

**DIVISION E—MISCELLANEOUS
PROVISIONS
TITLE L—MISCELLANEOUS TRADE
BENEFITS
Subtitle A—Wool Provisions**

SEC. 5101. WOOL PROVISIONS.

(a) **SHORT TITLE.**—This section may be cited as the “Wool Manufacturer Payment Clarification and Technical Corrections Act”.

(b) **CLARIFICATION OF TEMPORARY DUTY SUSPENSION.**—Heading 9902.51.13 of the Harmonized Tariff Schedule of the United States is amended by inserting “average” before “diameters”.

(c) **PAYMENTS TO MANUFACTURERS OF CERTAIN WOOL PRODUCTS.**—

(1) **PAYMENTS.**—Section 505 of the Trade and Development Act of 2000 (Public Law 106-200; 114 Stat. 303) is amended as follows:

(A) Subsection (a) is amended—

(i) by striking “In each of the calendar years” and

inserting “For each of the calendar years”; and

(ii) by striking “for a refund of duties” and all

that follows through the end of the subsection and

inserting “for a payment equal to an amount determined pursuant to subsection (d)(1).”.

(B) Subsection (b) is amended to read as follows:

“(b) **WOOL YARN.**—

“(1) **IMPORTING MANUFACTURERS.**—For each of the calendar years 2000, 2001, and 2002, a manufacturer of worsted wool fabrics who imports wool yarn of the kind described in heading 5107.10 or 9902.51.13 of the Harmonized Tariff Schedule of the United States shall be eligible for a payment equal to an amount determined pursuant to subsection (d)(2).

“(2) **NONIMPORTING MANUFACTURERS.**—For each of the calendar years 2001 and 2002, any other manufacturer of worsted wool fabrics of imported wool yarn of the kind described in heading 5107.10 or 9902.51.13 of the Harmonized Tariff Schedule of the United States shall be eligible for a payment equal to an amount determined pursuant to subsection (d)(2).”.

(C) Subsection (c) is amended to read as follows:

“(c) **WOOL FIBER AND WOOL TOP.**—

“(1) **IMPORTING MANUFACTURERS.**—For each of the calendar years 2000, 2001, and 2002, a manufacturer of wool yarn or

wool fabric who imports wool fiber or wool top of the kind described in heading 5101.11, 5101.19, 5101.21, 5101.29, Wool
Manufacturer
Payment
Clarification and
Technical
Corrections Act.

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5101.30, 5103.10, 5103.20, 5104.00, 5105.21, 5105.29, or
9902.51.14 of the Harmonized Tariff Schedule of the United
States shall be eligible for a payment equal to an amount
determined pursuant to subsection (d)(3).

“(2) NONIMPORTING MANUFACTURERS.—For each of the calendar
years 2001 and 2002, any other manufacturer of wool
yarn or wool fabric of imported wool fiber or wool top of the
kind described in heading 5101.11, 5101.19, 5101.21, 5101.29,
5101.30, 5103.10, 5103.20, 5104.00, 5105.21, 5105.29, or
9902.51.14 of the Harmonized Tariff Schedule of the United
States shall be eligible for a payment equal to an amount
determined pursuant to subsection (d)(3).”

(D) Section 505 is further amended by striking subsection
(d) and inserting the following new subsections:

“(d) AMOUNT OF ANNUAL PAYMENTS TO MANUFACTURERS.—

“(1) MANUFACTURERS OF MEN’S SUITS, ETC. OF IMPORTED
WORSTED WOOL FABRICS.—

“(A) ELIGIBLE TO RECEIVE MORE THAN \$5,000.—Each
annual payment to manufacturers described in subsection
(a) who, according to the records of the Customs Service
as of September 11, 2001, are eligible to receive more
than \$5,000 for each of the calendar years 2000, 2001,
and 2002, shall be in an amount equal to one-third of
the amount determined by multiplying \$30,124,000 by a
fraction—

“(i) the numerator of which is the amount attributable
to the duties paid on eligible wool products
imported in calendar year 1999 by the manufacturer
making the claim, and

“(ii) the denominator of which is the total amount
attributable to the duties paid on eligible wool products
imported in calendar year 1999 by all the manufacturers
described in subsection (a) who, according to the
records of the Customs Service as of September 11,
2001, are eligible to receive more than \$5,000 for each
such calendar year under this section as it was in
effect on that date.

