

118TH CONGRESS
1ST SESSION

S. 3371

To combat illegal deforestation by prohibiting the importation of products made wholly or in part of certain commodities produced on land undergoing illegal deforestation, and for other purposes.

IN THE SENATE OF THE UNITED STATES

NOVEMBER 30, 2023

Mr. SCHATZ (for himself and Mr. BRAUN) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To combat illegal deforestation by prohibiting the importation of products made wholly or in part of certain commodities produced on land undergoing illegal deforestation, 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 “Fostering Overseas
5 Rule of law and Environmentally Sound Trade Act of
6 2023” or the “FOREST Act of 2023”.

1 **SEC. 2. FINDINGS; SENSE OF CONGRESS.**

2 (a) FINDINGS.—Congress makes the following find-
3 ings:

4 (1) According to the Food and Agriculture Or-
5 ganization of the United Nations, 31 percent of land
6 on earth is covered in forests, but that area is rap-
7 idly decreasing. An estimated 1,600,000 square
8 miles of forest has been converted to other land uses
9 since 1990, with 42,500 square miles converted an-
10 nually since 2010. Since the early 2000s, $\frac{2}{3}$ of glob-
11 al forest cover loss has occurred in the tropics and
12 subtropics.

13 (2) At least 69 percent of tropical forest conver-
14 sion into commercial agriculture uses between 2013
15 and 2019 was carried out in contravention of the
16 laws of the country in which the conversion oc-
17 curred.

18 (3) Such illegal forest conversion results in the
19 emission of more than 2.7 gigatons of carbon dioxide
20 equivalent per year, more than the entire annual fos-
21 sil fuel emissions of India in 2018.

22 (4) The global increase of average temperatures
23 can be mitigated by natural climate solutions like
24 rapid and significant reductions in deforestation
25 globally. Cost-effective greenhouse gas emission miti-
26 gation from forests and land use can provide roughly

1 $\frac{1}{3}$ of the mitigation required by 2030 to hold the in-
2 crease in the global average temperature below 2 de-
3 grees Celsius above pre-industrial levels.

4 (5) Forests contain most of the world's terres-
5 trial biodiversity, providing habitats for 80 percent
6 of amphibian species, 75 percent of bird species, 68
7 percent of mammal species, and 60,000 different
8 species of trees.

9 (6) Forests are also an important source of live-
10 lihoods, food, and fuel, with more than
11 1,600,000,000 people depending directly on forests
12 for their livelihoods.

13 (7) The Intergovernmental Science-Policy Plat-
14 form on Biodiversity and Ecosystem Services found
15 in 2019 that the rate of global species extinction is
16 accelerating and is now tens to hundreds of times
17 higher than the average rate over the last
18 10,000,000 years, threatening the loss of 1,000,000
19 species, and illegal land-use change has an over-
20 whelming relative impact on terrestrial ecosystems.

21 (8) Illegal deforestation in many countries is
22 closely associated with violations of the rights of in-
23 digenous peoples and local communities and with the
24 exploitation of workers, including through the use of
25 forced labor and child labor, and in many cases is

1 enabled by corruption, criminality, and violence
2 against individuals defending their land rights.

3 (9) Congress has taken a number of steps to
4 address the trade in illegal timber to protect legiti-
5 mate forestry businesses and reduce illegal logging
6 globally, such as, in section 8204 of the Food, Con-
7 servation, and Energy Act of 2008 (Public Law
8 110–246; 122 Stat. 2052), amending the Lacey Act
9 Amendments of 1981 (16 U.S.C. 3371 et seq.) to
10 prohibit the importation of illegal plant products, in-
11 cluding such products made from illegally logged
12 wood.

13 (10) As with illegal timber, agricultural com-
14 modities produced on illegally deforested land enter
15 international markets, including the United States,
16 and compete with commodities produced legally.

17 (11) The United States is a significant market
18 for products made wholly or in part of commodities
19 such as palm oil, cattle, cocoa, and rubber at risk of
20 being produced on illegally deforested land. For ex-
21 ample, in 2022, the United States imported—

22 (A) processed cowhides and beef products
23 valued at more than \$1,100,000,000 from
24 Brazil, where a recent study estimated 95 per-

1 cent of deforestation was not in full compliance
2 with applicable laws; and

3 (B) crude palm oil and palm kernel oil val-
4 ued at more than \$2,600,000,000 and
5 oleochemicals commonly derived from palm oils
6 valued at more than \$900,000,000, from Indo-
7 nesia, where government audits of the sector in
8 recent years have indicated widespread non-
9 compliance with applicable laws regarding de-
10 forestation.

