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

Mr. Cassidy (for himself, Ms. Baldwin, and Mr. Vance) introduced the following bill; which was read twice and referred to the Committee on

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-
7TRIES OF ARTICLES.
8 Section 321 of Tariff Act of 1930 (19 U.S.C. 1321)
9 is amended—
(1) by amending subsection (a)(2)(C) to read as follows:

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

and

(2) by adding at the end the following:

“(c) TREATMENT OF DE MINIMIS ENTRIES.—

“(1) Reciprocity with respect to de minimis entries.—

“(A) Establishment of thresholds.—

“(i) In general.—Not later than 180 days after the date of the enactment of the De Minimis Reciprocity Act of 2023, the Secretary of the Treasury shall prescribe regulations to establish dollar amount thresholds, which may not exceed $800, for de minimis entries for purposes of subsection (a)(2)(C).

“(ii) Requirements.—The Secretary shall establish a threshold under clause (i) for each country that takes into consideration—

“(I) the dollar amount threshold of that country for de minimis entries from the United States; and
“(II) any related thresholds of that country, such as a threshold relating to a value-added tax on imports.

“(iii) Publication; Notification.—Not later than 180 days after the date of the enactment of the De Minimis Reciprocity Act of 2023, the Secretary shall—

“(I) publish the threshold established under clause (i) in the Federal Register; and

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

“(B) Re-shoring and Near-shoring Account.—

“(i) In general.—There is established within the Treasury of the United States an account to be known as the ‘Re-shoring and Near-shoring Account’ (in this subparagraph referred to as the ‘Account’), consisting of such amounts as are—

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

“(II) credited to the Account under clause (iv).
“(ii) Transfer of amounts attributable to de minimis entries.—

“(I) In general.—The Secretary of the Treasury shall transfer to the Account from the general fund of the Treasury, for fiscal year 2024 and each fiscal year thereafter, an amount equivalent to the amount received into the general fund during that fiscal year that the Secretary determines is attributable to revenue received as a result of the dollar amount thresholds established under subparagraph (A).

“(II) Frequency of transfers.—The Secretary shall transfer amounts required by subclause (I) to be transferred to the Account not less frequently than quarterly.

“(iii) Use of amounts.—Amounts in the Account shall be available, without further appropriation, for the purposes of facilitating the movement of manufacturing from the People’s Republic of China to the United States.
“(iv) INVESTMENT OF AMOUNTS.—

“(I) IN GENERAL.—Except as provided in subclause (II), the Secretary shall invest such portion of the Account as is not required to meet current withdrawals in interest-bearing obligations of the United States or in obligations guaranteed as to both principal and interest by the United States.

“(II) AUTHORIZATION OF INVESTMENT IN OTHER INSTRUMENTS.—

“(aa) IN GENERAL.—The Secretary may invest such portion of the Account as the Secretary anticipates will be held in the Account for not less than 2 years in equity securities or other securities through a commercial bank if the Secretary determines such investments are appropriate.

“(bb) DEFINITIONS.—In this subclause, the terms ‘equity security’ and ‘security’ have the
meanings given those terms in section 3(a) of the Securities Exchange Act of 1934 (15 U.S.C. 78c(a)).

“(III) Interest and proceeds.—The interest on, and the proceeds from the sale or redemption of, any obligations held in the Account shall be credited to and form a part of the Account.

“(2) Prohibition on de minimis entries from certain countries.—

“(A) In general.—Not later than one year after the date of the enactment of the De Minimis Reciprocity Act of 2023, and annually thereafter, the Secretary of the Treasury shall publish a list of countries the articles of which are not eligible for entry under subsection (a)(2)(C).

“(B) Criteria for inclusion.—

“(i) In general.—Not later than 180 days after the date of the enactment of the De Minimis Reciprocity Act of 2023, the Secretary shall establish, and submit to Congress a report on, the conditions for in-
cluding a country on the list required by subparagraph (A).

“(ii) CONSIDERATIONS.—In establishing under clause (i) conditions for including a country on the list required by subparagraph (A), the Secretary shall consider 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 December 23, 2021 (Public Law 117–78; 135 Stat. 1525) (commonly referred to as the ‘Uyghur Forced Labor Prevention 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
against trafficking in persons, illegal
narcotics, and terrorism, as dem-
onstrated by—

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

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

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

“(C) COUNTRIES REQUIRED TO BE IN-
CLUDED.—
“(i) IN GENERAL.—The following countries shall be included on the list required by subparagraph (A), effective on the date of the enactment of the De Minimis Reciprocity Act of 2023:


“(II) The Russian Federation.

“(ii) REMOVAL FROM LIST.—A country specified in clause (i) may not be removed from the list required by subparagraph (A) until the Secretary certifies to Congress that the government of the country has made progress with respect to the considerations described in subparagraph (B)(ii).

“(D) REMOVAL.—

“(i) IN GENERAL.—The government of a country on the list required by subparagraph (A) may petition the Secretary for removal from the list.

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

“(I) respond to a petition submitted under clause (i) not later than
90 days after receiving the petition; and
“(II) include in that response a description of any measures the government that submitted the petition is required to undertake to be removed from the list.

“(E) Consultations with congress.—
The Secretary shall consult with Congress before adding a country to or removing a country from the list required by subparagraph (A).

“(3) Limitations on eligibility of carriers for importation of de minimis entries.—

“(A) In general.—An article is eligible for entry under subsection (a)(2)(C) only if the article is transported to the United States by a contract carrier.

“(B) Data requirements.—A contract carrier shall provide the following data with respect to each article entering under subsection (a)(2)(C):

“(i) The heading or subheading of the Harmonized Tariff Schedule of the United
States under which the article is classifiable.

“(ii) The country of origin of the article

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

“(iv) The shipper of record.

“(v) The importer of record.

“(vi) A description of the article.

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

“(C) Collection of duties and taxes.—A contract carrier transporting articles entering under subsection (a)(2)(C) shall be responsible for collecting the duties and taxes owed with respect to such articles and remitting those duties and taxes to U.S. Customs and Border Protection.

“(D) Contract carrier defined.—In this paragraph, the term ‘contract carrier’ means a private entity that—

“(i) is organized under the laws of the United States or any jurisdiction within the United States; and
“(ii) ships small packages into the United States by air or land.

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

“(A) in the case of articles entering the United States, the applicable threshold established under paragraph (1)(A); and

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