



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/.
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)):

Polypropylene filament tow in bundles each containing 300,000 to 400,000 filaments (provided for in subheading 5501.40.00).

(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

The end use of these fibers is flocking. Flock has many different applications and adds a variety of colors, textures, and depths to substrates. The flock made from polypropylene fibers reduces buzz, squeak, and rattle problems in auto and marine equipment and is particularly useful to the battery industry. Compared with polyester, polypropylene has a lower melting point and is thus of inferior quality in industrial applications. China is the primary source for U.S. imports.

Opposition to this bill is noted below in the Contacts table.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	5501.40.00				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty (%)	7.5	7.5	7.5	7.5	7.5
Estimated value of <i>dutiable</i> imports (\$)	600,000	600,000	600,000	600,000	600,000
Customs revenue loss (\$)	45,000	45,000	45,000	45,000	45,000

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

The article description of the proposed heading was modified to be consistent with other HTS provisions and to reflect proper industry usage.

VI. Continuation

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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	Cellusuede Products, Inc. (Interested entity), Steve Hoepfner	815-964-8619	No	No	No
2	American Fiber Manufacturers Association, Paul O'Day	703-875-0432	Yes	No	No
3	National Textile Association, David Trumbull	617-542-8220	No	No	No
4	Palmetto Synthetics, Henry Poston	843-382-4000	Yes	Yes	Yes
5	American Manufacturers Trade Action Coalition, Sara Beatty	202-452-0866	Yes	Yes	Yes

Gaffney, Shannon

From: Sara Beatty <sbeatty@amtacdc.org>
Sent: Friday, June 01, 2012 2:07 PM
To: Colby, Heidi
Cc: TX.CH.ID
Subject: Re: Current MTBs on textiles and apparel

Good afternoon. I realize we may be a bit late in responding to the Batch 2 bills and my apologies. In this batch, AMTAC supports the acrylic bills introduced by Bishop, Carney and Coble as well as the Lieberman fine animal hair bills. We have no position on the Higgins plastic bags for toys (HR 4455). We oppose the Manzullo polypropylene/polyester fiber bills (HR 4486 and HR 4487) as it is our understanding that Palmetto Synthetics produces those fibers and has sent in a letter of opposition. Let me know if you need further information from AMTAC on these. We're aiming to respond on Batches 3 and 4 by Monday, June 11th - please advise if you need our feedback prior to then. Thanks.

Sara

Sara Ormand Beatty
Vice President of International Trade
American Manufacturing Trade Action Coalition (AMTAC)
910 16th Street, NW, Suite 402
Washington, DC 20007
[\(202\) 452-0866](tel:(202)452-0866)

On Tue, May 22, 2012 at 1:57 PM, <Heidi.Colby@usitc.gov> wrote:

Hi Sara,

Per our conversation this morning, attached is a list of the miscellaneous tariff bills for which we are currently preparing reports. In column G, you will find the name of the ITC analyst assigned to each report. If any of your members wish to provide information or file support/opposition, they should contact the analyst directly. I will forward additional MTB lists as they come in and are assigned (we receive them in batches).

Andrea Boron: [\(202\) 205-3433](tel:(202)205-3433), andrea.boron@usitc.gov
Heidi Colby-Oizumi: [\(202\) 205-3391](tel:(202)205-3391), heidi.colby@usitc.gov
Kim Freund: [\(202\) 708-5402](tel:(202)708-5402), kimberlie.freund@usitc.gov
Shannon Gaffney: [\(202\) 205-3316](tel:(202)205-3316), shannon.gaffney@usitc.gov
Jackie Jones: [\(202\) 205-3466](tel:(202)205-3466), jackie.jones@usitc.gov
Laura Rodriguez: [\(202\) 205-3499](tel:(202)205-3499), laura.rodriguez@usitc.gov

As always, thank you for your help in this process.

Regards,
Heidi

P.S. Please note that our staff have already contacted National Spinning, Glen Raven, Coats North America, Tuscarora Yarns, and Patrick Yarn Mills regarding the acrylic and modacrylic tow and staple fiber bills.

Gaffney, Shannon

From: Henry Poston <Henry.Poston@palmsyn.com>
Sent: Thursday, May 24, 2012 3:51 PM
To: Gaffney, Shannon
Subject: Made in USA Tow products

Dear Ms. Gaffney:

This is to advise that Palmetto Synthetics.LLC produces:

Synthetic Tow of Polypropylene
Synthetic Tow of Polyester

We added equipment to our facility specifically to produce these products for customers requiring a domestically produced tow.

Therefore, we are opposed to:

HR 4486

HR 4487

Please advise if we can offer any further assistance with this

Best Regards,

Henry Poston
President
Palmetto synthetics,LLC
633 Commerce Drive
Kingstree, SC 29556
843.382.4000

112TH CONGRESS
2D SESSION

H. R. 4486

To suspend temporarily the duty on polypropylene fiber with tow bundles comprised of 300,000 to 400,000 individual filaments.

IN THE HOUSE OF REPRESENTATIVES

APRIL 24, 2012

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

A BILL

To suspend temporarily the duty on polypropylene fiber with tow bundles comprised of 300,000 to 400,000 individual filaments.

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. POLYPROPYLENE FIBER WITH TOW BUNDLES**
4 **COMPRISED OF 300,000 TO 400,000 INDIVIDUAL**
5 **FILAMENTS.**

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

“	9902.01.00	Polypropylene fiber with tow bundles comprised of 300,000 to 400,000 individual filaments (provided for in sub-heading 5501.40.00)	Free	No change	No change	On or before 12/31/2015	”.
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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 enactment of this Act.

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