11 (12) The lack of traceability in the supply
12 chains for such commodities and the absence of im-
13 porter due diligence requirements increases the risk
14 that United States trade is associated with illegal
15 deforestation and human rights abuses, preventing
16 United States consumers from knowing where or
17 how the goods they purchase were produced and
18 putting companies that ensure legal sourcing at a
19 competitive disadvantage.

20 (b) SENSE OF CONGRESS.—It is the sense of Con-
21 gress that the United States must do more to address ille-
22 gal deforestation, including—

23 (1) avoiding trade that incentivizes foreign gov-
24 ernments to allow illegal deforestation;

1 (2) assisting foreign governments in eliminating
2 illegal deforestation and limiting all deforestation to
3 the extent practicable;

4 (3) requiring that goods entering the United
5 States market be subject to requirements, including
6 the necessary supply chain traceability, to reduce the
7 risk of association with illegal deforestation;

8 (4) preventing the United States financial sys-
9 tem from being used to launder proceeds from illegal
10 deforestation; and

11 (5) providing procurement preference incentives
12 to suppliers of the Federal Government to adopt and
13 implement policies to eliminate goods produced on
14 deforested land from their supply chains.

15 **SEC. 3. PROHIBITION ON IMPORTATION OF COMMODITIES**
16 **PRODUCED ON ILLEGALLY DEFORESTED**
17 **LAND AND PRODUCTS MADE FROM SUCH**
18 **COMMODITIES.**

19 (a) IN GENERAL.—The Tariff Act of 1930 is amend-
20 ed by inserting after section 527 (19 U.S.C. 1527) the
21 following:

1 **“SEC. 527A. PROHIBITION ON IMPORTATION OF PRODUCTS**
2 **MADE WHOLLY OR IN PART OF COMMODITIES**
3 **PRODUCED ON ILLEGALLY DEFORESTED**
4 **LAND.**

5 “(a) IN GENERAL.—It shall be unlawful for any per-
6 son to import any product made wholly or in part of a
7 covered commodity produced on land that undergoes ille-
8 gal deforestation on or after the date of the enactment
9 of the FOREST Act of 2023.

10 “(b) IMPORT DECLARATIONS.—

11 “(1) IN GENERAL.—On and after the date that
12 is one year after the date of the enactment of the
13 FOREST Act of 2023, and subject to paragraph
14 (2), a person may not import a covered product un-
15 less the person files electronically upon entry a dec-
16 laration stating that the person has exercised rea-
17 sonable care to assess and mitigate the risks that
18 any covered commodity used to make the covered
19 product was produced on land subject to illegal de-
20 forestation on or after such date of enactment.

21 “(2) COVERED COMMODITIES FROM COUNTRIES
22 UNDER AN ACTION PLAN.—On and after the date
23 that is one year after an action plan applicable to a
24 foreign country is finalized under subsection (d)(2),
25 a person may not import a covered product con-
26 taining any covered commodity produced in the

1 country and identified in the action plan unless the
2 person files upon entry a declaration that includes
3 sufficient information to show—

4 “(A)(i) the supply chain and the point of
5 origin of the covered commodity; and

6 “(ii) steps taken to assess and mitigate the
7 risks that the point of origin was subject to ille-
8 gal deforestation on or after the date of the en-
9 actment of the FOREST Act of 2023; or

10 “(B)(i) all possible points of origin that
11 could have contributed to the supply chain of
12 the covered commodity, if mixing or points of
13 aggregation exist within the supply chain; and

14 “(ii) steps taken to assess and mitigate the
15 risks that any possible points of origin were
16 subject to illegal deforestation on or after such
17 date of enactment.

18 “(3) GUIDANCE.—Not later than 90 days after
19 the date of the enactment of the FOREST Act of
20 2023, and as appropriate thereafter, the Secretary
21 of Homeland Security—

22 “(A) shall publish guidance on what con-
23 stitutes reasonable care under paragraph (1)
24 and sufficient information under paragraph (2),

1 which may include guidance with respect to spe-
2 cific commodities, as appropriate; and

3 “(B) may, as appropriate, issue guidance
4 about the potential role of third-party certifi-
5 cations assisting importers with meeting the re-
6 quirements of this section.

