

such list, the Trade Representative shall notify the list to the Textiles Monitoring Body established under Article 8 of the Agreement on Textiles and Clothing.

(Pub. L. 103-465, title III, § 331, Dec. 8, 1994, 108 Stat. 4947; Pub. L. 104-295, § 20(c)(7), Oct. 11, 1996, 110 Stat. 3528.)

#### AMENDMENTS

1996—Pub. L. 104-295 struck out “, as defined in section 3501(9) of this title,” after “WTO Agreement”.

#### EFFECTIVE DATE

Pub. L. 103-465, title III, § 335, Dec. 8, 1994, 108 Stat. 4951, provided that: “Except as provided in section 334 [enacting section 3592 of this title], this subtitle [sub-title D (§§ 331-335) of title III of Pub. L. 103-465, enacting this part and section 1592a of this title, and amending section 1854 of Title 7, Agriculture] and the amendments made by this subtitle take effect on the date on which the WTO Agreement enters into force with respect to the United States [Jan. 1, 1995].”

#### URUGUAY ROUND AGREEMENTS: ENTRY INTO FORCE

The Uruguay Round Agreements, including the World Trade Organization Agreement and agreements annexed to that Agreement, as referred to in section 3511(d) of this title, entered into force with respect to the United States on Jan. 1, 1995. See note set out under section 3511 of this title.

### § 3592. Rules of origin for textile and apparel products

#### (a) Regulatory authority

The Secretary of the Treasury shall prescribe rules implementing the principles contained in subsection (b) of this section for determining the origin of textiles and apparel products. Such rules shall be promulgated in final form not later than July 1, 1995.

#### (b) Principles

##### (1) In general

Except as otherwise provided for by statute, a textile or apparel product, for purposes of the customs laws and the administration of quantitative restrictions, originates in a country, territory, or insular possession, and is the growth, product, or manufacture of that country, territory, or insular possession, if—

(A) the product is wholly obtained or produced in that country, territory, or possession;

(B) the product is a yarn, thread, twine, cordage, rope, cable, or braiding and—

(i) the constituent staple fibers are spun in that country, territory, or possession, or

(ii) the continuous filament is extruded in that country, territory, or possession;

(C) the product is a fabric, including a fabric classified under chapter 59 of the HTS, and the constituent fibers, filaments, or yarns are woven, knitted, needled, tufted, felted, entangled, or transformed by any other fabric-making process in that country, territory, or possession; or

(D) the product is any other textile or apparel product that is wholly assembled in that country, territory, or possession from its component pieces.

#### (2) Special rules

(A) Notwithstanding paragraph (1)(D) and except as provided in subparagraphs (B) and (C)—

(i) the origin of a good that is classified under one of the following HTS headings or subheadings shall be determined under subparagraph (A), (B), or (C) of paragraph (1), as appropriate: 5609, 5807, 5811, 6209.20.50.40, 6213, 6214, 6301, 6302, 6303, 6304, 6305, 6306, 6307.10, 6307.90, 6308, or 9404.90; and

(ii) a textile or apparel product which is knit to shape shall be considered to originate in, and be the growth, product, or manufacture of, the country, territory, or possession in which it is knit.

(B) Notwithstanding paragraph (1)(C), fabric classified under the HTS as of silk, cotton, man-made fiber, or vegetable fiber shall be considered to originate in, and be the growth, product, or manufacture of, the country, territory, or possession in which the fabric is both dyed and printed when accompanied by two or more of the following finishing operations: bleaching, shrinking, fulling, napping, decatizing, permanent stiffening, weighting, permanent embossing, or moireing.

(C) Notwithstanding paragraph (1)(D), goods classified under HTS heading 6117.10, 6213.00, 6214.00, 6302.22, 6302.29, 6302.52, 6302.53, 6302.59, 6302.92, 6302.93, 6302.99, 6303.92, 6303.99, 6304.19, 6304.93, 6304.99, 9404.90.85, or 9404.90.95, except for goods classified under such headings as of cotton or of wool or consisting of fiber blends containing 16 percent or more by weight of cotton, shall be considered to originate in, and be the growth, product, or manufacture of, the country, territory, or possession in which the fabric is both dyed and printed when accompanied by two or more of the following finishing operations: bleaching, shrinking, fulling, napping, decatizing, permanent stiffening, weighting, permanent embossing, or moireing.

