

UNITED STATES INTERNATIONAL TRADE COMMISSION  
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION  
of the 109<sup>th</sup> Congress<sup>1</sup>**

[Date approved: September 28, 2006]<sup>2</sup>

**Bill No. and sponsor:** S. 3645 (Mr. Charles Schumer of New York and Mrs. Hillary Clinton of New York).

**Proponent name, location:** Prismatic Dyeing & Finishing, Newburg, NY.

10/30/06, following an email exchange with DOC and Customs, Jan agreed that the classification should be 5403.31.00.

**Other bills on product (109<sup>th</sup> 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)):**

Artificial filament single yarn (other than sewing thread) not put up for retail sale, of viscose rayon, untwisted or with a twist not exceeding 120 turns per meter (provided for in subheading 5403.39.00).

**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:**

The subject category includes artificial filament single yarn (other than sewing thread) that is not put up for retail sale, which is made of viscose rayon. The yarn can be untwisted or with a twist that does not exceed 120 turns per meter. The yarn is used primarily to make apparel. U.S. dutiable imports of artificial filament single yarn classified under subheading 5403.39.00 totaled \$1,388,428 in 2005. The primary source of these imported yarns was Japan.

**Estimated effect on customs revenue:**

<b>HTS subheading: 5403.39.00</b>					
	2006	2007	2008	2009	2010
<del> </del>					
Col. 1-General rate of duty	8%	8%	8%	8%	8%
Estimated value <i>dutiable</i> imports	\$1,416,763	\$1,445,677	\$1,475,181	\$1,505,287	\$1,536,007
Customs revenue loss	\$113,341	\$115,654	\$118,014	\$120,423	\$122,881

Source of estimated dutiable import data: Industry and Commission estimates.

<sup>1</sup> Industry analyst preparing report: Don Sussman (202-205-3331); Tariff Affairs contact: Jan Summers (202-205-3605).

<sup>2</sup> Access to an electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel\\_doc/bill\\_reports/index.htm](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)		
Prismatic Dyeing & Finishing (Proponent) Gary Innocent, 845-561-1800	08/07/2006	No	No	No
American Manufacturing Trade Action Coalition Sarah Ormand, 202-452-0866	08/22/2006	No	No	No
Avondale Mills Rosa Deck, 257-249-1560	08/07/2006	No	No	No
Glen Raven Technical Fabrics Carl Wallace, 336-227-6211	08/07/2006	No	No	No
Haynes Industries Todd Hoover, 828-466-8505	08/22/2006	No	No	No
Michael S. Becker, Inc. Mike Becker, 336-229-5887	08/08/2006	No	No	No
National Textile Association David Trumbull, 617-542-8220	08/22/2006	No	No	No
National Council of Textile Organizations Missy Branson, 202-822-8026 Mike Hubbard, 704-824-3522	08/24/2006	No	No	No
Phillips-Van Heusen Corp. Ted Sattler, 212-381-3526	08/24/2006	No	No	No
Ramtex, Inc. Bill Beaver, 336-824-5600	08/08/2006	No	No	No
Schneider Mills Bruce Bodinger, 212-768-7500	08/08/2006	No	No	No
Shuford Yarns Marvin Smith, 828-324-4265	08/08/2006	No	No	No
Shuford Mills Becky Lane, 828-328-2141	08/07/2006	No	No	No
Sunbury Textile Mills Hank Truslow Sr., 570-286-3800	08/22/2006	No	No	No
Unifi, Inc. Jane Johnson, 336-294-4410	08/08/2006	No	No	No

**Technical comments:**<sup>3</sup> We suggest that the article description match the legal designation of the permanent tariff number for subheading 5403.39.00; the bill as introduced showed the international 6-digit subheading number.

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<sup>3</sup> 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.



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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