7 “(4) TRUSTED TRADER PROGRAM.—

8 “(A) IN GENERAL.—Not later than one
9 year after the date of the enactment of the
10 FOREST Act of 2023, the Commissioner of
11 U.S. Customs and Border Protection (in this
12 section referred to as the ‘Commissioner’) shall
13 establish a program to streamline the require-
14 ments of this section for importers that have
15 demonstrated—

16 “(i) a transparent and credible due
17 diligence system; and

18 “(ii) a track record of compliance,
19 supply chain traceability and transparency,
20 and sourcing of products not made wholly
21 or in part of a covered commodity pro-
22 duced on land that undergoes illegal defor-
23 estation.

24 “(B) AUDITS.—The Commissioner shall
25 carry out, and publish the results of, regular,

1 random audits of participants in the program
2 established under subparagraph (A)—

3 “(i) to assess the compliance of par-
4 ticipants with the requirements of the pro-
5 gram; and

6 “(ii) to terminate the participation in
7 the program of participants found to be in
8 violation of those requirements.

9 “(C) REQUIREMENTS FOR PARTICI-
10 PANTS.—Each participant in the program es-
11 tablished under subparagraph (A) shall make
12 up-to-date information on implementation of
13 due diligence systems and supply chains pub-
14 licly available to facilitate third-party moni-
15 toring.

16 “(D) CONTINUED COMPLIANCE.—Partici-
17 pation in the program does not remove any obli-
18 gation of a participant to comply with the re-
19 quirements of subsection (a) or paragraph (1)
20 or (2).

21 “(E) CONSULTATIONS.—The Commis-
22 sioner shall establish the program under sub-
23 paragraph (A) in consultation with—

24 “(i) the interagency working group es-
25 tablished under subsection (f);

1 “(ii) the advisory committee estab-
2 lished under subsection (g); and

3 “(iii) the public.

4 “(c) LISTS OF COVERED COMMODITIES AND COV-
5 ERED PRODUCTS.—

6 “(1) INITIAL LISTS.—Not later than 30 days
7 after the date of the enactment of the FOREST Act
8 of 2023, the United States Trade Representative (in
9 this section referred to as the ‘Trade Representa-
10 tive’) shall publish the following:

11 “(A) An initial list made up of the fol-
12 lowing commodities (in this section referred to
13 as ‘covered commodities’):

14 “(i) Palm oil.

15 “(ii) Soybeans.

16 “(iii) Cocoa.

17 “(iv) Cattle.

18 “(v) Rubber.

19 “(B) An initial list made up of the fol-
20 lowing products made wholly or in part of a
21 covered commodity (in this section referred to
22 as ‘covered products’):

23 “(i) Palm oil or palm oil products
24 classifiable under any of the following
25 headings or subheadings of the HTS:

“1511 2905.17.00 3823.11.00

1513.21.00	2905.45.00	3823.12.00
1513.29.00	2915.70.01	3823.19
2306.60.00	2915.90	3823.70.

1 “(ii) Soybeans or soybean products
 2 classifiable under heading 1201 or 1507 or
 3 subheading 2304.00.00 of the HTS.

4 “(iii) Cocoa or cocoa products classifi-
 5 able under heading 1803 or 1806 or sub-
 6 heading 1801.00.00, 1802.00.00,
 7 1804.00.00, or 1805.00.00, of the HTS.

8 “(iv) Cattle or cattle products classifi-
 9 able under any of the following headings or
 10 subheadings of the HTS:

“0201	0206.21.00	1602.50
0202	0206.22.00	4104
0206.10.00	0206.29.00	4107.

11 “(v) Rubber or rubber products classi-
 12 fiable under heading 4001 or 4011 of the
 13 HTS.

14 “(2) REVIEWS AND UPDATES.—

15 “(A) IN GENERAL.—Not less frequently
 16 than annually, the Trade Representative shall—

17 “(i) review the list of covered com-
 18 modities published under subparagraph
 19 (A) of paragraph (1) and the list of cov-
 20 ered products published under subpara-
 21 graph (B) of that paragraph to assess
 22 whether covered commodities or covered

1 products, as the case may be, should be
2 added to or removed from the lists to en-
3 sure that the scope of the lists is sufficient
4 to deter illegal deforestation and to ensure
5 that neither commodities produced in the
6 United States nor imported commodities
7 that were not produced on illegally
8 deforested land are displaced by imported
9 commodities produced on illegally
10 deforested land;

11 “(ii) consult and solicit relevant infor-
12 mation from the interagency working
13 group established under subsection (f) and
14 the advisory committee established under
15 subsection (g) regarding the list of covered
16 commodities published under subparagraph
17 (A) of paragraph (1) and the list of cov-
18 ered products published under subpara-
19 graph (B) of that paragraph; and

20 “(iii) publish updated lists based on
21 the review under clause (i) and the con-
22 sultation under clause (ii).

