

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: October 11, 2006]²

Bill No. and sponsor: S. 3266 (Mr. Bill Frist of Tennessee on behalf of Mrs. Elizabeth Dole of North Carolina).

Proponent name, location: National Council of Textile Organizations, Washington, DC.

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

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

Retroactive effect: None.

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

Staple fibers of rayon, carded, combed, or otherwise processed for spinning, the foregoing presented in the form of top (provided for in heading 5507.00.00).

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:

According to the proponent, the subject product, staple fibers of rayon, are used in a variety of textile and nonwoven applications, including mattresses, baby wipes, upholstery, medical products, and arts and crafts. These fibers are imported from various countries, including Spain and China.

Estimated effect on customs revenue:

| HTS heading: <u>5507.00.00</u> | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|
| | 2006 | 2007 | 2008 | 2009 | 2010 |
| Col. 1-General rate of duty | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| Estimated value <i>dutiable</i> imports | \$2,328,475 | \$2,328,475 | \$2,328,475 | \$2,328,475 | \$2,328,475 |
| Customs revenue loss | \$116,424 | \$116,424 | \$116,424 | \$116,424 | \$116,424 |

Source of estimated dutiable import data: Industry estimates.

¹ Industry analyst preparing report: Elizabeth Nesbitt (202-205-3355); 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.

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) | | |
| National Council of Textile Organizations (Proponent) Missy Branson, 202-822-8026 | 08/10/2006 08/17/2006 08/23/2006 | No | No | No |
| National Textile Association David Trumball, 617-542-8220 | 07/28/2006 | No | No | No |

Technical comments:³

We note that the reference to the applicable tariff provision should be to HTS heading 5507.00.00, rather than subheading 5507.00.00, and the suggested article description should reflect this change.

³ 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.

109TH CONGRESS
2D SESSION

S. 3266

To suspend temporarily the duty on staple fibers of rayon, carded, combed, or otherwise processed.

IN THE SENATE OF THE UNITED STATES

MAY 26, 2006

Mr. FRIST (for Mrs. DOLE) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on staple fibers of rayon, carded, combed, or otherwise processed.

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. STAPLE FIBERS OF RAYON, CARDED, COMBED,**

4 **OR OTHERWISE PROCESSED.**

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

| | | | | | | | |
|---|------------|---|------|-----------|-----------|-------------------------|----|
| “ | 9902.55.07 | Staple fibers of rayon, carded, combed, or otherwise processed for spinning, the foregoing presented in the form of top (provided for in subheading 5507.00.00) | Free | No change | No change | On or before 12/31/2009 | ”. |
|---|------------|---|------|-----------|-----------|-------------------------|----|

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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