

Editorial Notes

REFERENCES IN TEXT

Section 560 of the Department of Homeland Security Appropriations Act, 2013 (division D of Public Law 113-6; 127 Stat. 378), referred to in subsec. (b)(1), is not classified to the Code.

Subchapter VII of this chapter, referred to in subsec. (b)(4), was in the original “subtitle B of title VIII of this Act”, meaning subtitle B (§§811-819) of title VIII of Pub. L. 114-125, which is classified principally to subchapter VII of this chapter. For complete classification of subtitle B to the Code, see Short Title note set out under section 4301 of this title and Tables.

AMENDMENTS

2016—Subsec. (b)(5). Pub. L. 114-279 added par. (5).

§ 4452. United States-Israel trade and commercial enhancement**(a) Findings**

Congress finds the following:

(1) Israel is America’s dependable, democratic ally in the Middle East—an area of paramount strategic importance to the United States.

(2) The United States-Israel Free Trade Agreement formed the modern foundation of the bilateral commercial relationship between the two countries and was the first such agreement signed by the United States with a foreign country.

(3) The United States-Israel Free Trade Agreement has been instrumental in expanding commerce and the strategic relationship between the United States and Israel.

(4) More than \$45,000,000,000 in goods and services is traded annually between the two countries, in addition to roughly \$10,000,000,000 in United States foreign direct investment in Israel.

(5) The United States continues to look for and find new opportunities to enhance cooperation with Israel, including through the enactment of the United States-Israel Enhanced Security Cooperation Act of 2012 (Public Law 112-150; 22 U.S.C. 8601 et seq.) and the United States-Israel Strategic Partnership Act of 2014 (Public Law 113-296; 128 Stat. 4075).

(6) It has been the policy of the United States Government to combat all elements of the Arab League Boycott of Israel by—

(A) public statements of Administration officials;

(B) enactment of relevant sections of the Export Administration Act of 1979 (50 U.S.C. 4601 et seq.) (as continued in effect pursuant to the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.)), including sections to ensure foreign persons comply with applicable reporting requirements relating to the Boycott;

(C) enactment of the Tax Reform Act of 1976 (Public Law 94-455; 90 Stat. 1520) that denies certain tax benefits to entities abiding by the Boycott;

(D) ensuring through free trade agreements with Bahrain and Oman that such countries no longer participate in the Boycott; and

(E) ensuring as a condition of membership in the World Trade Organization that Saudi

Arabia no longer enforces the secondary or tertiary elements of the Boycott.

(b) Statements of policy

Congress—

(1) supports the strengthening of economic cooperation between the United States and Israel and recognizes the tremendous strategic, economic, and technological value of cooperation with Israel;

(2) recognizes the benefit of cooperation with Israel to United States companies, including by improving American competitiveness in global markets;

(3) recognizes the importance of trade and commercial relations to the pursuit and sustainability of peace, and supports efforts to bring together the United States, Israel, the Palestinian territories, and others in enhanced commerce;

(4) opposes politically motivated actions that penalize or otherwise limit commercial relations specifically with Israel, such as boycotts of, divestment from, or sanctions against Israel;

(5) notes that boycotts of, divestment from, and sanctions against Israel by governments, governmental bodies, quasi-governmental bodies, international organizations, and other such entities are contrary to principle of non-discrimination under the GATT 1994 (as defined in section 3501(1)(B) of this title);

(6) encourages the inclusion of politically motivated actions that penalize or otherwise limit commercial relations specifically with Israel such as boycotts of, divestment from, or sanctions against Israel as a topic of discussion at the U.S.-Israel Joint Economic Development Group (JEDG) to support the strengthening of the United States-Israel commercial relationship and combat any commercial discrimination against Israel; and

(7) supports efforts to prevent investigations or prosecutions by governments or international organizations of United States persons solely on the basis of such persons doing business with Israel, with Israeli entities, or in any territory controlled by Israel.

(c) Principal trade negotiating objectives of the United States**(1) Commercial partnerships**

Among the principal trade negotiating objectives of the United States for proposed trade agreements with foreign countries regarding commercial partnerships are the following:

(A) To discourage actions by potential trading partners that directly or indirectly prejudice or otherwise discourage commercial activity solely between the United States and Israel.

(B) To discourage politically motivated boycotts of, divestment from, and sanctions against Israel and to seek the elimination of politically motivated nontariff barriers on Israeli goods, services, or other commerce imposed on Israel.

(C) To seek the elimination of state-sponsored unsanctioned foreign boycotts of Israel, or compliance with the Arab League

Boycott of Israel, by prospective trading partners.