23 “(B) EXCLUSIONS FROM UPDATES.—

24 “(i) ADDITIONS.—The Trade Rep-
25 resentative may not add under subpara-

1 graph (A) to the list of covered commod-
2 ities published under paragraph (1)(A) a
3 commodity for which an import declaration
4 is required under section 3(f) of the Lacey
5 Act Amendments of 1981 (16 U.S.C.
6 3372(f)).

7 “(ii) REMOVALS.—The Trade Rep-
8 resentative may not remove a commodity
9 under subparagraph (A) from the list of
10 covered commodities published under para-
11 graph (1)(A) solely because an import dec-
12 laration is required under section 3(f) of
13 the Lacey Act Amendments of 1981 (16
14 U.S.C. 3372(f)) with respect to the com-
15 modity.

16 “(C) EFFECT ON IMPORT DECLARA-
17 TIONS.—Any addition under subparagraph (A)
18 to the list of covered products under paragraph
19 (1)(B) shall be subject to the declaration re-
20 quirement under subsection (b) on and after the
21 date that is one year after the updated list in-
22 cluding the addition is published.

23 “(d) ACTION PLANS FOR COUNTRIES WITHOUT ADE-
24 QUATE AND EFFECTIVE PROTECTION AGAINST ILLEGAL
25 DEFORESTATION.—

1 “(1) IDENTIFICATION OF COUNTRIES.—

2 “(A) IN GENERAL.—Not later than 180
3 days after the date of the enactment of the
4 FOREST Act of 2023, the Trade Representa-
5 tive shall—

6 “(i) identify foreign countries without
7 adequate and effective protection against
8 illegal deforestation for the production of
9 commodities likely to enter the United
10 States; and

11 “(ii) publish in the Federal Register—

12 “(I) a list of the countries identi-
13 fied under clause (i); and

14 “(II) data and analysis related to
15 the considerations described in sub-
16 paragraph (B).

17 “(B) CONSIDERATIONS.—In identifying a
18 foreign country under subparagraph (A), the
19 Trade Representative shall consider—

20 “(i) trends in illegal deforestation in
21 that country;

22 “(ii) whether policies and practices of
23 the government of the country provide ade-
24 quate and effective enforcement against il-
25 legal deforestation;

1 “(iii) trends in the capacity and effec-
2 tiveness of enforcement against illegal de-
3 forestation by the country; and

4 “(iv) the incidence of violence against,
5 and other violations of the rights of, indig-
6 enous peoples and local residents in the
7 country in connection with illegal deforest-
8 ation.

9 “(C) REASSESSMENT.—Not less frequently
10 than every 2 years, the Trade Representative
11 shall assess whether additional foreign countries
12 should be identified under subparagraph (A).

13 “(2) ACTION PLANS.—

14 “(A) IN GENERAL.—The Trade Represent-
15 ative shall publish in the Federal Register an
16 action plan with respect to each foreign country
17 identified under paragraph (1) not later than 2
18 years after the date on which the country is
19 identified under that paragraph.

20 “(B) INVOLVEMENT OF FOREIGN COUNTRY
21 AND PUBLIC.—The Trade Representative
22 shall—

23 “(i) seek to involve each foreign coun-
24 try for which the Trade Representative de-
25 velops an action plan under subparagraph

1 (A) in the development of the action plan
2 for that foreign country; and

3 “(ii) publish in the Federal Register a
4 draft of each action plan for public review
5 and comment before publishing the action
6 plan under subparagraph (A).

7 “(C) GOALS OF ACTION PLANS.—The
8 Trade Representative shall design an action
9 plan developed under subparagraph (A) with re-
10 spect to a foreign country to achieve adequate
11 and effective protection against illegal deforest-
12 ation, including by—

13 “(i) instituting policies and practices
14 to prevent illegal deforestation;

15 “(ii) ensuring sufficient capacity to
16 enforce relevant laws;

17 “(iii) establishing processes to adju-
18 dicate and remedy previous illegal deforest-
19 ation activities;

20 “(iv) ensuring comprehensive moni-
21 toring, transparency, and data sharing re-
22 lated to land ownership and use, deforest-
23 ation, and potential impacts to other eco-
24 systems; and

1 “(v) promoting traceability, trans-
2 parency, and data sharing for commodity
3 supply chains.

