

## **§3601. Administration of tariff-rate quotas**

### **(a) Orderly marketing**

In implementing the tariff-rate quotas set out in Schedule XX for the entry, or withdrawal from warehouse, for consumption of goods in the United States, the President shall take such action as may be necessary to ensure that imports of agricultural products do not disrupt the orderly marketing of commodities in the United States.

### **(b) Inadequate supply**

Where imports of an agricultural product are subject to a tariff-rate quota, and where the President determines and proclaims that the supply of the same or directly competitive or substitutable agricultural product will be inadequate, because of a natural disaster, disease, or major national market disruption, to meet domestic demand at reasonable prices, the President may temporarily increase the quantity of imports of the agricultural product that is subject to the in-quota rate of duty established under the tariff-rate quota.

### **(c) Monitoring**

The Secretary of Agriculture shall monitor the domestic supply of agricultural products subject to a tariff-rate quota as the Secretary considers appropriate and shall advise the President when the domestic supply of the products and substitutable products combined with the estimated imports of the products under the tariff-rate quota may be inadequate to meet domestic demand at reasonable prices.

### **(d) Coverage of tariff-rate quotas**

#### **(1) Exclusions**

The President may, subject to terms and conditions determined appropriate by the President, provide that the entry, or withdrawal from warehouse, for consumption in the United States of an agricultural product shall not be subject to the over-quota rate of duty established under a tariff-rate quota if the agricultural product-

(A) is imported by, or for the account of, any agency of the United States or of any foreign embassy;

(B) is imported as a sample for taking orders, for the personal use of the importer, or for the testing of equipment;

(C) is a commercial sample or is entered for exhibition, display, or sampling at a trade fair or for research; or

(D) is a blended syrup provided for in subheadings 1702.20.28, 1702.30.28, 1702.40.28, 1702.60.28, 1702.90.58, 1806.20.92, 1806.20.93, 1806.90.38, 1806.90.40, 2101.10.38, 2101.20.38, 2106.90.38, or 2106.90.67 of Schedule XX, if entered from a foreign trade zone by a foreign trade zone user whose facilities were in operation on June 1, 1990, to the extent that the annual quantity entered into the customs territory from such zone does not contain a quantity of sugar of nondomestic origin greater than the quantity authorized by the Foreign Trade Zones Board for processing in that zone during calendar year 1985.

#### **(2) Reclassification**

Subject to the consultation and layover requirements of [section 3524 of this title](#), the President may proclaim a modification to the coverage of a tariff-rate quota for any agricultural product if the President determines the modification is necessary or appropriate to conform the tariff-rate quota to Schedule XX as a result of a reclassification of any item by the Secretary of the Treasury.

**(3) Allocation**

The President may allocate the in-quota quantity of a tariff-rate quota for any agricultural product among supplying countries or customs areas and may modify any allocation as determined appropriate by the President.

**(4) Bilateral agreement**

The President may proclaim an increase in the tariff-rate quota for beef if the President determines that an increase is necessary to implement-

- (A) the March 24, 1994, agreement between the United States and Argentina; or
- (B) the March 9, 1994, agreement between the United States and Uruguay.

**(5) Continuation of sugar headnote**

The President is authorized to proclaim additional United States note 3 to [chapter 17](#) of the HTS, and to proclaim the modifications to the note, as determined appropriate by the President to reflect Schedule XX.

(Pub. L. 103–465, title IV, §404, Dec. 8, 1994, 108 Stat. 4959.)

**CODIFICATION**

Section is comprised of section 404 of Pub. L. 103–465. Subsec. (e) of section 404 of Pub. L. 103–465 amended [sections 1313, 2463, 2703, and 3203](#) of this title and [section 1359a](#) of Title 7, Agriculture, and enacted provisions set out as a note under [section 1313](#) of this title.

**EFFECTIVE DATE**

Pub. L. 103–465, title IV, §451, Dec. 8, 1994, 108 Stat. 4973, provided that: “Except as otherwise provided in this title, this title [enacting this subchapter, [sections 2578 to 2578b](#) of this title, and [section 1585](#) of Title 7, Agriculture, amending [sections 1306, 1313, 2463, 2544, 2703, and 3203](#) of this title, [sections 149, 150bb, 150cc, 154, 156, 281, 624, 1314i, 1359a, 1444–2, 1445, 1581, 1582, 1586, 1852, 2803, 5623, and 5651](#) of Title 7, [section 713a–14](#) of Title 15, Commerce and Trade, and [sections 104, 105, 135, 466, and 620](#) of Title 21, Food and Drugs, repealing [sections 1585 and 1853](#) of Title 7, enacting provisions set out as notes under [section 2135 of this title](#) and [sections 624, 1314i, 1445, and 5601](#) of Title 7, amending provisions set out as a note under [section 1313](#) of this title and [section 1731](#) of Title 7, and repealing provisions set out as a note under [section 2253](#) of this title], and the amendments made by this title, shall take effect on the date of entry into force of the WTO Agreement with respect to the United States [Jan. 1, 1995].”