#### (3) Multicountry rule

If the origin of a good cannot be determined under paragraph (1) or (2), then that good shall be considered to originate in, and be the growth, product, or manufacture of—

(A) the country, territory, or possession in which the most important assembly or manufacturing process occurs, or

(B) if the origin of the good cannot be determined under subparagraph (A), the last country, territory, or possession in which important assembly or manufacturing occurs.

#### (4) Components cut in the United States

(A) The value of a component that is cut to shape (but not to length, width, or both) in the United States from foreign fabric and exported to another country, territory, or insular possession for assembly into an article that is then returned to the United States—

(i) shall not be included in the dutiable value of such article, and

(ii) may be applied toward determining the percentage referred to in General Note 7(b)(i)(B) of the HTS, subject to the limitation provided in that note.

(B) No article (except a textile or apparel product) assembled in whole of components described in subparagraph (A), or of such components and components that are products of the United States, in a beneficiary country as defined in General Note 7(a) of the HTS shall be treated as a foreign article, or as subject to duty if—

- (i) the components after exportation from the United States, and
- (ii) the article itself before importation into the United States

do not enter into the commerce of any foreign country other than such a beneficiary country.

**(5) Exception for United States-Israel Free Trade Agreement**

This section shall not affect, for purposes of the customs laws and administration of quantitative restrictions, the status of goods that, under rulings and administrative practices in effect immediately before December 8, 1994, would have originated in, or been the growth, product, or manufacture of, a country that is a party to an agreement with the United States establishing a free trade area, which entered into force before January 1, 1987. For such purposes, such rulings and administrative practices that were applied, immediately before December 8, 1994, to determine the origin of textile and apparel products covered by such agreement shall continue to apply after December 8, 1994, and on and after the effective date described in subsection (c) of this section, unless such rulings and practices are modified by the mutual consent of the parties to the agreement.

**(c) Effective date**

This section shall apply to goods entered, or withdrawn from warehouse, for consumption on or after July 1, 1996, except that this section shall not apply to goods if—

- (1) the contract for the sale of such goods to the United States is entered into before July 20, 1994;
- (2) all of the material terms of sale in such contract, including the price and quantity of the goods, are fixed and determinable before July 20, 1994;
- (3) a copy of the contract is filed with the Commissioner of Customs within 60 days after December 8, 1994, together with a certification that the contract meets the requirements of paragraphs (1) and (2); and
- (4) the goods are entered, or withdrawn from warehouse, for consumption on or before January 1, 1998.

The origin of goods to which this section does not apply shall be determined in accordance with the applicable rules in effect on July 20, 1994.

(Pub. L. 103-465, title III, § 334, Dec. 8, 1994, 108 Stat. 4949; Pub. L. 104-295, § 20(c)(9), Oct. 11, 1996, 110 Stat. 3528; Pub. L. 106-200, title IV, § 405(a), May 18, 2000, 114 Stat. 292.)

AMENDMENTS

2000—Subsec. (b)(2). Pub. L. 106-200 designated existing provisions as subpar. (A), in introductory provi-

sions substituted “Notwithstanding paragraph (1)(D) and except as provided in subparagraphs (B) and (C)” for “Notwithstanding paragraph (1)(D)”, added subpars. (B) and (C), and redesignated former subpars. (A) and (B) as cls. (i) and (ii), respectively, of subpar. (A).

1996—Subsec. (b)(1)(B)(ii). Pub. L. 104-295 substituted “possession;” for “possession,”.

EFFECTIVE DATE OF 2000 AMENDMENT

Pub. L. 106-200, title IV, § 405(b), May 18, 2000, 114 Stat. 293, provided that: “The amendments made by this section [amending this section] apply to goods entered, or withdrawn from warehouse for consumption, on or after the date of the enactment of this Act [May 18, 2000].”

TRANSFER OF FUNCTIONS

For transfer of functions, personnel, assets, and liabilities of the United States Customs Service of the Department of the Treasury, including functions of the Secretary of the Treasury relating thereto, to the Secretary of Homeland Security, and for treatment of related references, see sections 203(1), 551(d), 552(d), and 557 of Title 6, Domestic Security, and the Department of Homeland Security Reorganization Plan of November 25, 2002, set out as a note under section 542 of Title 6.

SUBCHAPTER IV—AGRICULTURE-RELATED PROVISIONS

PART A—MARKET ACCESS

**§ 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 with-