4 “(D) BENCHMARKS.—The Trade Rep-
5 resentative shall include in each action plan de-
6 veloped under subparagraph (A) intermediate
7 and final benchmarks, including such legisla-
8 tive, institutional, enforcement, or other actions
9 as the Trade Representative determines to be
10 necessary to demonstrate that the foreign coun-
11 try has achieved the goals described in subpara-
12 graph (C).

13 “(E) IDENTIFICATION OF COVERED COM-
14 MODITIES.—The Trade Representative shall
15 identify in the action plan developed under sub-
16 paragraph (A) with respect to a foreign country
17 the specific covered commodities at risk of
18 being produced on illegally deforested land in
19 that country that shall be subject to the dec-
20 laration requirement under subsection (b)(2).

21 “(3) PETITIONS FOR DETERMINATION OF COM-
22 PLIANCE.—

23 “(A) IN GENERAL.—A foreign country to
24 which an action plan developed under para-
25 graph (2)(A) applies may petition the Trade

1 Representative to determine that the country
2 has achieved all benchmarks in the action plan
3 and therefore provides adequate and effective
4 protection against illegal deforestation.

5 “(B) DETERMINATION OF ADEQUACY AND
6 EFFECTIVENESS OF PROTECTION.—

7 “(i) COUNTRIES THAT PROVIDE ADE-
8 QUATE AND EFFECTIVE PROTECTION
9 AGAINST ILLEGAL DEFORESTATION.—If
10 the Trade Representative determines under
11 subparagraph (A) that a foreign country to
12 which an action plan developed under
13 paragraph (2)(A) applies has achieved all
14 benchmarks in the action plan to provide
15 adequate and effective protection against
16 illegal deforestation, the action plan shall
17 terminate.

18 “(ii) COUNTRIES THAT FAIL TO PRO-
19 VIDE ADEQUATE AND EFFECTIVE PROTEC-
20 TION AGAINST ILLEGAL DEFOREST-
21 ATION.—If the Trade Representative deter-
22 mines under subparagraph (A) that a for-
23 eign country to which an action plan devel-
24 oped under paragraph (2)(A) applies has

1 not achieved all benchmarks in the action
2 plan, the action plan shall remain in force.

3 “(e) ENFORCEMENT.—

4 “(1) ADMINISTRATION.—

5 “(A) IN GENERAL.—The provisions of this
6 section and any regulations issued under this
7 section shall be enforced, as appropriate, by the
8 Commissioner, the Secretary of Agriculture, the
9 Secretary of the Interior, and the Attorney
10 General.

11 “(B) AUDITS.—The Commissioner, in col-
12 laboration with the heads of other Federal
13 agencies, shall conduct random audits of im-
14 porters filing declarations under subsection
15 (b)(1) to ensure such importers are retaining
16 the supporting documentation demonstrating
17 reasonable care was exercised as required by
18 that subsection.

19 “(C) AGREEMENTS.—An official specified
20 in subparagraph (A) may enter into an agree-
21 ment with any other Federal agency or any
22 State agency or Indian Tribe under which that
23 official may use, with or without reimbursement
24 (as determined by the head of the relevant
25 agency or Indian Tribe), the personnel, services,

1 and facilities of the agency or Indian Tribe for
2 the enforcement of this section and regulations
3 issued under this section.

4 “(D) AVAILABILITY OF INFORMATION.—
5 Not later than one year after the date of the
6 enactment of the FOREST Act of 2023, the
7 Commissioner shall develop a process to make
8 information filed with a declaration required by
9 subsection (b)(2) (other than information con-
10 sidered to be confidential business information)
11 available to the public.

12 “(2) COORDINATION OF ENFORCEMENT.—The
13 Commissioner shall share declarations filed under
14 subsection (b) and other information received by
15 U.S. Customs and Border Protection with the Trade
16 Representative, the Secretary of Agriculture, the
17 Secretary of the Interior, the Attorney General, and
18 the heads of other Federal agencies as needed to en-
19 sure effective enforcement of this section.

20 “(3) NOTICE TO IMPORTERS.—Before taking
21 any enforcement action with respect to an importer
22 suspected of violating subsection (a) or (b), the
23 Commissioner shall—

24 “(A) notify the importer of the suspected
25 violation; and

1 “(B) provide the importer with an oppor-
2 tunity to provide additional information to dem-
3 onstrate that the importer is in compliance with
4 subsections (a) and (b).

5 “(4) INFORMATION FROM OUTSIDE SOURCES.—
6 Not later than 180 days after the date of the enact-
7 ment of the FOREST Act of 2023, the Commis-
8 sioner shall establish a process for receiving informa-
9 tion from persons outside U.S. Customs and Border
10 Protection indicating that a covered commodity may
11 be being imported in violation of this section.