“(B) ELIGIBLE WOOL PRODUCTS.—For purposes of

subparagraph (A), the term 'eligible wool products' refers to imported worsted wool fabrics described in subsection (a).

“(C) OTHERS.—All manufacturers described in subsection (a), other than the manufacturers to which subparagraph (A) applies, shall each receive an annual payment in an amount equal to one-third of the amount determined by dividing \$1,665,000 by the number of all such other manufacturers.

“(2) MANUFACTURERS OF WORSTED WOOL FABRICS OF IMPORTED WOOL YARN.—

“(A) IMPORTING MANUFACTURERS.—Each annual payment to an importing manufacturer described in subsection (b)(1) shall be in an amount equal to one-third of the amount determined by multiplying \$2,202,000 by a fraction—

“(i) the numerator of which is the amount attributable to the duties paid on eligible wool products

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imported in calendar year 1999 by the importing manufacturer making the claim, and

“(ii) the denominator of which is the total amount attributable to the duties paid on eligible wool products imported in calendar year 1999 by all the importing manufacturers described in subsection (b)(1).

“(B) ELIGIBLE WOOL PRODUCTS.—For purposes of subparagraph (A), the term 'eligible wool products' refers to imported wool yarn described in subsection (b)(1).

“(C) NONIMPORTING MANUFACTURERS.—Each annual payment to a nonimporting manufacturer described in subsection (b)(2) shall be in an amount equal to one-half of the amount determined by multiplying \$141,000 by a fraction—

“(i) the numerator of which is the amount attributable to the purchases of imported eligible wool products in calendar year 1999 by the nonimporting manufacturer making the claim, and

“(ii) the denominator of which is the total amount attributable to the purchases of imported eligible wool products in calendar year 1999 by all the nonimporting manufacturers described in subsection (b)(2).

“(3) MANUFACTURERS OF WOOL YARN OR WOOL FABRIC OF IMPORTED WOOL FIBER OR WOOL TOP.—

“(A) IMPORTING MANUFACTURERS.—Each annual payment to an importing manufacturer described in subsection (c)(1) shall be in an amount equal to one-third of the

amount determined by multiplying \$1,522,000 by a fraction—

“(i) the numerator of which is the amount attributable to the duties paid on eligible wool products imported in calendar year 1999 by the importing manufacturer making the claim, and

“(ii) the denominator of which is the total amount attributable to the duties paid on eligible wool products imported in calendar year 1999 by all the importing manufacturers described in subsection (c)(1).

“(B) ELIGIBLE WOOL PRODUCTS.—For purposes of subparagraph (A), the term ‘eligible wool products’ refers to imported wool fiber or wool top described in subsection (c)(1).

“(C) NONIMPORTING MANUFACTURERS.—Each annual payment to a nonimporting manufacturer described in subsection (c)(2) shall be in an amount equal to one-half of the amount determined by multiplying \$597,000 by a fraction—

“(i) the numerator of which is the amount attributable to the purchases of imported eligible wool products in calendar year 1999 by the nonimporting manufacturer making the claim, and

“(ii) the denominator of which is the amount attributable to the purchases of imported eligible wool products in calendar year 1999 by all the nonimporting manufacturers described in subsection (c)(2).

“(4) LETTERS OF INTENT.—Except for the nonimporting manufacturers described in subsections (b)(2) and (c)(2) who may make claims under this section by virtue of the enactment

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of the Wool Manufacturer Payment Clarification and Technical Corrections Act, only manufacturers who, according to the records of the Customs Service, filed with the Customs Service before September 11, 2001, letters of intent to establish eligibility to be claimants are eligible to make a claim for a payment under this section.

