

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: July 1, 2008]²

Bill No. and sponsor: H.R. 5094 (Mr. Howard Coble of North Carolina)

Proponent name,³ location: National Spinning Co., Inc., Washington, NC; and Glen Raven, Inc.,
Glen Raven, NC

Other bills on product (110th Congress only): None.

Nature of bill: Extend temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

Acrylic or modacrylic staple fibers, carded combed, or otherwise processed for spinning (provided for in subheading 5506.30.00).

Check one: Same as that in bill as introduced.
 Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

Acrylic staple fibers are synthetic fibers made from a polymer containing at least 85 percent by weight of acrylonitrile units. The fibers are produced by dry or wet spinning. For dry spinning, the material is dissolved in a solvent and extruded through a spinneret; the solvent is then evaporated, leaving long continuous filaments. For wet spinning, the solution is extruded through the spinneret into a liquid coagulating bath to form filaments. The filaments are then drawn, dried, and processed. Staple fibers are made by either cutting the filament fibers to a uniform length, which is done on the same production line as the filament fiber production, or by grouping the filament fibers into "tow," which is then stretched to break the fibers into varying lengths. The fibers are then carded or combed, which are intermediate steps in the yarn production process. Carding disentangles the fibers to prepare them for spinning and is done by passing the fibers between rollers covered with fine teeth. Combing removes the shorter fibers and further aligns the longer ones.

Fibers may be sold in a natural state (no color added), pigment-dyed (color added when the fiber is still in a molten form) or dyed (color added after the fibers are formed). Various other additives may be added during the production process, depending on the end-use characteristics desired. Acrylic fibers are used to produce a variety of products, including craft yarns, apparel, pile fabrics, upholstery fabrics, home furnishings, and industrial products. Such fibers may also be used in non-textile applications.

¹ Industry analyst preparing report: Heidi Colby-Oizumi (202-205-3391); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Acrylic or modacrylic staple fibers, carded, combed or otherwise processed for spinning are imported under HTS subheading 5506.30.00. U.S. imports under HTS subheading 5503.30.00 totaled \$4.1 million in 2007. Turkey was the primary supplier of such fibers in 2007, accounting for 77 percent of total imports.

Estimated effect on customs revenue:

HTS subheading: 5506.30.00					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty					
Col. 1-General rate of duty	5%	5%	5%	5%	5%
Estimated value <i>dutiable</i> imports	\$3,600,000	\$3,600,000	\$3,600,000	\$3,600,000	\$3,600,000
Customs revenue loss 1/	\$0	\$180,000	\$180,000	\$180,000	\$180,000

1/ There is an existing duty suspension under HTS heading 9902.10.22 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill in 2009.

Source of estimated dutiable import data: Official U.S. Government statistics and Commission estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Glen Raven, Inc. (Proponent) Allen E. Gant, Jr., 336-227-6211	02/07/2008	No	No	No
National Spinning Co., Inc. (Proponent) James W. Chesnutt, 252-975-7218	02/07/2008	No	No	No
American Fiber Manufacturers Association Paul O'Day, 703-875-0432	02/07/2008	No	No	No
American Manufacturing Trade Action Coalition Sara Ormand, 202-452-0866	02/07/2008	No	No	No
Amital Spinning Corp. Milt E. Gold, Email: <i>mgold@amital.net</i>	02/07/2008	No	No	No
The Association of Georgia's Textile, Carpet and Consumer Products Manufacturers G.L. Bowen III, 404-688-0555	02/07/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Coats & North America Chris Smith, 704-329-5800	02/07/2008	No	No	No
Culp, Inc., Robert G. Culp, III, 336-889-5161	02/12/2008	No	No	No
Hexcel Michael Bacal, Email: michael.bacal@hexcel.com	02/07/2008	No	No	No
Milliken & Company Kathi Dutilh, Email: kdutilh@millikendc.com	02/12/2008	No	No	No
National Council of Textile Organizations Missy Branson, 202-822-8026	01/31/2008	No	No	No
Patrick Yarn Mills, Inc. Gilbert Patrick, Email: gilbert@patrickyarns.com	02/07/2008	No	No	No
Quaker Fabric Corporation Larry A. Liebenow, Email: lliebenow@quakerfabric.com	02/07/2008	No	No	No
Sterling Fibers, Inc. James Hagerott, 850-994-5311	02/07/2008	No	No	No
Toho Tenax America, Inc. Marc Verbruggen, 865-354-5505	02/07/2008	No	No	No
Tuscarora Yarns, Inc., Peter Hegarty, Email: phegarty@tuscarorayarns.com	02/07/2008	No	No	No
William Barnet & Son, LLC Ron Vinolo, 864-576-7154	02/07/2008	No	No	No

Technical comments:⁴

None.

⁴ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

110TH CONGRESS
2D SESSION

H. R. 5094

To extend the temporary suspension of duty on acrylic or modacrylic stable fibers, carded, combed, or otherwise processed for spinning.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 22, 2008

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

A BILL

To extend the temporary suspension of duty on acrylic or modacrylic stable fibers, carded, combed, or otherwise processed for spinning.

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. ACRYLIC OR MODACRYLIC STABLE FIBERS,**
4 **CARDED, COMBED, OR OTHERWISE PROC-**
5 **ESSED FOR SPINNING.**

6 (a) IN GENERAL.—Heading 9902.10.22 of the Har-
7 monized Tariff Schedule of the United States (relating to
8 acrylic or modacrylic stable fibers, carded, combed, or oth-
9 erwise processed for spinning) is amended by striking “12/
10 31/2009” and inserting “12/31/2011”.

1 (b) EFFECTIVE DATE.—The amendment made by
2 subsection (a) applies to goods entered, or withdrawn from
3 warehouse for consumption, on or after the 15th day after
4 the date of the enactment of this Act.

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