

118TH CONGRESS  
1ST SESSION

# S. 2979

To increase the rate of duty on shrimp originating from India, and for other purposes.

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## IN THE SENATE OF THE UNITED STATES

SEPTEMBER 28 (legislative day, SEPTEMBER 22), 2023

Mr. CASSIDY introduced the following bill; which was read twice and referred to the Committee on Finance

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## A BILL

To increase the rate of duty on shrimp originating from India, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*  
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “India Shrimp Tariff  
5 Act”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) GATT1947; GATT 1994.—The terms  
9 “GATT 1947” and “GATT 1994” have the mean-

1       ings given those terms in section 2 of the Uruguay  
2       Round Agreements Act (19 U.S.C. 3501).

3           (2) HTS.—The term “HTS” means the Har-  
4       monized Tariff Schedule of the United States.

5           (3) NATIONAL TRADE ESTIMATE.—The term  
6       “National Trade Estimate” means the report re-  
7       quired to be submitted by the United States Trade  
8       Representative under section 181(b) of the Trade  
9       Act of 1974 (19 U.S.C. 2241(b)).

10          (4) SCHEDULE OF CONCESSIONS.—The term  
11       “Schedule of Concessions” has the meaning given  
12       the term “Schedule XX” in section 2 of the Uru-  
13       guay Round Agreements Act (19 U.S.C. 3501).

14          (5) WORLD TRADE ORGANIZATION.—The term  
15       “World Trade Organization” means the organization  
16       established pursuant to the WTO Agreement, as de-  
17       fined in section 2 of the Uruguay Round Agree-  
18       ments Act (19 U.S.C. 3501).

19       **SEC. 3. SENSE OF CONGRESS ON THE NEED TO PHASE-IN A**  
20                               **DUTY INCREASE FOR SHRIMP FROM INDIA.**

21          (a) FINDINGS.—Congress makes the following find-  
22       ings:

23           (1) The United States has a grand tradition of  
24       shrimp production, but domestic producers are  
25       forced to compete in a wide open market while ex-

1 ports from India are heavily subsidized and pro-  
2 tected.

3 (2) According to the National Trade Estimate  
4 in 2023, “India’s bound tariff rates on agricultural  
5 products are among the highest in the world, aver-  
6 aging 113.1 percent and ranging as high as 300.0  
7 percent.”.

8 (3) India’s basic duty on shrimp is 30 percent.

9 (4) The National Trade Estimate also records  
10 that since 2018, India has applied an additional 10  
11 percent social welfare surcharge on imports, assessed  
12 on the value of its existing high duties, which in-  
13 cludes shrimp.

14 (5) Wild-caught and farm-raised shrimp from  
15 the United States now account for less than 10 per-  
16 cent of shrimp consumption in the United States.

17 (6) Shrimp production overseas is able to un-  
18 dertcut the costs of shrimp produced in the United  
19 States due to poor worker and environmental protec-  
20 tions.

21 (7) Shrimp imports from India consist almost  
22 entirely of farm-raised aquaculture shrimp, as the  
23 importation of wild-caught shrimp from India re-  
24 mains prohibited due to the failure of Indian fish-  
25 eries to meet the certification requirements under

1 section 609(b)(2) of the Departments of Commerce,  
2 Justice, and State, the Judiciary, and Related Agen-  
3 cies Appropriations Act, 1990 (Public Law 101-162;  
4 16 U.S.C. 1537 note).

5 (8) According to Seafood Watch, “India’s  
6 farmed shrimp industry has expanded rapidly since  
7 2014 and faces challenges with disease outbreaks,  
8 health management, farm registration, and data  
9 availability.”.

10 (9) The United States has taken a lax approach  
11 to inspecting imported shrimp, with only 0.1 percent  
12 of shipments being inspected for unsafe drug resi-  
13 dues. Despite that low inspection rate, every year,  
14 shipments of shrimp from India are refused due to  
15 testing by the Food and Drug Administration for  
16 banned antibiotics.

17 (10) During the 20-year period preceding the  
18 date of the enactment of this Act, shrimp producers  
19 in the United States have paid a tremendous cost to  
20 litigate trade remedy laws to defend against preda-  
21 tory pricing and illegal subsidies from Indian shrimp  
22 imports.

23 (11) The Dispute Settlement Body of the World  
24 Trade Organization has limited the effectiveness of  
25 trade remedy laws of the United States in relation

1 to shrimp imports from India and as a result, tens  
2 of millions of dollars in antidumping duties go uncol-  
3 lected by U.S. Customs and Border Protection.

4 (12) The United States rate of duty for warm-  
5 water shrimp, set under subheadings 0306.17,  
6 1605.21, and 1605.29 of the HTS, is set to “free”  
7 in both the column 1 and column 2 rate of duty col-  
8 umns, meaning there is no duty owed for the entire  
9 world absent a trade remedy order.

