

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: August 28, 2006]²

Bill No. and sponsor: S. 3097 (Mr. Sam Brownback of Kansas)

Proponent name, location: Spirit Aerosystems, Inc., Wichita, KS.

Other bills on product (109th Congress only): None.³

Nature of bill: Temporary duty suspension through December 31, 2009.

Retroactive effect: None.

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

Seals of polyester fabric bonded over a silicone rubber core, designed for use in airplanes (provided for in subheading 5911.90.00).

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:

These seals are specifically designed for use in airplanes and are primarily manufactured by third party contractors in the United Kingdom and Turkey. Ten pending bills cover various seals specifically designed for use in airplanes and comprising polyester fabric bonded onto a silicone core. These seals are then affixed to their applicable positions on airplane parts. The silicone core provides malleable airtight seals while the polyester fabric enhances the structural integrity of the seal and provides a barrier against dirt. Various properties would effectively be required by the phrase "designed for use in airplanes," such as that the goods be fireproof or fire resistant.

¹ Industry analyst preparing report: Joe Kowalski (202-205-3323); 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 There are, however, several bills proposed on similar products used on different portions of an airplane. See technical comments.

Estimated effect on customs revenue:

| HTS subheading: 5911.90.00 | | | | | |
|---|-------------|--------------|--------------|--------------|--------------|
| | 2006 | 2007 | 2008 | 2009 | 2010 |
| Col. 1-General rate of duty | 3.8% | 3.8% | 3.8% | 3.8% | 3.8% |
| Estimated value <i>dutiable</i> imports | \$9,700,000 | \$10,670,000 | \$11,737,000 | \$12,910,700 | \$14,201,770 |
| Customs revenue loss 1/ | \$368,600 | \$405,460 | \$446,006 | \$490,607 | \$539,667 |

1/ See technical comments.

Source of estimated dutiable import data: Commission estimates based on official U.S. Government statistics and industry 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) | |
| Spirit Aerosystems, Inc. (Proponent) Dave Adams, 316-523-4312 | 07/20/2006 | No | No | No |
| Grotenrath Rubber Products Co., Inc. North Royalton, OH 440-237-5200 http://www.grotenrathrubber.com/ | 08/25/2006 | No | No | No |
| Rocket Seals Corporation Denver, CO 866-750-2001 http://www.rocketseals.com/products | 08/25/2006 | No | No | No |
| Seal Master Corp. Kent, OH 330-673-8410 http://www.sealmaster.com/page3.html | 08/25/2006 | No | No | No |
| Simrit, Div. of Freudenberg-NOK Plymouth, MI 734-354-5373 http://www.simritna.com/products/plate_seals.asp | 08/25/2006 | No | No | No |

| Name of firm/organization | Date contacted | Claim US makes same or competing product(s)? | Submission attached? | Opposition noted? |
|---|----------------|--|----------------------|-------------------|
| Timco Rubber Products, Inc. Cleveland, OH 216-267-6242 http://www.timcorubber.com/Products/capabilities.asp | 08/25/2006 | No | No | No |
| Wagner Rubber Products Rancho Dominguez, CA 310-868-5200 http://www.wagnerrubber.com/ | 08/25/2006 | No | No | No |

Technical comments:⁴

It is suggested that this bill and Senate bills 3098, 3099, 3100, 3101, 3102, 3103, 3104, 3105, and 3110 be combined into one bill to simplify administration of the duty suspension for related products and to reduce the cost of applying 10 different bills that differ slightly but use terms not defined elsewhere in the HTS. Moreover, the proponent is unable to provide additional technical information that could be used to develop separate article descriptions or to supply separate estimated import and revenue loss data.⁵ The estimated revenue loss set forth in this report therefore represents the combined value for the above Senate bills.

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.

⁵ Commission staff phone conversation with proponent, July 18, 2006.

109TH CONGRESS
2^D SESSION

S. 3097

To suspend temporarily the duty on seals, aerodynamic, fireproof.

IN THE SENATE OF THE UNITED STATES

MAY 25, 2006

Mr. BROWNBACK introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on seals, aerodynamic, fireproof.

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. SEALS, AERODYNAMIC, FIREPROOF.**

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:

| | | | | | | | |
|---|------------|---|------|-----------|-----------|-------------------------|----|
| “ | 9902.59.11 | Seals, aerodynamic, fireproof (provided for in subheading 5911.90.00) | Free | No change | No change | On or before 12/31/2009 | ”. |
|---|------------|---|------|-----------|-----------|-------------------------|----|

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

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

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