



MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

I. Background

Bill number:

Sponsor name:

Sponsor state:

Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

Note:

1. Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.
2. 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)):

Girls' knitted or crocheted shorts of synthetic fibers, the foregoing not imported as parts of playsuits (provided for in subheading 6104.63.20)

(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.)

Description above compared with bill as introduced:

- Same
 Different (see Technical Comments section)

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

The subject product is knitted girls' shorts, made of synthetic fibers (e.g., polyester) and not constituting parts of playsuits. These products are imported under HTS statistical reporting number 6104.63.2060. Imports are primarily from China, Mexico, Vietnam, Egypt, and El Salvador. Milliken & Company and Unifi Manufacturing oppose this bill, stating that they are domestic producers of the inputs used in production of the subject product in the DR-CAFTA region (see attachments).

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	6104.63.20				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	4.7	4.7	4.7	4.7	4.7
Estimated value of <i>dutiable</i> imports (\$)	34,000,000	34,000,000	34,000,000	34,000,000	34,000,000
Customs revenue loss (\$)	1,598,000	1,598,000	1,598,000	1,598,000	1,598,000

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 one may apply):

- Official statistics of the U.S. Department of Commerce
 Provided by industry sources
 Industry information
 Commission estimates

Duty reduction notes:

- This bill is not a duty reduction
 This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%) Temporary rate (%) Percentage point reduction (%)

V. Technical comments

None.

VI. Continuation

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	Nike North America (Interested entity) Jennifer Bendall	202-543-6453	No	No	No
2	American Manufacturing Trade Action Coalition Sara Beatty	202-452-0866	No	Yes	Yes
3	Milliken & Company Kathi Dutilh	202-775-0084	No	Yes	Yes
4	National Council of Textile Organizations Mike Hubbard	704-215-4540	No	Yes	Yes
5	National Textile Association David Trumbell	617-542-8220	No	Yes	Yes
6	Unifi Manufacturing Jane Johnson	336-316-5278	No	Yes	Yes

From: Sara Beatty [<mailto:sbeatty@amtacdc.org>]
Sent: Friday, June 29, 2012 11:06 AM
To: Colby, Heidi
Cc: atantillo@amtacdc.org; lwood@amtacdc.org; TX.CH.ID
Subject: Re: Batch 9 of the textile and apparel MTBs

Heidi,

AMTAC is opposed to H.R. 5557, 5558, and 5563. There are major U.S manufacturers of the yarns and fabrics that are used in these types of garments. Specifically, Milliken manufactures synthetic/man-made fiber knit fabrics in the United States for knit garments that are assembled in the DR-CAFTA region. In addition, Unifi is a major producer of polyester and nylon yarns, and one of the primary end uses for their yarns is knit fabric that goes into knit garments. I've attached our letters to Ways and Means for additional information on these three.

We have no position on the footwear bills.

Thanks, and let us know if you need additional information.

Sara

From: Kathi Dutilh [mailto:kdutilh@millikendc.com]
Sent: Wednesday, July 11, 2012 1:57 PM
To: Freund, Kimberlie
Subject: Re: Hr 5557, 5558, and 5563

Dear Kim,

Thanks for the opportunity to comment on HR 5557, 5558, 5563 - offered by Congressman Blumenaur of Oregon.

Milliken's Specialty Fabrics Division employs more than one hundred associates in North Carolina, who knit cotton and man-made fiber fabric for the performance knit and sports markets. We supply US and Caribbean apparel manufacturers with specified product offerings. Duty free imports of garments made with Asian fabric, which competes with US fabric made garments would undermine our knit business and cause job losses in North Carolina.

Thanks
[Kathi Dutilh](#)
Manager, Government Relations
Milliken & Company
202-775-0084
kdutilh@millikendc.com

www.milliken.com

The logo for Milliken, featuring the word "Milliken" in a blue, cursive script font.

