

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: March 27, 2008]²

Bill No. and sponsor: H.R. 4484 (Mr. Joe Courtney of Connecticut).

Proponent name,³ location: Warren Corporation, Stafford Springs, CT.

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

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

Retroactive effect: None.

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

Fine animal hair of Kashmir (cashmere) goats, processed beyond the degreased or carbonized condition (provided for in subheading 5102.11.90).

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:

This bill covers cashmere that is processed beyond the degreased or carbonized condition but is not carded or combed. Cashmere fiber goes through several processing steps before it is carded and combed, an intermediate step in the yarn production process. In general, the fiber is sorted and then scoured to remove dirt, grease, and vegetable matter. The fiber is then “dehaired” to remove more of the vegetable matter, as well as dandruff and the coarse outer guard hair. The cashmere is then generally ready for carding and/or combing, after which it is spun into yarn. Cashmere yarns are used to make woven fabrics for jackets and coats. Such cashmere is classified under HTS subheading 5102.11.90, which covers fine animal hair of Kashmir (cashmere) goats, processed beyond the degreased or carbonized condition. Imports under HTS 5102.11.90 totaled \$2.8 million in 2007 and were primarily from Mongolia and China.

¹ Industry analyst preparing report: Heidi Colby-Oizumi (202-205-3391); Tariff Affairs contact: Dan Shepherdson (202-205-2598).

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

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

Estimated effect on customs revenue:

HTS subheading: 5102.11.90					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty (AVE) <u>1/</u>	4.9¢/kilo + 4% (4.4%)	4.9¢/kilo + 4% (4.4%)	4.9¢/kilo + 4% (4.4%)	4.9¢/kilo + 4% (4.4%)	4.9¢/kilo + 4% (4.4%)
Estimated value <i>dutiable</i> imports	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000	\$2,500,000
Customs revenue loss <u>2/</u>	\$0	\$110,000	\$110,000	\$110,000	\$110,000

1/ The AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using the most recent import data available.

2/ There is an existing duty suspension under HTS heading 9902.22.77 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: 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)	
Warren Corporation (Proponent) Lisa Cornish, 860-684-2766 (ext. 113)	2/22/2008	No	Yes	No
American Manufacturing Trade Action Coalition Sara Ormand, 202-452-0866	2/28/2008	No	Yes	No
Hanora Spinning Gerald Beyer, Fax: 401-765-6991	2/26/2008	No	No	No
Jagger Brothers David Jagger, 207-324-5622	2/26/2008	No	No	No
Kent Manufacturing Mark Kent, 864-878-6367 (ext. 2525)	2/26/2008	No	No	No
National Council of Textile Organizations David Trumbull, 202-822-8026	2/26/2008	No	No	No
National Textile Association David Trumbull, 617-542-8220	2/26/2008	No	Yes	No
Tailored Clothing Association David Starr, dastarr@wms-jen.com	2/26/2008	No	No	No
Victor Woollen Products, Ltd. Terry Winkler	2/26/2008	No	No	No

Technical comments:⁴

It is suggested that “processed beyond the degreased or carbonized condition” be added to the article description of HTS heading 9902.22.77 for clarity and to distinguish the subject item from other subheadings in the HTS covering cashmere. Such language also tracks current language in HTS heading 9902.12.20 for “camel hair, processed beyond the degreased or carbonized condition.”

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
1ST SESSION

H. R. 4484

To extend the temporary suspension of duty on fine animal hair of Kashmir
(cashmere) goats.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 12, 2007

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

A BILL

To extend the temporary suspension of duty on fine animal
hair of Kashmir (cashmere) goats.

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. FINE ANIMAL HAIR OF KASHMIRE (CASHMERE)**

4 **GOATS.**

5 (a) IN GENERAL.—Heading 9902.22.77 of the Har-
6 monized Tariff Schedule of the United States is amended
7 by striking “12/31/2009” and inserting “12/31/2011”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies with respect to goods entered, or

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

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