12 “(5) REPORT REQUIRED.—Not later than 2
13 years after the date of the enactment of the FOR-
14 EST Act of 2023, and annually thereafter, the Com-
15 missioner, with input from the heads of relevant
16 Federal agencies, shall submit to Congress a report
17 on the enforcement of this section that includes, for
18 the year preceding submission of the report—

19 “(A) the number of audits conducted by
20 Federal agencies of importers of record to de-
21 tect potential violations of this section;

22 “(B) the number of instances in which in-
23 formation was submitted to the Commissioner
24 under paragraph (4);

1 “(C) the number of investigations initiated
2 into possible violations of this section;

3 “(D) the number of notices to importers
4 under paragraph (3) with respect to such viola-
5 tions;

6 “(E) the number of such investigations ini-
7 tiated based on information submitted to the
8 Commissioner under paragraph (4);

9 “(F) the results of cases adjudicated fol-
10 lowing such an investigation;

11 “(G) the number of such investigations
12 pending as of the date of the report; and

13 “(H) an explanation of how information
14 submitted to the Commissioner under para-
15 graph (4) was used to prioritize audits and
16 other checks.

17 “(f) INTERAGENCY WORKING GROUP.—

18 “(1) IN GENERAL.—There is established an
19 interagency working group to provide advice and rec-
20 ommendations to the Trade Representative, the
21 Commissioner, and the heads of other relevant Fed-
22 eral agencies on the implementation of this section.

23 “(2) MEMBERSHIP.—The interagency working
24 group established under paragraph (1) shall be com-
25 posed of representatives of—

- 1 “(A) the Department of State;
- 2 “(B) the Department of Agriculture;
- 3 “(C) U.S. Customs and Border Protection;
- 4 “(D) the Office of the United States Trade
- 5 Representative;
- 6 “(E) the United States Agency for Inter-
- 7 national Development;
- 8 “(F) the Department of the Interior;
- 9 “(G) the Department of Justice; and
- 10 “(H) such other Federal agencies as the
- 11 Trade Representative considers appropriate.

12 “(3) CHAIRPERSON.—The representative of the

13 Office of the United States Trade Representative

14 shall serve as the chairperson of the interagency

15 working group established under paragraph (1).

16 “(g) ADVISORY COMMITTEE.—

17 “(1) IN GENERAL.—The Trade Representative

18 shall establish an advisory committee to provide ad-

19 vice and recommendations to the Trade Representa-

20 tive and the heads of other relevant Federal agencies

21 on the implementation of this section.

22 “(2) MEMBERSHIP.—The advisory committee

23 established under paragraph (1) shall be made up of

24 14 individuals—

1 “(A) 5 of whom shall be representatives of
2 institutions of higher education or nongovern-
3 mental organizations with expertise relevant to
4 international deforestation, associated human
5 rights abuses, or trade;

6 “(B) 4 of whom shall be representatives of
7 the covered commodity industry;

8 “(C) 3 of whom shall be representatives of
9 the covered product industry; and

10 “(D) 2 of whom shall be representatives of
11 labor organizations.

12 “(h) CONSISTENCY WITH INTERNATIONAL AGREE-
13 MENTS.—This section shall be applied in a manner con-
14 sistent with the obligations of the United States under
15 international agreements.

16 “(i) DEFINITIONS.—In this section:

17 “(1) DEFORESTATION.—The term ‘deforest-
18 ation’ means a loss of natural forest resulting from
19 the whole or partial conversion of natural forest to—

20 “(A) agricultural use or another non-forest
21 land use; or

22 “(B) a tree plantation.

23 “(2) HTS.—The term ‘HTS’ means the Har-
24 monized Tariff Schedule of the United States.

1 “(3) ILLEGAL DEFORESTATION.—The term ‘il-
2 legal deforestation’ means deforestation conducted in
3 violation of the law (or any action that has the force
4 and effect of law) of the country in which the defor-
5 estation is occurring, including—

6 “(A) anti-corruption laws;

7 “(B) laws relating to land tenure rights;

8 and

9 “(C) laws relating to the free, prior, and
10 informed consent of indigenous peoples and
11 local communities.

12 “(4) INDIAN TRIBE.—The term ‘Indian Tribe’
13 has the meaning given the term ‘Indian tribe’ in sec-
14 tion 4 of the Indian Self-Determination and Edu-
15 cation Assistance Act (25 U.S.C. 5304).

