

# UNITED STATES INTERNATIONAL TRADE COMMISSION

# MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

			Date approved	July 31, 2012	
I. Background					
Bill number:	H.R. 5028	}			
Sponsor name: Sponsor state:	Mr. Franc	isco Canseco			
Interested entity:					
		Incorporated			]
_	redericksb	•			J
State T					
Nature of bill: Expiration date:		on of temporar per 31, 2015	y duty suspension		
Current or previo	ous chapte	r 99 heading:	9902.24.12		
Retroactive date:		None			
CAS number (if applicable): None					
Industry analyst:	Sh	annon Gaffney	У		
Telephone:	Telephone: 202-205-3316				
Tariff Affairs contact: Jan Summers					
Telephone:	20	2-205-2605			

#### Note:

<sup>1.</sup> Access to an electronic copy of this memorandum is available at <a href="http://www.usitc.gov/tariff\_affairs/congress\_reports/">http://www.usitc.gov/tariff\_affairs/congress\_reports/</a>.

<sup>2.</sup> In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

### II. Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

Sacks and bags, of undyed woven fabric of nylon multifilament yarns not to exceed 10 decitex, used for packing wool for transport, storage, or sale (provided for in subheading 6305.39.00)

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

### III. Other product information, including uses/applications and source(s) of imports

The subject products are sewn sacks or bags constructed of woven nylon fabric, and are of a general type used for packing shorn wool for transport, storage, or sale. China is the primary import source for these sacks and bags. There is opposition to H.R. 5028 from Schneider Mills, noted below in the contacts table, which claims domestic production of fabrics of the type used in the subject bags (submission attached).

#### IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	6305.39.00					
ltem	2013	2014	2015	2016	2017	
Col.1-general rate of duty or percentage point reduction (%)	8.4	8.4	8.4	8.4	8.4	
Estimated value of <i>dutiable</i> imports (\$)	300,000	300,000	300,000	300,000	300,000	
Customs revenue loss (\$)	25,200	25,200	25,200	25,200	25,200	

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than	n one may apply):		
${\begin{tabular}{ c c c c c c c }\hline $\boxtimes$ Official statistics of the U.S. Department                                   $	of Commerce		
☐ Provided by industry sources			
☐ Industry information			
Duty reduction notes:			
igthered This bill is not a duty reduction			
☐ This bill is a temporary duty reduction. R	ates are shown below.		
Col.1-general duty rate (%)	Temporary rate (%)	Percentage point reduction (%)	

#### V. Technical comments

Although the bill's title, which has no legal significance, indicates that H.R. 5028 was introduced as an extension, duty-free treatment for this product under heading 9902.24.12 expired on December 31, 2009. Therefore, H.R. 5028 is a renewal of a prior duty suspension that lapsed.

#### VI. Continuation

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# VII. Contacts with domestic firms/organizations

#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
1	Woolsacks Co. (Interested entity) Timothy Koock	830-997-9554	No	No	No
2	American Fiber Manufacturers Association Frank Horn	703-875-0676	No	No	No
3	American Sheep Industry Association Peter Orwick	303-771-3500 x33	No	No	No
4	National Textile Association David Trumbull	617-542-8220	No	No	No
5	Schneider Mills George Shtohryn	828-632-8181	No	Yes	Yes

## Gaffney, Shannon

**Subject:** FW: Tariff duty suspension on nylon woolpacks

From: Gaffney, Shannon

**Sent:** Thursday, June 14, 2012 4:54 PM **To:** 'George Shtohryn'; 'Hank Byrd'

Subject: RE: Tariff duty suspension on nylon woolpacks

Hi George,

The bill refers to HTS heading 9902.24.12 (Sacks and bags, of undyed woven fabric of nylon multifilament yarns not to exceed 10 decitex, used for packing wool for transport, storage or sale).

Unfortunately I am unable to provide you with samples, but hopefully this description gives you a clearer idea of whether or not Schneider is capable of producing something that could compete with the subject product.

Thanks, Shannon

From: George Shtohryn [mailto:gshtohryn@schneidermills.com]

**Sent:** Thursday, June 14, 2012 4:42 PM **To:** 'Hank Byrd'; Gaffney, Shannon

Subject: RE: Tariff duty suspension on nylon woolpacks

Hello Shannon- I am replying on behalf of Schneider Mills since Hank is on vacation. Schneider is a domestic weaver of a very broad denier range of nylon products. We produce products that fit within the general description of the subject product. It is our position that we could produce a product that would be suitable for the subject end use, however we would need specific details or samples to be sure. We therefore are opposed to the tariff duty suspension and look forward to understanding further details on this product.

### 112TH CONGRESS 2D SESSION

# H. R. 5028

To extend the temporary suspension of duty on nylon woolpacks used to package wool.

## IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2012

Mr. Canseco (for himself and Mr. Conaway) introduced the following bill; which was referred to the Committee on Ways and Means

# A BILL

To extend the temporary suspension of duty on nylon woolpacks used to package wool.

- 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. NYLON WOOLPACKS USED TO PACKAGE WOOL.
- 4 (a) In General.—Heading 9902.24.12 of the Har-
- 5 monized Tariff Schedule of the United States (relating to
- 6 nylon woolpacks used to package wool) is amended by
- 7 striking the date in the effective period column and insert-
- 8 ing "12/31/2015".
- 9 (b) Effective Date.—The amendment made by
- 10 this section applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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