10 (13) The United States rate of duty for pre-  
11 served or frozen shrimp, in a product containing fish  
12 meat or prepared meals, is 5 percent, but waived  
13 under the Generalized System of Preferences under  
14 title V of the Trade Act of 1974 (19 U.S.C. 2461  
15 et seq.) and all relevant United States free trade  
16 agreements under the column 1 special rate of duty  
17 column of the HTS.

18 (14) Maintaining a 0 percent tariff on shrimp  
19 under both column 1 and column 2 of the HTS ne-  
20 gates any benefits, including increased environ-  
21 mental and worker rights protections, stemming  
22 from preferential tariff programs or free trade  
23 agreements.

1 (15) India maintains a base customs duty for  
 2 shrimp of 30 percent, before applying an additional  
 3 10 percent social welfare surcharge – special duty.

4 (b) SENSE OF CONGRESS.—It is the sense of Con-  
 5 gress that phasing in an increased duty for shrimp origi-  
 6 nating from India is prudent and necessary to safeguard  
 7 sustainable harvesting of shrimp in the United States and  
 8 from free trade agreement partners of the United States,  
 9 and would enhance the trade and development goals of the  
 10 tariff preference programs of the United States.

11 **SEC. 4. TREATMENT OF SHRIMP FROM INDIA.**

12 (a) PHASE-IN OF DUTY INCREASE.—

13 (1) CALENDAR YEAR 2024.—Effective on Janu-  
 14 ary 1, 2024, subheadings 0306.16.00, 0306.17.00,  
 15 0306.35, 0306.36, 0306.95, 1605.21, and 1605.29  
 16 of the HTS shall be applied and administered with  
 17 respect to imports from India—

18 (A) in the column 1 general rate of duty  
 19 column, by substituting “10%” for the rate of  
 20 duty otherwise applicable; and

21 (B) in the column 2 rate of duty column,  
 22 by substituting “25¢/kg” for the rate of duty  
 23 otherwise applicable.

24 (2) CALENDAR YEAR 2025.—Effective on Janu-  
 25 ary 1, 2025, subheadings 0306.16.00, 0306.17.00,

1 0306.35, 0306.36, 0306.95, 1605.21, and 1605.29  
2 of the HTS shall be applied and administered with  
3 respect to imports from India—

4 (A) in the column 1 general rate of duty  
5 column, by substituting “20%” for the rate of  
6 duty otherwise applicable; and

7 (B) in the column 2 rate of duty column,  
8 by substituting “50¢/kg” for the rate of duty  
9 otherwise applicable.

10 (3) CALENDAR YEAR 2026 AND THEREAFTER.—

11 Effective on January 1, 2026, subheadings  
12 0306.16.00, 0306.17.00, 0306.35, 0306.36,  
13 0306.95, 1605.21, and 1605.29 of the HTS shall be  
14 applied and administered with respect to imports  
15 from India—

16 (A) in the column 1 general rate of duty  
17 column, by substituting “40%” for the rate of  
18 duty otherwise applicable; and

19 (B) in the column 2 rate of duty column,  
20 by substituting “\$1/kg” for the rate of duty  
21 otherwise applicable.

22 (b) CUSTOMS VALUATION.—Notwithstanding section  
23 402 of the Tariff Act of 1930 (19 U.S.C. 1401a), or any  
24 other provision of law, shrimp imported into the United  
25 States from India shall be appraised, for purposes of that

1 Act, as not less than the average of United States ex-ves-  
2 sel shrimp prices as of the date of exportation.

3 **SEC. 5. COUNTRY OF ORIGIN LABELING FOR COOKED**  
4 **SHRIMP AND CRAWFISH.**

5 (a) IN GENERAL.—Section 281(7)(B) of the Agricul-  
6 tural Marketing Act of 1946 (7 U.S.C. 1638(7)(B)) is  
7 amended—

8 (1) by striking the period at the end and insert-  
9 ing “; and”;

10 (2) by striking “includes a fillet” and inserting  
11 “includes—

12 “(i) a fillet”; and

13 (3) by adding at the end the following:

14 “(ii) whole cooked shrimp and craw-  
15 fish and cooked shrimp and crawfish sec-  
16 tions.”.

17 (b) MODIFICATION OF DEFINITION OF PROCESSED  
18 FOOD ITEM.—The Secretary of Agriculture shall modify  
19 section 60.119 of title 7, Code of Federal Regulations (or  
20 successor regulations), to ensure that cooked shrimp,  
21 cooked crawfish, cooked shrimp sections, and cooked craw-  
22 fish sections are not considered processed food items for  
23 purposes of that section.



1 **SEC. 6. MODIFICATION OF SCHEDULE OF CONCESSIONS TO**  
2 **GATT 1994.**

3 With due regard for the international obligations of  
4 the United States, particularly Article XXXVIII of the  
5 GATT 1947 requiring any suspension of trade agreement  
6 concessions to be made on a most-favored nation basis,  
7 the United States Trade Representative shall take the nec-  
8 essary steps to modify the Schedule of Concessions to ac-  
9 commodate the increase in the rate of duty applicable to  
10 shrimp from India under section 4.

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