(2) Effective date

This subsection takes effect on February 24, 2016, and applies with respect to negotiations commenced before, on, or after such date.

(d) Report on politically motivated acts of boycott of, divestment from, and sanctions against Israel

(1) In general

Not later than 180 days after February 24, 2016, and annually thereafter, the President shall submit to Congress a report on politically motivated boycotts of, divestment from, and sanctions against Israel.

(2) Matters to be included

The report required by paragraph (1) shall include the following:

(A) A description of the establishment of barriers to trade, including nontariff barriers, investment, or commerce by foreign countries or international organizations against United States persons operating or doing business in Israel, with Israeli entities, or in Israeli-controlled territories.

(B) A description of specific steps being taken by the United States to encourage foreign countries and international organizations to cease creating such barriers and to dismantle measures already in place, and an assessment of the effectiveness of such steps.

(C) A description of specific steps being taken by the United States to prevent investigations or prosecutions by governments or international organizations of United States persons solely on the basis of such persons doing business with Israel, with Israeli entities, or in Israeli-controlled territories.

(D) Decisions by foreign persons, including corporate entities and state-affiliated financial institutions, that limit or prohibit economic relations with Israel or persons doing business in Israel or in any territory controlled by Israel.

(e) Certain foreign judgments against United States persons

Notwithstanding any other provision of law, no domestic court shall recognize or enforce any foreign judgment entered against a United States person that conducts business operations in Israel, or any territory controlled by Israel, if the domestic court determines that the foreign judgment is based, in whole or in part, on a determination by a foreign court that the United States person's conducting business operations in Israel or any territory controlled by Israel or with Israeli entities constitutes a violation of law.

(f) Definitions

In this section:

(1) Boycott of, divestment from, and sanctions against Israel

The term “boycott of, divestment from, and sanctions against Israel” means actions by states, nonmember states of the United Nations, international organizations, or affiliated agencies of international organizations

that are politically motivated and are intended to penalize or otherwise limit commercial relations specifically with Israel or persons doing business in Israel or in any territory controlled by Israel.

(2) Domestic court

The term “domestic court” means a Federal court of the United States, or a court of any State or territory of the United States or of the District of Columbia.

(3) Foreign court

The term “foreign court” means a court, an administrative body, or other tribunal of a foreign country.

(4) Foreign judgment

The term “foreign judgment” means a final civil judgment rendered by a foreign court.

(5) Foreign person

The term “foreign person” means—

(A) an individual who is not a United States person or an alien lawfully admitted for permanent residence into the United States; or

(B) a corporation, partnership, or other nongovernmental entity which is not a United States person.

(6) Person

(A) In general

The term “person” means—

(i) a natural person;

(ii) a corporation, business association, partnership, society, trust, financial institution, insurer, underwriter, guarantor, and any other business organization, any other nongovernmental entity, organization, or group, and any governmental entity operating as a business enterprise; and

(iii) any successor to any entity described in clause (ii).

(B) Application to governmental entities

The term “person” does not include a government or governmental entity that is not operating as a business enterprise.

(7) United States person

The term “United States person” means—

(A) a natural person who is a national of the United States (as defined in section 1101(a)(22) of title 8); or

(B) a corporation or other legal entity that is organized under the laws of the United States, any State or territory thereof, or the District of Columbia, if natural persons described in subparagraph (A) own, directly or indirectly, more than 50 percent of the outstanding capital stock or other beneficial interest in such legal entity.

(Pub. L. 114-125, title IX, §909, Feb. 24, 2016, 130 Stat. 236.)

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REFERENCES IN TEXT

The United States-Israel Enhanced Security Cooperation Act of 2012, referred to in subsec. (a)(5), is Pub. L. 112-150, July 27, 2012, 126 Stat. 1146, which is classified principally to chapter 93 (§8601 et seq.) of Title 22, For-

eign Relations and Intercourse. For complete classification of this Act to the Code, see Short Title note set out under section 8601 of Title 22 and Tables.

The United States-Israel Strategic Partnership Act of 2014, referred to in subsec. (a)(5), is Pub. L. 113-296, Dec. 19, 2014, 128 Stat. 4075. For complete classification of this Act to the Code, see Short Title of 2014 Amendment note set out under section 8601 of Title 22, Foreign Relations and Intercourse, and Tables.

The Export Administration Act of 1979, referred to in subsec. (a)(6)(B), is Pub. L. 96-72, Sept. 29, 1979, 93 Stat. 503, which was classified principally to chapter 56 (§ 4601 et seq.) of Title 50, War and National Defense, prior to repeal by Pub. L. 115-232, div. A, title XVII, § 1766(a), Aug. 13, 2018, 132 Stat. 2232, except for sections 11A, 11B, and 11C thereof (50 U.S.C. 4611, 4612, 4613).