16 “(5) NATURAL FOREST.—The term ‘natural
17 forest’ means a natural arboreal ecosystem that—

18 “(A) has a species composition a signifi-
19 cant percentage of which is native species; and

20 “(B) includes—

21 “(i) a native tree canopy cover of
22 more than 10 percent over an area of not
23 less 0.5 hectares; or

24 “(ii) other wooded land with a com-
25 bined cover of shrubs, bushes, and trees of

1 more than 10 percent over an area of not
2 less than 0.5 hectares.

3 “(6) POINT OF ORIGIN.—

4 “(A) IN GENERAL.—The term ‘point of or-
5 igin’, with respect to a covered commodity,
6 means the geographical location, identified by
7 the smallest administrative unit of land reason-
8 ably possible (such as a concession, farm,
9 ranch, property, or other type of public or pri-
10 vate land allocation), where the covered com-
11 modity was produced.

12 “(B) APPLICATION TO LIVESTOCK.—In the
13 case of livestock, the term ‘point of origin’ in-
14 cludes all geographic locations where that ani-
15 mal existed from birth to slaughter.

16 “(7) PRODUCE.—

17 “(A) IN GENERAL.—Except as provided by
18 subparagraph (B), the term ‘produce’ means
19 growing, harvesting, rearing, collecting, extract-
20 ing, or otherwise producing a commodity.

21 “(B) EXCLUSION.—The term ‘produce’
22 does not include refining or manufacturing.

23 “(8) SUPPLY CHAIN.—The term ‘supply chain’
24 means the end-to-end process for getting commod-
25 ities or products to the United States, beginning at

1 the point of origin and including all points until
2 entry into the United States, including refiners,
3 manufacturers, suppliers, distributors, or vendors.

4 “(9) WHOLLY OR IN PART.—

5 “(A) IN GENERAL.—The term ‘wholly or in
6 part’ shall have the meaning given that term in
7 regulations.

8 “(B) REGULATIONS.—Regulations pre-
9 scribed under section 3(b) of the FOREST Act
10 of 2023 shall define the term ‘wholly or in part’
11 in a manner designed to limit the administra-
12 tive burden on the importer of record while de-
13 terring illegal deforestation. The definition of
14 the term may be commodity specific as need-
15 ed.”.

16 (b) REGULATIONS.—Not later than one year after the
17 date of the enactment of this Act, the Commissioner of
18 U.S. Customs and Border Protection and the United
19 States Trade Representative shall publish final regulations
20 for implementing section 527A of the Tariff Act of 1930,
21 as added by subsection (a).

1 **SEC. 4. IMPLEMENTATION OF LACEY ACT IMPORT DEC-**
2 **LARATIONS FOR PULP AND PAPER PROD-**
3 **UCTS.**

4 If the requirement for an import declaration under
5 section 3(f)(1) of the Lacey Act Amendments of 1981 (16
6 U.S.C. 3372(f)(1)) has not been fully implemented with
7 respect to products classified under chapters 47 and 48
8 of the Harmonized Tariff Schedule of the United States
9 by the date of the enactment of this Act, the Secretary
10 of Agriculture shall—

11 (1) take such actions as are necessary to ensure
12 that the requirement is fully enforced with respect to
13 those products on and after the date that is 210
14 days after such date of enactment; and

15 (2) not later than 30 days after such date of
16 enactment, publish a notice in the Federal Register
17 that the requirement will be fully enforced with re-
18 spect to those products on and after the date speci-
19 fied in paragraph (1).

20 **SEC. 5. FOREIGN ASSISTANCE FOR COUNTRIES COM-**
21 **MITTED TO ELIMINATING DEFORESTATION.**

22 (a) STATEMENT OF POLICY.—It is the policy of the
23 United States to assist foreign governments in eliminating
24 illegal deforestation and to limit all deforestation to the
25 extent practicable.

26 (b) ESTABLISHMENT OF FUND.—

1 (1) IN GENERAL.—There is established in the
2 Treasury of the United States a fund, consisting of
3 amounts authorized to be appropriated or appro-
4 priated under paragraph (2).

5 (2) DEPOSITS TO THE FUND.—There are au-
6 thorized to be appropriated, and there are appro-
7 priated, to the fund established under paragraph (1)
8 for fiscal year 2023 and each fiscal year thereafter
9 an amount equivalent to the amount of penalties es-
10 timated by the Secretary of the Treasury to be col-
11 lected under section 527A(e) of the Tariff Act of
12 1930, as added by section 3, in that fiscal year.