**DELEGATION OF AUTHORITY**

Authority of President under subsec. (d)(3) of this section delegated to United States Trade Representative by par. (3) of Proc. No. 6763, Dec. 23, 1994, 60 F.R. 1010, set out as a note under [section 3511](#) of this title.

Authority of President under this section to implement certain Memorandum of Understanding with Argentina delegated to United States Trade Representative by par. (5) of Proc. No. 6780, Mar. 23, 1995, 60 F.R. 15847, set out as a note under [section 3511](#) of this title.

**PROC. NO. 7235. TO DELEGATE AUTHORITY FOR THE ADMINISTRATION OF THE TARIFF-RATE QUOTAS ON SUGAR-CONTAINING PRODUCTS AND OTHER AGRICULTURAL PRODUCTS TO THE UNITED STATES TRADE REPRESENTATIVE AND THE SECRETARY OF AGRICULTURE**

Proc. No. 7235, Oct. 7, 1999, 64 F.R. 55611, provided:

1. On April 15, 1994, the President entered into trade agreements resulting from the Uruguay Round of multilateral trade negotiations (“Uruguay Round Agreements”). As part of those

agreements, the United States converted quotas on imports of beef, cotton, dairy products, peanuts, peanut butter and peanut paste, sugar, and sugar-containing products (as defined in additional U.S. notes 2 and 3 of the Harmonized Tariff Schedule of the United States [see [19 U.S.C. 1202](#)]) into tariff-rate quotas. In section 101(a) of the Uruguay Round Agreements Act [[19 U.S.C. 3511\(a\)](#)] (the "URAA") (Public Law 103–65 [Pub. L. 103–465]; 108 Stat. 4809), Congress approved the Uruguay Round Agreements listed in section 101(d) of that Act, including the General Agreement on Tariffs and Trade 1994.

2. On December 23, 1994, the President issued Presidential Proclamation 6763 [[19 U.S.C. 3511 note](#)], implementing the Uruguay Round Agreements consistent with the URAA. Presidential Proclamation 6763 included a delegation of the President's authority under the statutes cited in the proclamation, including section 404(a) of the URAA, [19 U.S.C. 3601\(a\)](#), to the Secretary of Agriculture, the Secretary of the Treasury, and the United States Trade Representative, as necessary to perform functions assigned to them to implement the proclamation. Section 404(a) directs the President to take such action as may be necessary in implementing the tariff-rate quotas set out in Schedule XX - United States of America, annexed to the Marrakesh Protocol to the General Agreement on Tariffs and Trade 1994, to ensure that imports of agricultural products do not disrupt the orderly marketing of commodities in the United States.

3. I have determined that it is necessary to delegate my authority under section 404(a) to administer the tariff-rate quotas relating to cotton, dairy products, peanuts, peanut butter and peanut paste, sugar, and sugar-containing products to the United States Trade Representative and to delegate to the Secretary of Agriculture authority to issue licenses governing the importation of such products under the applicable tariff-rate quotas. The Secretary of Agriculture shall exercise such licensing authority in consultation with the United States Trade Representative.

NOW, THEREFORE, I, WILLIAM J. CLINTON, President of the United States of America, acting under the authority vested in me by the Constitution and the laws of the United States of America, including but not limited to [section 301 of title 3, United States Code](#), and section 404(a) of the URAA, do hereby proclaim:

(1) The United States Trade Representative is authorized to exercise my authority pursuant to section 404(a) of the URAA to take all action necessary, including the promulgation of regulations, to administer the tariff-rate quotas relating respectively, to cotton, dairy products, peanuts, peanut butter and peanut paste, sugar, and sugar-containing products, as the latter products are defined in additional U.S. notes 2 and 3 of the Harmonized Tariff Schedule of the United States. The Secretary of Agriculture, in consultation with the United States Trade Representative, is authorized to exercise my authority pursuant to section 404(a) to issue import licenses governing the importation of such products within the applicable tariff-rate quotas.

(2) All provisions of previous proclamations and Executive orders that are inconsistent with the actions taken in this proclamation are superseded to the extent of such inconsistency.

IN WITNESS WHEREOF, I have hereunto set my hand this seventh day of October, in the year of our Lord nineteen hundred and ninety-nine, and of the Independence of the United States of America the two hundred and twenty-fourth.

WILLIAM J. CLINTON.