The International Emergency Economic Powers Act, referred to in subsec. (a)(6)(B), is title II of Pub. L. 95-223, Dec. 28, 1977, 91 Stat. 1626, which is classified generally to chapter 35 (§1701 et seq.) of Title 50, War and National Defense. For complete classification of this Act to the Code, see Short Title note set out under section 1701 of Title 50 and Tables.

The Tax Reform Act of 1976, referred to in subsec. (a)(6)(C), is Pub. L. 94-455, Oct. 4, 1976, 90 Stat. 1520. For complete classification of this Act to the Code, see Tables.

Executive Documents

DELEGATION OF FUNCTIONS

Functions of President under subsec. (d) of this section assigned to Secretary of State, in consultation with other relevant Federal agencies, see Ex. Ord. No. 13733, §1(b), July 22, 2016, 81 F.R. 49515, set out as a note under section 4421 of this title.

§ 4453. Report on compliance with prohibition on importation of goods made with convict, forced, or indentured labor

Not later than 180 days after February 24, 2016, and annually thereafter, the Commissioner shall submit to the Committee on Finance of the Senate and the Committee on Ways and Means of the House of Representatives a report on compliance with section 1307 of this title that includes the following:

(1) The number of instances in which merchandise was denied entry pursuant to that section during the 1-year period preceding the submission of the report.

(2) A description of the merchandise denied entry pursuant to that section.

(3) Such other information as the Commissioner considers appropriate with respect to monitoring and enforcing compliance with that section.

(Pub. L. 114-125, title IX, §910(b), Feb. 24, 2016, 130 Stat. 239.)

§ 4454. Trade preferences for Nepal

(a) Findings

Congress makes the following findings:

(1) Nepal is among the least developed countries in the world, with a per capita gross national income of \$730 in 2014.

(2) Nepal suffered a devastating earthquake in April 2015, with subsequent aftershocks. More than 9,000 people died and approximately 23,000 people were injured.

(b) Eligibility requirements

(1) In general

The President may authorize the provision of preferential treatment under this section to

articles that are imported directly from Nepal into the customs territory of the United States pursuant to subsection (c) if the President determines—

(A) that Nepal meets the requirements set forth in paragraphs (1), (2), and (3) of section 3703(a)¹ of this title; and

(B) after taking into account the factors set forth in paragraphs (1) through (7) of subsection (c) of section 502 of the Trade Act of 1974 (19 U.S.C. 2462), that Nepal meets the eligibility requirements of such section 502.

(2) Withdrawal, suspension, or limitation of preferential treatment; mandatory graduation

The provisions of subsections (d) and (e) of section 502 of the Trade Act of 1974 (19 U.S.C. 2462) shall apply with respect to Nepal to the same extent and in the same manner as such provisions apply with respect to beneficiary developing countries under title V of that Act (19 U.S.C. 2461 et seq.).

(c) Eligible articles

(1) In general

An article described in paragraph (2) may enter the customs territory of the United States free of duty.

(2) Articles described

(A) In general

An article is described in this paragraph if—

(i)(I) the article is the growth, product, or manufacture of Nepal; and

(II) in the case of a textile or apparel article, Nepal is the country of origin of the article, as determined under section 102.21 of title 19, Code of Federal Regulations (as in effect on the day before February 24, 2016);

(ii) the article is imported directly from Nepal into the customs territory of the United States;

(iii) the article is classified under any of the following subheadings of the Harmonized Tariff Schedule of the United States (as in effect on the day before February 24, 2016):

4202.11.00	.....	4202.22.60	.....	4202.92.08
4202.12.20	.....	4202.22.70	.....	4202.92.15
4202.12.40	.....	4202.22.80	.....	4202.92.20
4202.12.60	.....	4202.29.50	.....	4202.92.30
4202.12.80	.....	4202.29.90	.....	4202.92.45
4202.21.60	.....	4202.31.60	.....	4202.92.60
4202.21.90	.....	4202.32.40	.....	4202.92.90
4202.22.15	.....	4202.32.80	.....	4202.99.90
4202.22.40	.....	4202.32.95	.....	4203.29.50
4202.22.45	.....	4202.91.00	.....
.....
5701.10.90	.....	5702.91.30	.....	5703.10.80
5702.31.20	.....	5702.91.40	.....	5703.90.00
5702.49.20	.....	5702.92.90	.....	5705.00.20
5702.50.40	.....	5702.99.15	.....
5702.50.59	.....	5703.10.20	.....
.....
6117.10.60	.....	6214.20.00	.....	6217.10.85

¹ See References in Text note below.