UNITED STATES INTERNATIONAL TRADE COMMISSION

Request for Public Comments Concerning the Maintenance of the Harmonized Tariff Schedule of the United States

AGENCY: United States International Trade Commission

ACTION: Notice.

SUMMARY: The Commission is responsible for the maintenance and publication of the Harmonized Tariff Schedule of the United States (HTS), pursuant to title I of the Omnibus Trade and Competitiveness Act of 1988 (19 U.S.C. 3001 et seq.). The Commission is seeking input from users of the HTS on the maintenance and structure of the change record, so that public and private users can identify more easily the changes in each issuance of the HTS and locate the source of such changes. In addition, the Commission is asking users of the electronic revisions of the HTS to suggest changes or improvements in the posting of such files on the Commission's website.

<u>EFFECTIVE DATE</u>: Upon publication; comments are sought through the close of business on the date that is four weeks after the date of publication of this notice in the *Federal Register*.

FOR FURTHER INFORMATION CONTACT: Eugene A. Rosengarden, Director, Office of Tariff Affairs and Trade Agreements, (202) 205-2592; Janis L. Summers, Attorney-Adviser, Office of Tariff Affairs and Trade Agreements, (202) 205-2605; or David G. Michels, Special Assistant to the Director, (202) 205-3440; U.S. International Trade Commission, 500 E Street SW, Washington, DC 20436. Hearing-impaired persons can obtain information on this matter by contacting the Commission's TDD terminal on 202-205-1810. General information concerning the Commission may also be obtained by accessing its website (http://www.usitc.gov). Comments filed pursuant to this notice may be viewed on the Commission's Electronic Document Information System (EDIS-II) at http://edis.usitc.gov.

SUPPLEMENTARY INFORMATION:

Background.--Beginning with the first edition of the HTS (Commission Publication 2030) and continuing through the present, each printed annual edition of the HTS and each printed supplement has included as a final section a record of the changes contained therein. These records, although not legally authoritative in regard to the tariff treatment of imported goods, assist both public and private sector users of the HTS by identifying changes in HTS provisions. The change records list legal and statistical modifications in the notes and headings of the tariff schedule and, more recently, have included the source of each change together with its effective date. They are intended to be read in conjunction with the Preface to each printed or electronic issuance, because the Preface contains a complete enumeration of legal and administrative instruments and actions that affect the particular issuance, along with effective dates and citations. Since 2000, the Commission has also posted periodic electronic revisions of the HTS on its website, www.usitc.gov, so that the information in the tariff schedule is more current, together with electronic links to legal instruments making changes in the legal provisions of the HTS. These revisions each contain a complete set of the files that comprise the HTS, whether or not each file was modified. Each such revision likewise contains a change record, but that change record lists only the modifications contained in that revision and is not cumulative to the last printed edition or supplement. Thus, in order to compile a complete list of changes since the immediately prior printed document, a user must retain and

combine all of the revision-related change records to have a composite list of changes since that printed document. This system has proven to be confusing to users, even to those most familiar with the HTS. The change records are presented for convenient reference, and as such are not part of the legal text of the HTS; further explanation was provided in the recently revised and expanded Preface to the HTS (2003).

Possible changes.—First, the Commission is considering any modifications that may make the change record more useful to all users, while still being administratively feasible, and that may also enable the staff concerned to keep this record more current (and better meet the needs of the Customs Service in updating its automated entry system). It should be noted that any such modifications would have no effect on the advisory nature of the change record, because the interpretation and administration of the HTS are within the legal authority of the Customs Service. In addition, significant lengthening of the change record and proposals for software changes are not likely to be feasible. Nonetheless, possible modifications might include: (1) expansion of or changes in the descriptions of changes; (2) use of a revised tabular format, perhaps with additional columns providing new information of interest to users; (3) devising a useful method to show the indentation level in the nomenclature structure at which a change has occurred; (4) providing an on-line composite change record, perhaps extending back as far as the 1989 HTS, reflecting all prior legal and/or statistical changes as a history of each tariff provision; (5) if possible, using a format that enables the maximum number of users having different software to download or access the change record. Because the Commission does not determine as a matter of law the classification of imported goods, the change record cannot provide a cross-reference table showing actual changes in classification or the derivation of the scope of new tariff categories. However, other possible useful modifications in addition to the list above can be considered.

In addition, the Commission is considering whether the posting of electronic revisions of the HTS might be changed or improved, either in timeliness or in their method of presentation. These changes might include: (1) posting only those chapter files, or even individual pages, that contain actual modifications; (2) posting a downloadable file that contains all chapters or pages that were modified since the last electronic revision was posted; (3) posting chapter files or pages whenever changes occur, rather than periodically when several instruments have modified the HTS; (4) eliminating the WordPerfect version and posting only the PDF version of the schedule; or (5) making other changes in the organization of the website to make it easier to locate and use these revisions. It is not considered feasible or desirable to insert in the actual tariff chapter files themselves a typed indicator of a change (such as italicized language) or the date it occurred, given staff resources, possible confusion where multiple changes occur, and the need for a more rapid reflection of tariff changes; also, the change record already provides a clearer list of these modifications and their sources.

Written submissions.—All submissions must comply with the Commission's rules and should be filed with the Office of the Secretary of the Commission as soon as is practicable, but in any case before the close of business on the date that is four weeks after the date of publication of this notice in the *Federal Register*. The Commission's rules do not authorize the filing of submissions with the Secretary by facsimile or electronic means, except to the extent permitted by section 201.8 of the Commission's Rules, as amended, 67 Fed. Reg. 68036 (Nov. 8, 2002).

<u>Confidential business information (CBI)</u>.—The Commission does not anticipate that any private sector party would need to include CBI in any submission filed in response to this notice. If such information must be included, the filer must comply with the Commission's Rules of Practice and Procedure, in particular sections 201.6, 207.3 and 207.7 (19 CFR sections 201.6, 207.3 and 207.7), in addition to the general requirements for written submissions in section 201.8 of the Commission's rules.

<u>Staff review</u>.—An informal staff review of the public comments filed in response to this notice, and the staff's reaction to each comment, will be prepared and will be posted in memorandum form on the Commission's internet server on the page for "Harmonized Tariff Schedule of the United States" as soon as is practicable following the close of the comment period.

By order of the Commission.

Marilyn R. Abbott Secretary to the Commission

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