13 (3) AVAILABILITY OF FUNDS.—Amounts in the
14 fund established under paragraph (1) shall be avail-
15 able as follows:

16 (A) 40 percent shall be available to the
17 Secretary of State—

18 (i) to provide financial and technical
19 assistance and other resources to the gov-
20 ernments of countries and implementing
21 partners that are working to complete the
22 benchmarks in action plans developed
23 under section 527A(d) of the Tariff Act of
24 1930, as added by section 3; and

1 (ii) to be transferred, notwithstanding
2 section 3302 of title 31, United States
3 Code, to the Administrator of the United
4 States Agency for International Develop-
5 ment and the heads of other appropriate
6 Federal agencies to provide assistance
7 under clause (i).

8 (B) 50 percent shall be available to the
9 Commissioner of U.S. Customs and Border
10 Protection—

11 (i) to carry out the duties of the Com-
12 missioner under section 527A of the Tariff
13 Act of 1930, as added by section 3; and

14 (ii) to be transferred, notwithstanding
15 section 3302 of title 31, United States
16 Code, to the Secretary of Agriculture and
17 the Secretary of the Interior for moni-
18 toring, audits, enforcement, and other du-
19 ties assigned under such section 527A.

20 (C) 10 percent shall be available to the
21 United States Trade Representative to carry
22 out the duties of the Trade Representative
23 under such section 527A.

24 (c) DEFINITIONS.—In this section, the terms “defor-
25 estation” and “illegal deforestation” have the meanings

1 given those terms in section 527A(i) of the Tariff Act of
 2 1930, as added by section 3.

3 **SEC. 6. INCLUSION OF ILLEGAL DEFORESTATION AS SPECI-**
 4 **IFIED UNLAWFUL ACTIVITY.**

5 Section 1956(c)(7)(B) of title 18, United States
 6 Code, is amended—

7 (1) in clause (vi), by striking “; or” and insert-
 8 ing a semicolon;

9 (2) in clause (vii), by striking the semicolon and
 10 inserting “; or”; and

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

12 “(viii) any act, engaged in knowingly,
 13 to carry out, enable, or encourage illegal
 14 deforestation (as defined in section 527A(i)
 15 of the Tariff Act of 1930).”.

16 **SEC. 7. PROCUREMENT PREFERENCE FOR COMMODITIES**
 17 **NOT PRODUCED ON LAND SUBJECT TO DE-**
 18 **FORESTATION.**

19 (a) IN GENERAL.—Chapter 47 of title 41, United
 20 States Code, is amended by adding at the end the fol-
 21 lowing:

22 **“§ 4715. Procurement preference for commodities not**
 23 **produced on land subject to deforestation**

24 “(a) IN GENERAL.—In comparing proposals for the
 25 purpose of awarding a contract involving any product

1 made wholly or in part of a covered commodity, the head
2 of an executive agency shall reduce the bid price by 10
3 percent if the contractor demonstrates to the satisfaction
4 of the head of the agency that—

5 “(1) the contractor has a policy described in
6 subsection (b) in effect; and

7 “(2) the policy and data on monitoring and en-
8 forcement of that policy are publicly available and
9 updated not less frequently than annually.

10 “(b) POLICY DESCRIBED.—A policy described in this
11 subsection is a policy that includes, at a minimum, for
12 each covered commodity included in a product described
13 in subsection (a), the following:

14 “(1) Measures to identify the point of origin of
15 the commodity and ensure compliance with the pol-
16 icy when supply chain risks are present.

17 “(2) Data detailing the complete list of direct
18 and indirect suppliers and supply chain traceability
19 information, including refineries, processing plants,
20 farms, and plantations, and their respective owners,
21 parent entities, and farmers, maps, and geolocations,
22 for the commodity.

23 “(3) Measures taken to ensure that the com-
24 modity does not contribute to deforestation.

1 “(4) Measures taken to ensure compliance with
2 the laws of any country in which the commodity is
3 produced.

4 “(c) BUY AMERICAN REQUIREMENTS.—Subsection
5 (a) does not affect the application of the requirements of
6 chapter 83 of title 41, United States Code.

7 “(d) DEFINITIONS.—In this section, the terms ‘cov-
8 ered commodity’, ‘deforestation’, ‘point of origin’, and
9 ‘produce’ have the meanings given those terms in section
10 527A(i) of the Tariff Act of 1930.”.

11 (b) CLERICAL AMENDMENT.—The table of sections
12 for such chapter is amended by inserting after the item
13 relating to section 4714 the following:

“4715. Procurement preference for commodities not produced on land subject
to deforestation.”.

○