) of the Trafficking Vic-
 8 tims Protection Act of 2000 (22
 9 U.S.C. 7107(b)(1)) (commonly
 10 referred to as ‘tier 3’) in the
 11 most recent report on trafficking
 12 in persons required under such
 13 section (commonly referred to as
 14 the ‘Trafficking in Persons Re-
 15 port’); and

16 “(bb) certification by the
 17 Department of State that the
 18 government is participating in
 19 the fight against illegal narcotics
 20 and terrorism.

21 “(V) Such other issues as the
 22 Secretary considers appropriate.

23 “(C) COUNTRIES REQUIRED TO BE IN-
 24 CLUDED.—

1 “(i) IN GENERAL.—The following
2 countries shall be included on the list re-
3 quired by subparagraph (A), effective on
4 the date of the enactment of the De Mini-
5 mis Reciprocity Act of 2023:

6 “(I) The People’s Republic of
7 China.

8 “(II) The Russian Federation.

9 “(ii) REMOVAL FROM LIST.—A coun-
10 try specified in clause (i) may not be re-
11 moved from the list required by subpara-
12 graph (A) until the Secretary certifies to
13 Congress that the government of the coun-
14 try has made progress with respect to the
15 considerations described in subparagraph
16 (B)(ii).

17 “(D) REMOVAL.—

18 “(i) IN GENERAL.—The government
19 of a country on the list required by sub-
20 paragraph (A) may petition the Secretary
21 for removal from the list.

22 “(ii) RESPONSE TIME.—The Secretary
23 shall—

24 “(I) respond to a petition sub-
25 mitted under clause (i) not later than

1 90 days after receiving the petition;
 2 and

3 “(II) include in that response a
 4 description of any measures the gov-
 5 ernment that submitted the petition is
 6 required to undertake to be removed
 7 from the list.

8 “(E) CONSULTATIONS WITH CONGRESS.—
 9 The Secretary shall consult with Congress be-
 10 fore adding a country to or removing a country
 11 from the list required by subparagraph (A).

12 “(3) LIMITATIONS ON ELIGIBILITY OF CAR-
 13 RIERS FOR IMPORTATION OF DE MINIMIS EN-
 14 TRIES.—

15 “(A) IN GENERAL.—An article is eligible
 16 for entry under subsection (a)(2)(C) only if the
 17 article is transported to the United States by a
 18 contract carrier.

19 “(B) DATA REQUIREMENTS.—A contract
 20 carrier shall provide the following data with re-
 21 spect to each article entering under subsection
 22 (a)(2)(C):

23 “(i) The heading or subheading of the
 24 Harmonized Tariff Schedule of the United

1 States under which the article is classifi-
2 able.

3 “(ii) The country of origin of the arti-
4 cle

5 “(iii) The country of manufacture of
6 the article (if different from the country of
7 origin under clause (ii)).

8 “(iv) The shipper of record.

9 “(v) The importer of record.

10 “(vi) A description of the article.

11 “(vii) The fair market value in the
12 United States of the article.

13 “(C) COLLECTION OF DUTIES AND
14 TAXES.—A contract carrier transporting arti-
15 cles entering under subsection (a)(2)(C) shall
16 be responsible for collecting the duties and
17 taxes owed with respect to such articles and re-
18 mitting those duties and taxes to U.S. Customs
19 and Border Protection.

20 “(D) CONTRACT CARRIER DEFINED.—In
21 this paragraph, the term ‘contract carrier’
22 means a private entity that—

23 “(i) is organized under the laws of the
24 United States or any jurisdiction within
25 the United States; and

1 “(ii) ships small packages into the
2 United States by air or land.

3 “(4) DE MINIMIS ENTRY DEFINED.—In this
4 subsection, the term ‘de minimis entry’ means the
5 entry of articles imported by one person on one day
6 with a fair retail value that does not exceed—

7 “(A) in the case of articles entering the
8 United States, the applicable threshold estab-
9 lished under paragraph (1)(A); and

10 “(B) in the case of articles entering any
11 other country, an amount determined by the
12 government of that country to be de minimis.”.

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