From: Mike Hubbard [mailto:MHubbard@ncto.org]
Sent: Friday, July 20, 2012 11:39 AM
To: Freund, Kimberlie
Cc: Sarah Pierce
Subject: HR 5557, 5558, and 5563

Kim,

NCTO would like to register opposition to including HR. 5557, 5558, and 5563 in the Misc. Tariff Bill. All of these bills include very general product descriptions that cover a wide range of products supplied by members manufacturing fiber, yarn, and fabric in the United States. Our customers manufacture products that meet these general product descriptions in the CAFTA region. Allowing duty free imports from anywhere in the world would undermine the regional apparel supply chain carefully built within Western Hemisphere free trade agreements, thereby injuring U.S. textile manufacturers.

There is a small amount of U.S. production as well. Sarah Friedman at SEAMS (sarah@seams.org) can provide more information about the U.S. apparel producers.

Thank you for providing us this opportunity to comment. If you need additional information, please let us know.

Mike

Mike Hubbard
National Council of Textile Organizations
469 Hospital Drive, Ste. C
Gastonia, NC 28054
Tel: +1-704-215-4540
Fax: +1-704-671-2366

From: David Trumbull, NTA [<mailto:dtrumbull@nationaltextile.org>]
Sent: Friday, June 29, 2012 11:54 AM
To: Freund, Kimberlie
Subject: Re: Batch 9 of the textile and apparel MTBs

June 22, 2012

Subj.: MTB Comment Submission - Oppose H.R.5557, H.R.5558, H.R.5563

To whom it may concern:

The National Textile Association opposes H.R.5557 providing for a reduction of the duty on certain girls' knit apparel of fabric like or competitive with knit fabric produced in the United States by our member companies for use in the production of apparel.

The National Textile Association opposes H.R.5558 providing for a reduction of the duty on certain girls' knit apparel of fabric like or competitive with knit fabric produced in the United States by our member companies for use in the production of apparel.

The National Textile Association opposes H.R.5563 providing for a reduction of the duty on certain boys' knit apparel of fabric like or competitive with knit fabric produced in the United States by our member companies for use in the production of apparel.

Yours,

David Trumbull
Vice President, International Trade
National Textile Association
6 Beacon St., #1125
Boston, MA 02108
617-542-8220
dtrumbull@nationaltextile.org

From: Johnson, Jane - GSO [mailto:JJohnson@UNIFI.COM]
Sent: Tuesday, July 10, 2012 3:58 PM
To: Freund, Kimberlie
Cc: Sara Beatty; mhubbard@ncto.org
Subject: RE: MTBs: HR 5557, 5558, and 5563

Kim,

These knit apparel products in HR 5557, 5558 and 5563 are some of Unifi's bread and butter end uses, with a great majority of our nylon, polyester and recycled yarns for apparel going to US knit fabric producers and then to apparel producers in the DR-CAFTA region. An example of our customers producing knit fabric and knit apparel in the US are United Knitting, Contemporara, Polartec, Milliken, Deer Creek Fabrics, Darlington, Fab, and Under Armour. We adamantly oppose these bills that directly impact our sales to the synthetic knit fabric producers in the US.

Thank you for the opportunity to comment on this process. Please contact me if you have any questions.

Jane L. Johnson
Manager, Government Relations
Unifi Manufacturing, Inc.
Phone:336-316-5278
www.unifi.com
www.repreve.com

112TH CONGRESS
2D SESSION

H. R. 5557

To reduce temporarily the rate of duty on certain girls' shorts.

IN THE HOUSE OF REPRESENTATIVES

MAY 8, 2012

Mr. BLUMENAUER introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To reduce temporarily the rate of duty on certain girls'
shorts.

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. CERTAIN GIRLS' SHORTS.**

4 (a) IN GENERAL.—Subchapter II of chapter 99 of
5 the Harmonized Tariff Schedule of the United States is
6 amended by inserting in numerical sequence the following
7 new heading:

“	9902.01.00	Girls' knitted or crocheted shorts of synthetic fibers, the foregoing not imported as parts of playsuits (provided for in subheading 6104.63.20)	23.5%	No change	No change	On or before 12/31/2015	”.
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1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies to articles entered, or withdrawn
3 from warehouse for consumption, on or after the 15th day
4 after the date of the enactment of this Act.

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