



## MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

### I. Background

Bill number:

Sponsor name:

Sponsor state:

#### Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

#### Note:

1. Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tariff\\_affairs/congress\\_reports/](http://www.usitc.gov/tariff_affairs/congress_reports/).
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Acrylic staple fibers (polyacrylonitrile staple) containing 85 percent or more by weight of acrylonitrile units and 2 percent or more but not over 3 percent of water, colored, crimped, with an average decitex of 2.2 (plus or minus 10 percent) and fiber length of 45 mm (plus or minus 10 percent) and fiber tenacity of 0.4 N/tex (plus or minus 10 percent) (provided for in subheading 5503.30.00)

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

Description above compared with bill as introduced:

- Same  
 Different (see Technical Comments section)

## III. Other product information, including uses/applications and source(s) of imports

These fibers are used to make fabric with high ultraviolet resistance for marine cover fabrics, sail covers, and enclosures. Imports are primarily from Turkey.

## IV. Estimated effect on customs revenue

| Subject product HTS subheading(s)                            | 5503.30.00 |            |            |            |            |
|--|------------|------------|------------|------------|------------|
| Item   | 2013       | 2014       | 2015       | 2016       | 2017       |
| Col.1-general rate of duty (%) or percentage point reduction | 4.3        | 4.3        | 4.3        | 4.3        | 4.3        |
| Estimated value of <i>dutiable</i> imports (\$)              | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 | 10,000,000 |
| Customs revenue loss (\$)                                    | 430,000    | 430,000    | 430,000    | 430,000    | 430,000    |

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce  
 Provided by industry sources  
 Industry information  
 Commission estimates

Duty reduction notes:

- This bill is not a duty reduction  
 This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%)  Temporary rate (%)  Percentage point reduction (%)

## V. Technical comments

We note that the enactment of this bill and H.R. 4447, H.R. 4448, H.R. 4451, and H.R. 4453, or any combination thereof, would result in overlapping product coverage. This overlapping scope makes it impossible to estimate with any certainty the volume of imports or customs revenue lost under each bill. Section IV of this report estimates the value of dutiable imports and customs revenue lost per year should only this bill pass. The estimates do not contemplate the effect of overlapping product coverage.

The article descriptions for the proposed heading under this bill contain overlapping fiber tenacity criterion with the proposed new heading under H.R. 4451 and, apart from the added fiber tenacity criterion, the same criteria as existing heading 9902.40.10 (which would be renewed under H.R. 4447). Additionally, the proposed heading in this bill overlaps with fiber length criterion in H.R. 4448 and the tenacity criterion of H.R. 4453.

## **VI. Continuation**

Other bills on product ... -- continued:

Bills on overlapping products include: H.R. 4447, H.R. 4448, H.R. 4451, and H.R. 4453 (Mr. Howard Coble, NC) (see Technical Comments section)

## VII. Contacts with domestic firms/organizations

|   | # Firm/organization and contact name                    | Telephone number | Claims same or competing product made in the United States | Submission attached | Opposition noted |
|---|---|------------------|--|---------------------|------------------|
| 1 | Glen Raven, Inc. (Interested entity)<br>John Coates     | 336-227-6211     | No   | No                  | No               |
| 2 | American Fiber Manufacturers Association<br>Frank Horne | 404-266-0764     | No   | No                  | No               |
| 3 | Coats North America<br>Chris Smith                      | 704-329-5800     | No   | No                  | No               |
| 4 | Mitsui USA, Inc.<br>Takeshi Buck Ogaku                  | 212-878-4000     | No   | No                  | No               |
| 5 | National Spinning Co., Inc.<br>Jim Chesnutt             | 252-975-7218     | No   | No                  | No               |
| 6 | Patrick Yarn Mills<br>Gilbert Patrick                   | 704-739-4119     | No   | No                  | No               |
| 7 | Sterling Fibers, Inc.<br>Suzie Allender                 | 850-994-5311     | No   | No                  | No               |
| 8 | Tuscarora Yarns, Inc.<br>Joe S. McLester                | 704-436-6527     | No   | No                  | No               |

112TH CONGRESS  
2D SESSION

# H. R. 4450

To suspend temporarily the duty on certain acrylic staple fibers.

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IN THE HOUSE OF REPRESENTATIVES

APRIL 19, 2012

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

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## A BILL

To suspend temporarily the duty on certain acrylic staple  
fibers.

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. CERTAIN ACRYLIC STAPLE FIBERS.**

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:

|   |            |  |      |           |           |                         |    |
|---|------------|--|------|-----------|-----------|-------------------------|----|
| “ | 9902.01.00 | Acrylic staple fibers (polyacrylonitrile staple) containing 85 percent or more by weight of acrylonitrile units and 2 percent or more but not over 3 percent of water, colored, crimped, with an average decitex of 2.2 (plus or minus 10 percent) and fiber length of 45 mm (plus or minus 10 percent) and fiber tenacity of 40 CN/TEX (plus or minus 10 percent) (provided for in subheading 5503.30.00) | Free | No change | No change | On or before 12/31/2015 | ”. |
|---|------------|--|------|-----------|-----------|-------------------------|----|

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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