“(5) AMOUNT ATTRIBUTABLE TO PURCHASES BY NONIMPORTING MANUFACTURERS.—

“(A) AMOUNT ATTRIBUTABLE.—For purposes of paragraphs (2)(C) and (3)(C), the amount attributable to the purchases of imported eligible wool products in calendar year 1999 by a nonimporting manufacturer shall be the amount the nonimporting manufacturer paid for eligible wool products in calendar year 1999, as evidenced by invoices. The nonimporting manufacturer shall make such

calculation and submit the resulting amount to the Customs Service, within 45 days after the date of enactment of the Wool Manufacturer Payment Clarification and Technical Corrections Act, in a signed affidavit that attests that the information contained therein is true and accurate to the best of the affiant's belief and knowledge. The nonimporting manufacturer shall retain the records upon which the calculation is based for a period of five years beginning on the date the affidavit is submitted to the Customs Service.

“(B) ELIGIBLE WOOL PRODUCT.—For purposes of subparagraph (A)—

“(i) the eligible wool product for nonimporting manufacturers of worsted wool fabrics is wool yarn of the kind described in heading 5107.10 or 9902.51.13 of the Harmonized Tariff Schedule of the United States purchased in calendar year 1999; and

“(ii) the eligible wool products for nonimporting manufacturers of wool yarn or wool fabric are wool fiber or wool top of the kind described in heading 5101.11, 5101.19, 5101.21, 5101.29, 5101.30, 5103.10, 5103.20, 5104.00, 5105.21, 5105.29, or 9902.51.14 of such Schedule purchased in calendar year 1999.

“(6) AMOUNT ATTRIBUTABLE TO DUTIES PAID.—For purposes of paragraphs (1), (2)(A), and (3)(A), the amount attributable to the duties paid by a manufacturer shall be the amount shown on the records of the Customs Service as of September 11, 2001, under this section as then in effect.

“(7) SCHEDULE OF PAYMENTS; REALLOCATIONS.—

“(A) SCHEDULE.—Of the payments described in paragraphs (1), (2)(A), and (3)(A), the Customs Service shall make the first and second installments on or before the date that is 45 days after the date of enactment of the Wool Manufacturer Payment Clarification and Technical Corrections Act, and the third installment on or before April 15, 2003. Of the payments described in paragraphs (2)(C) and (3)(C), the Customs Service shall make the first installment on or before the date that is 120 days after the date of enactment of the Wool Manufacturer Payment Clarification and Technical Corrections Act, and the second installment on or before April 15, 2003.

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“(B) REALLOCATIONS.—In the event that a manufacturer that would have received payment under subparagraph (A) or (C) of paragraph (1), (2), or (3) ceases to be qualified for such payment as such a manufacturer,

the amounts otherwise payable to the remaining manufacturers under such subparagraph shall be increased on a pro rata basis by the amount of the payment such manufacturer would have received.

“(8) REFERENCE.—For purposes of paragraphs (1)(A) and (6), the ‘records of the Customs Service as of September 11, 2001’ are the records of the Wool Duty Unit of the Customs Service on September 11, 2001, as adjusted by the Customs Service to the extent necessary to carry out this section. The amounts so adjusted are not subject to administrative or judicial review.

“(e) AFFIDAVITS BY MANUFACTURERS.—

“(1) AFFIDAVIT REQUIRED.—A manufacturer may not receive a payment under this section for calendar year 2000, 2001, or 2002, as the case may be, unless that manufacturer has submitted to the Customs Service for that calendar year a signed affidavit that attests that, during that calendar year, the affiant was a manufacturer in the United States described in subsection (a), (b), or (c).

“(2) TIMING.—An affidavit under paragraph (1) shall be valid—

“(A) in the case of a manufacturer described in paragraph (1), (2)(A), or (3)(A) of subsection (d) filing a claim for a payment for calendar year 2000 or 2001, or both, only if the affidavit is postmarked no later than 15 days after the date of enactment of the Wool Manufacturer Payment Clarification and Technical Corrections Act; and

“(B) in the case of a claim for a payment for calendar year 2002, only if the affidavit is postmarked no later than March 1, 2003.

“(f) OFFSETS.—Notwithstanding any other provision of this section, any amount otherwise payable under subsection (d) to a manufacturer in calendar year 2001 and, where applicable, in calendar years 2002 and 2003, shall be reduced by the amount of any payment received by that manufacturer under this section before the enactment of the Wool Manufacturer Payment Clarification and Technical Corrections Act.

