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	United States RNATIONAL TRADE COMMISSION
	MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress
	Date approved June 21, 2012
I. Background	
Bill number: H.R. 4	528
Sponsor name: Mr. J	oe Courtney
Sponsor state: CT	
· · · · · · · · · · · · · · · · · · ·	Corporation
	Springs
State CT	
Other bills on product (112th Congress only): S. 2310
Nature of bill: Exte	nsion of temporary duty reduction
Expiration date: Dece	ember 31, 2015
Current or previous cha	pter 99 heading: 9902.12.23
Retroactive date:	None
CAS number (if applical	ole): None
Industry analyst:	Heidi Colby-Oizumi
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Telephone:	202-205-2605

Note:

1. Access to an electronic copy of this memorandum is available at <u>http://www.usitc.gov/tariff_affairs/congress_reports/.</u>

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.

^{112TH CONGRESS} 2D SESSION H.R.4528

To extend the temporary reduction of duty on woven fabrics containing 85 percent or more by weight of vicuna hair.

IN THE HOUSE OF REPRESENTATIVES

April 24, 2012

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

A BILL

To extend the temporary reduction of duty on woven fabrics containing 85 percent or more by weight of vicuna hair.

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. WOVEN FABRICS CONTAINING 85 PERCENT OR
4 MORE BY WEIGHT OF VICUNA HAIR.

5 (a) IN GENERAL.—Heading 9902.12.23 of the Har-6 monized Tariff Schedule of the United States (relating to 7 woven fabrics containing 85 percent or more by weight 8 of vicuna hair) is amended by striking the date in the ef-9 fective period column and inserting "12/31/2015". (b) EFFECTIVE DATE.—The amendments made by
subsection (a) apply with respect to goods entered, or
withdrawn from warehouse for consumption, on or after
the 15th day after the date of enactment of this Act.

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

Woven fabrics containing 85 percent or more by weight of vicuna hair (provided for in subheadings 5111.11.70, 5111.19.60, 5112.11.60, or 5112.19.95)

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

This bill covers woven fabrics of vicuna hair, a rare and expensive fiber provided for as "fine animal hair" in the HTS. The vicuna is similar to the llama and alpaca and is native to the Andean regions of Bolivia, Peru, Chile, Ecuador, and Argentina. Vicuna fibers are among the thinnest and most luxurious of any fine animal hair, with a diameter of 12 microns, compared with cashmere, which has a diameter of 15 microns. The subject fabric is imported for use in jackets and coats, and is retailed primarily to specialty tailors, as mass production of garments using this fabric is cost prohibitive. Italy is the primary source of imports.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	5111.11.70, 5111.19.60, 5112.11.60, and 5112.19.95						
ltem	2013	2014	2015	2016	2017		
Col.1-general rate of duty (%)	25	25	25	25	25		
Estimated value of <i>dutiable</i> imports (\$)	150,000	150,000	150,000	150,000	150,000		
Customs revenue loss (\$)	37,500	37,500	37,500	37,500	37,500		

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

 \boxtimes Commission estimates

Duty reduction notes:

 \boxtimes 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 (%)

6) Perce

Percentage point reduction (%)

V. Technical comments

We note that the bill's title indicates that it would extend the temporary reduction of duty on the subject goods, when in fact it would extend a temporary duty suspension. Although the title has no legal significance, the error could cause confusion.

VI. Continuation

Suggested Article Description... -- continued:

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.

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	Warren Corporation (Interested entity) Lisa Cornish	860-684-2766	No	No	No
2	American Manufacturing Trade Action Coalition Sara Beatty	202-452-0866	No	No	No
3	Hanora Spinning Gerald Beyer	401-767-3360	No	No	No
4	Jagger Brothers David Jagger	207-324-5622	No	No	No
5	Kentwool Mark Kent	864-878-6367	No	No	No
6	National Council of Textile Organizations Sarah Pierce	202-822-8026	No	No	No
7	National Textile Association David Trumbull	617-542-8220	No	No	No