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(Original Signature of Member)

113TH CONGRESS  
2D SESSION

**H. R.** \_\_\_\_\_

To amend the Tariff Act of 1930 with respect to requirements for domestic industries, and for other purposes.

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IN THE HOUSE OF REPRESENTATIVES

Mr. CÁRDENAS introduced the following bill; which was referred to the Committee on \_\_\_\_\_

\_\_\_\_\_  
**A BILL**

To amend the Tariff Act of 1930 with respect to requirements for domestic industries, 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 “Trade Protection Not  
5 Troll Protection Act”.

6 **SEC. 2. UNFAIR PRACTICES IN IMPORT TRADE.**

7 (a) IN GENERAL.—Section 337 of the Tariff Act of  
8 1930 (19 U.S.C. 1337) is amended as follows:

9 (1) Subsection (a) is amended—

1 (A) in paragraph (3)—

2 (i) by striking “or” at the end of sub-  
3 paragraph (B);

4 (ii) in subparagraph (C), by striking  
5 “engineering, research and development, or  
6 licensing.” and inserting “engineering and  
7 research and development; or”; and

8 (iii) by adding after subparagraph (C)  
9 the following:

10 “(D) substantial investment in licensing activi-  
11 ties that leads to the adoption and development of  
12 articles that incorporate the patent, copyright, trade-  
13 mark, mask work, or design.”;

14 (B) by redesignating paragraph (4) as  
15 paragraph (5); and

16 (C) by inserting after paragraph (3) and  
17 following:

18 “(4) For purposes of paragraph (3), the complainant  
19 may not rely upon activities by its licensees unless the li-  
20 cense leads to the adoption and development of articles  
21 that incorporate the claimed patent, copyright, trademark,  
22 mask work, or design for sale in the United States.”.

23 (2) Subsection (b) is amended by adding at the  
24 end the following:

1           “(4)(A) Whenever a complaint relies, in whole  
2           or in part, on activity falling under subparagraph ©)  
3           or (D) of subsection (a)(3) in order to meet the legal  
4           standard set forth in subsection (a)(3), the Commis-  
5           sion may not initiate an investigation until the Com-  
6           mission has first conducted a preliminary investiga-  
7           tion of whether it is likely that an industry in the  
8           United States exists or is in the process of being es-  
9           tablished within the meaning of subsection (a)(2).

10           “(B) In the preliminary investigation under  
11           subparagraph (A), the complainant’s case shall be  
12           limited to the assertions and evidence set forth in  
13           the complaint, and confidential business information  
14           contained in the complaint that may be disclosed  
15           under protective order, and the Commission shall ac-  
16           cept additional facts, evidence, and argument from  
17           named respondents and the public.

18           “(C) The Commission shall render its deter-  
19           mination in the preliminary investigation under this  
20           paragraph not later than 45 days after the filing of  
21           the complaint. If the Commission finds that it is not  
22           likely that an industry in the United States exists or  
23           is in the process of being established, the Commis-  
24           sion may not initiate an investigation of the matter  
25           alleged in the complaint.”.

1           (3) Subsection (c) is amended—

2                   (A) by striking the first sentence and in-  
3                   serting the following: “The Commission shall  
4                   determine, with respect to each investigation  
5                   conducted by it under this section, whether or  
6                   not there is a violation of this section, except  
7                   that the Commission—

8                   “(A) may, by issuing a consent order or on the  
9                   basis of an agreement between the private parties to  
10                   the investigation, including an agreement to present  
11                   the matter for arbitration, terminate any such inves-  
12                   tigation, in whole or in part, without making such  
13                   a determination; or

14                   “(B)(i) may determine during the course of the  
15                   investigation that the articles under investigation  
16                   should not be excluded from entry based upon con-  
17                   sideration of the public interest, including the effect  
18                   of such exclusion upon the public health and welfare,  
19                   competitive conditions in the United States economy,  
20                   the production of like or directly competitive articles  
21                   in the United States, United States consumers,  
22                   whether protected articles in the United States will  
23                   be protected by an exclusion order, and whether the  
24                   complainant or its licensees can meet market de-  
25                   mand for protected articles; and

1           “(ii) upon a finding under clause (i) that the  
2           articles should not be excluded, shall terminate the  
3           investigation, in whole or in part, without making  
4           any further determination.”;

5           (B) in the second sentence, by striking  
6           “Each determination” and inserting the fol-  
7           lowing:

8           “(2) Each determination”; and

9           (C) in the third sentence, by striking “eq-  
10          uitable defenses” and inserting “equitable de-  
11          fenses, including equitable defenses and prin-  
12          ciples applied to any remedy considered in  
13          United States district courts,”.

14          (4) Subsection (d)(1) is amended—

15           (A) by striking “considering the effect of  
16           such exclusion upon the public health and wel-  
17           fare,” and inserting “considering equitable de-  
18           fenses and principles and the effect of such ex-  
19           clusion upon the public interest, including the  
20           public health and welfare,” ; and

21           (B) by striking “and United States con-  
22           sumers,” and inserting “United States con-  
23           sumers, whether protected articles in the  
24           United States will be protected by an exclusion  
25           order, and whether the complainant or its li-

1           censees can meet market demand for protected  
2           articles,”.

3           (5) Subsection (e)(1) is amended—

4                   (A) by striking “considering the effect of  
5                   such exclusion upon the public health and wel-  
6                   fare,” and inserting “considering equitable de-  
7                   fenses and principles and the effect of such ex-  
8                   clusion upon the public interest, including the  
9                   public health and welfare,” ; and

10                   (B) by striking “and United States con-  
11                   sumers,” and inserting “United States con-  
12                   sumers, whether protected articles in the  
13                   United States will be protected by an exclusion  
14                   order, and whether the complainant or its li-  
15                   censees can meet market demand for protected  
16                   articles,”.

17           (6) Subsection (f)(1) is amended—

18                   (A) by striking “considering the effect of  
19                   such exclusion upon the public health and wel-  
20                   fare,” and inserting “considering equitable de-  
21                   fenses and principles and the effect of such ex-  
22                   clusion upon the public interest, including the  
23                   public health and welfare,” ; and

24                   (B) by striking “and United States con-  
25                   sumers,” and inserting “United States con-

1 consumers, whether protected articles in the  
2 United States will be protected by an exclusion  
3 order, and whether the complainant or its li-  
4 censees can meet market demand for protected  
5 articles,”.

6 (7) Subsection (g)(1) is amended, in the matter  
7 following subparagraph (E)—

8 (A) by striking “considering the effect of  
9 such exclusion upon the public health and wel-  
10 fare,” and inserting “considering equitable de-  
11 fenses and principles and the effect of such ex-  
12 clusion upon the public interest, including the  
13 public health and welfare,” ; and

14 (B) by striking “and United States con-  
15 sumers,” and inserting “United States con-  
16 sumers, whether protected articles in the  
17 United States will be protected by an exclusion  
18 order, and whether the complainant or its li-  
19 censees can meet market demand for protected  
20 articles,”.

21 (b) EFFECTIVE DATE.—The amendments made by  
22 subsection (a) shall apply to complaints filed under section  
23 337 of the Tariff Act of 1930 on or after the date of the  
24 enactment of this Act.