

**OFFICE OF THE UNITED STATES
TRADE REPRESENTATIVE**

**Notice of Modification of Section 301
Action: China's Acts, Policies, and
Practices Related to Technology
Transfer, Intellectual Property, and
Innovation**

AGENCY: Office of the United States
Trade Representative.

ACTION: Notice of modification of action.

SUMMARY: In accordance with the
direction of the President, the U.S.
Trade Representative has determined to
modify the action being taken in this
Section 301 investigation by reducing
the rate of additional duty on certain
products of China from 15 percent to 7.5
percent.

DATES: Applicable as of 12:01 a.m.
Eastern Standard Time on February 14,
2020, the rate of additional duty will be
7.5 percent for products covered by
Annex A of the August 20, 2019 notice
(84 FR 43304).

FOR FURTHER INFORMATION CONTACT: For
questions about this notice, contact
Assistant General Counsels Philip
Butler or Susie Park, or Director of
Industrial Goods Justin Hoffmann at
(202) 395-5725. For questions on
customs classification or
implementation of additional duties,
contact traderemedy@cbp.dhs.gov.

SUPPLEMENTARY INFORMATION:

*A. Prior Determinations in the
Investigation*

For background on the proceedings in
this investigation, please see the prior
notices issued in this investigation,
including 82 FR 40213 (August 24,
2017), 83 FR 14906 (April 6, 2018), 83
FR 28710 (June 20, 2018), 83 FR 33608
(July 17, 2018), 83 FR 38760 (August 7,
2018), and 83 FR 40823 (August 16,
2018), 83 FR 47974 (September 21,
2018), 83 FR 49153 (September 28,
2018), 84 FR 20459 (May 9, 2019), 84 FR
43304 (August 20, 2019), 84 FR 45821
(August 30, 2019), and 84 FR 69447
(December 18, 2019).

On August 20, 2019, the U.S. Trade
Representative, at the direction of the
President, determined to modify the
action being taken in the investigation
by imposing an additional 10 percent *ad
valorem* duty on products of China with
an annual aggregate trade value of
approximately \$300 billion. See 84 FR
43304 (August 20, 2019) (the August 20
notice). The tariff subheadings subject to
the 10 percent additional duties were
separated into two lists with different
effective dates. The list in Annex A had
an effective date of September 1, 2019.

The list in Annex C had an effective
date of December 15, 2019.

Subsequently, at the direction of the
President, the U.S. Trade Representative
determined to increase the rate of the
additional duty applicable to the tariff
subheadings covered by the action
announced in the August 20 notice from
10 percent to 15 percent. See 84 FR
45821 (August 30, 2019).

On December 18, 2019, at the
direction of the President, the U.S.
Trade Representative determined to
suspend indefinitely the imposition of
the additional 15 percent *ad valorem*
duty on products covered by Annex C
of the August 20 notice. See 84 FR
69447 (December 18, 2019).

B. Determination To Modify Action

The Section 301 statute, which is set
out in Sections 301 to 308 of the Trade
Act of 1974 (19 U.S.C. 2411-2418),
includes authority for the U.S. Trade
Representative to modify the action
being taken in an investigation. In
particular, Section 307(a)(1) authorizes
the U.S. Trade Representative to modify
or terminate any action taken under
Section 301, subject to the specific
direction, if any, of the President, if the
burden or restriction on United States
commerce of the acts, policies, and
practices that are the subject of the
action has increased or decreased, or the
action being taken under Section 301(b)
and no longer is appropriate.

The United States is engaging with
China with the goal of obtaining the
elimination of the acts, policies, and
practices covered in the investigation.
On December 13, 2019, following
months of negotiations, the United
States and China reached an agreement
on a phase one trade deal that requires
structural reforms and other changes to
China's economic and trade regime,
including with respect to certain issues
covered in this Section 301
investigation. The United States and
China signed the phase one agreement
on January 15, 2020, and the agreement
is scheduled to enter into force 30 days
thereafter on February 14, 2020.

In light of the scheduled entry into
force of the phase one agreement, and at
the direction of the President, the U.S.
Trade Representative has determined
that the action announced on August 20,
2019, as modified by the August 30
notice, no longer is appropriate.
Specifically, and in accordance with the
President's direction, the U.S. Trade
Representative has determined to
reduce the level of additional duties
from 15 percent to 7.5 percent on
products of China covered by Annex A
of the August 20 notice, effective
February 14, 2020.

The U.S. Trade Representative's
decision to modify the action being
taken in this investigation takes into
account the extensive comments and
testimony previously provided in
connection with the August 20
modification.

The Annex to this notice amends the
Harmonized Tariff Schedule of the
United States (HTSUS) to provide that
the additional duties for the products
covered in Annex A of the August 20
notice will be reduced to 7.5 percent.

The U.S. Trade Representative will
continue to consider the actions being
taken in this investigation. In the event
that further modifications are
appropriate, the U.S. Trade
Representative intends to take into
account the extensive comments and
testimony previously provided.

Annex

Effective with respect to goods
entered for consumption, or withdrawn
from warehouse for consumption, on or
after 12:01 a.m. Eastern Standard Time
on February 14, 2020, subchapter III of
chapter 99 of the Harmonized Tariff
Schedule of the United States is
modified:

1. By amending U.S. Note 20(r), as
established by the U.S. Trade
Representative in a determination
contained in 84 FR 43304 (August 20,
2019), and as modified by 84 FR 45821
(August 30, 2019), by deleting "15
percent" each place that it appears, and
inserting "7.5 percent" in lieu thereof;
and

2. By amending the Rates of Duty 1-
General column of heading 9903.88.15,
as established by the U.S. Trade
Representative in a determination
contained in 84 FR 43304 (August 20,
2019), and as modified by 84 FR 45821
(August 30, 2019), by deleting "15%",
and inserting "7.5%" in lieu thereof.

Joseph Barloon,

*General Counsel, Office of the U.S. Trade
Representative.*

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BILLING CODE 3290-F0-P

DEPARTMENT OF TRANSPORTATION

Federal Aviation Administration

**Notice of Permanent Closure of Grove
Hill Municipal Airport (3A0), Grove Hill,
Alabama**

AGENCY: Federal Aviation
Administration, DOT.

ACTION: Notice of permanent closure of
Grove Hill Municipal Airport (3A0) and