Matt K. Nakachi

8364 North Lake Drive Dublin, CA 94568 925-479-0939

The Honorable Philip M. Crane (R–IL), Chairman of the Subcommittee on Trade (Ways and Means Committee) U.S. House of Representatives 1104 Longworth Building Washington, D.C. 20510

June 12, 2002

Re: H.R. 4583; partial duty reduction of certain straw hats

Dear Sir:

I wish to voice my <u>support</u> for H. R. **4583**, which would amend Subheading 6504.00.60 of the Harmonized Tariff Schedule of the United States. This heading concerns straw hats. The current duty rate for items classified under this tariff provision is 4.7% ad valorem + 95.6 cents per dozen.

The bill would simply amend the heading by lowering part of duty from "95.6 cents/doz." to "50 cents/doz."

I urge that H.R. 4583 be adopted and applied retroactively to all Customs entries made on or after January 1, 2002.

This bill is important trade legislation.

First, the lowering of the specific rate to 50 cents/dozen would make the overall duty rate of HTS 6504.00.60 more consistent with the duty rates of the other headgear provisions in the Harmonized Tariff Schedules. This is change thus, would make the tariff provision more equitable and level the playing field among headgear products.

In this regard, currently straw hats are disadvantaged by the higher tariff. This is unfair to the American consumer, as these straw hats are sold to individuals in the U.S. who often have legitimate health concerns in regards to preventing heat exposure and in preventing skin cancer. Skin cancer is one of the fastest growing cancers in the United States. Many of the straw hats imported under this tariff provision have been recommended by the American Association of Dermatology as useful in preventing skin

cancer. Lowering the high specific rate on these types of hats would make them more affordable to those who need them, particularly those who work out-of-doors, such as farm workers and landscapers.

This bill is appropriate trade legislation

- I believe this trade bill is appropriate as trade statistics indicate that the loss of revenue would be small, only approximately \$500,000.
- The types of hats that are imported under this tariff subheading are not subject to any quotas.
- These straw hats are not a U.S. industry.
- A simple change in the language would be easily to effect and administer

In summary, I strongly believe that there are strong merits for passage of H.R. 4583.

Respectfully submitted,

By: Matt K. Nakachi
Matt K. Nakachi