“(g) DEFINITION.—For purposes of this section, the manufacturer is the party that owns—

“(1) imported worsted wool fabric, of the kind described in heading 9902.51.11 or 9902.51.12 of the Harmonized Tariff Schedule of the United States, at the time the fabric is cut and sewn in the United States into men’s or boys’ suits, suittype jackets, or trousers;

“(2) imported wool yarn, of the kind described in heading 5107.01 or 9902.51.13 of such Schedule, at the time the yarn is processed in the United States into worsted wool fabric;

or

“(3) imported wool fiber or wool top, of the kind described in heading 5101.11, 5101.19, 5101.21, 5101.29, 5101.30, 5103.10, 5103.20, 5104.00, 5105.21, 5105.29, or 9902.51.14 of such Schedule, at the time the wool fiber or wool top is processed in the United States into wool yarn.”.

Deadlines.

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(2) FUNDING.—There is authorized to be appropriated and is hereby appropriated, out of amounts in the General Fund of the Treasury not otherwise appropriated, \$36,251,000 to carry out the amendments made by paragraph (1).

SEC. 5102. DUTY SUSPENSION ON WOOL.

(a) EXTENSION OF TEMPORARY DUTY REDUCTIONS.—

(1) HEADING 9902.51.11.—Heading 9902.51.11 of the Harmonized Tariff Schedule of the United States is amended by striking “2003” and inserting “2005”.

(2) HEADING 9902.51.12.—Heading 9902.51.12 of the Harmonized Tariff Schedule of the United States is amended—

(A) by striking “2003” and inserting “2005”; and

(B) by striking “6%” and inserting “Free”.

(3) HEADING 9902.51.13.—Heading 9902.51.13 of the Harmonized Tariff Schedule of the United States is amended by striking “2003” and inserting “2005”.

(4) HEADING 9902.51.14.—Heading 9902.51.14 of the Harmonized Tariff Schedule of the United States is amended by striking “2003” and inserting “2005”.

(b) LIMITATION ON QUANTITY OF IMPORTS.—

(1) NOTE 15.—U.S. Note 15 to subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended—

(A) by striking “from January 1 to December 31 of each year, inclusive”; and

(B) by striking “, or such other” and inserting the following: “in calendar year 2001, 3,500,000 square meter equivalents in calendar year 2002, and 4,500,000 square meter equivalents in calendar year 2003 and each calendar year thereafter, or such greater”.

(2) NOTE 16.—U.S. Note 16 to subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is amended—

(A) by striking “from January 1 to December 31 of each year, inclusive”; and

(B) by striking “, or such other” and inserting the following: “in calendar year 2001, 2,500,000 square meter equivalents in calendar year 2002, and 3,500,000 square

meter equivalents in calendar year 2003 and each calendar year thereafter, or such greater”.

(c) EXTENSION OF DUTY REFUNDS AND WOOL RESEARCH TRUST FUND.—

(1) IN GENERAL.—The United States Customs Service shall pay each manufacturer that receives a payment under section 505 of the Trade and Development Act of 2000 (Public Law 106–200) for calendar year 2002, and that provides an affidavit that it remains a manufacturer in the United States as of January 1 of the year of the payment, 2 additional payments, each payment equal to the payment received for calendar year 2002 as follows:

(A) The first payment to be made after January 1, 2004, but on or before April 15, 2004.

(B) The second payment to be made after January 1, 2005, but on or before April 15, 2005.

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(2) CONFORMING AMENDMENT.—Section 506(f) of the Trade and Development Act of 2000 (Public Law 106–200) is amended by striking “2004” and inserting “2006”.

(3) AUTHORIZATION.—There is authorized to be appropriated and is hereby appropriated out of amounts in the general fund of the Treasury not otherwise appropriated such sums as are necessary to carry out the provisions of this subsection.

(d) EFFECTIVE DATE.—The amendment made by subsection (a)(2)(B) applies to goods entered, or withdrawn from warehouse for consumption, on or after January 1, 2002.