



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)):

Plaiting materials and products of plaiting materials, suitable for use in window shades, presented in rolls each having an area measuring over 27.85 m² but less than 46.46 m², of any combination of wood slats each measuring 6 mm or more but not over 8 mm in width or 22 mm or more but not over 25 mm in width and measuring 1 mm or more but not over 2 mm in thickness, bamboo reeds measuring 1 mm or more but not over 2.5 mm in width, marupa wood rods measuring 1.5 mm or more but not over 3 mm in diameter and/or paper rope, the foregoing woven with polyester yarn into a repeating pattern which may also include jute, polyester yarn or paper (provided for in subheading 4601.94.20)

(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

This product is window shade material composed principally of horizontal wood slats and/or marupa rods (*Simarouba* spp., a light-colored wood grown in South and Central America and the Caribbean) that are woven together using polyester yarn and imported in rolls of the specified sizes. The material may also include bamboo stems and/or rope made of twisted paper to form a decorative pattern, but the essential character of the article is provided by the wood materials. The subject article must be made of "plaiting materials" as defined in chapter 46, note 1, in order to be classified in heading 4601. The material may be unfinished or finished using stain, paint or lacquer. The imported rolled material is then cut to desired widths and lengths to be manufactured into window shades sold as "woven natural fiber" shade styles. Manufacturing consists of cutting the rolls to specified sizes and adding the necessary hardware such as head and bottom rails, pulleys or other mechanical fittings and a lift cord.

There are no known domestic manufacturers of window shade material made of wood plaiting materials. The fabrication of these materials is labor intensive, so they are produced in countries with low labor costs. They are mainly imported from China, Taiwan, Indonesia and Vietnam. Window shades are sold through specialty retailers, specialty mail order vendors, custom home furnishing dealers and general merchandise retailers.

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

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	4601.94.20				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty (%) or percentage point reduction	6.6	6.6	6.6	6.6	6.6
Estimated value of <i>dutiable</i> imports (\$)	800,000	850,000	900,000	950,000	1,000,000
Customs revenue loss (\$)	52,800	56,100	59,400	62,700	66,000

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 shown above has been edited slightly to conform more closely with the wording of the permanent HTS heading and to clarify the ranges of units of measurement included. Note that "m2" as shown above should be rendered as "m" with the superscript 2, which this software does not allow us to do here.

VI. Continuation

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	Hunter Douglas, Inc. Daniel Rodil	770-995-2212	No	No	No
	2	Akin Gump (representing Hunter Douglas) Zachary W. Paulsen	202-887-4061	No	No	No
	3	B&W Window Fashions David Perkowitz	847-596-6631	No	Yes	Yes
	4	JC Penney Kathleen F. McGuigan	972-431-1282	Yes	No	No
	5	Newell Rubbermaid Inc. Mark W. Johnson	770- 418-7785	No	No	No

We oppose the bill as written because even though we import these materials we would be excluded from benefiting from the temporary suspension of duties because of technicalities, including the size of the rolls being imported and the dimensions of some of the components used to weave the rolls.

The bill as written would benefit one company in our industry to the exclusion of other such as us.

Below is the wording of the bill with suggested changes that would benefit everyone in the industry, rather than one company. The areas we would suggest removing are lined out with the suggested replacement wording in yellow.

H.R. 4591

9902.01.00 Plaiting material products suitable for use in window shades, in rolls each having an area measuring over 27.85 m² but less than ~~46.46 m²~~, **66.89 m²** of wood slats each measuring over ~~6 mm~~ or more but not greater than ~~8 mm~~ in width or over ~~22 mm~~ or more but not to exceed ~~25 mm~~ **6 mm or more but not greater than 25 mm** in width and measuring 1 mm or more but not greater than 2 mm in thickness, and/or bamboo reeds measuring 1 mm or more but not greater than 2.5 mm in width, and/or ~~marupa~~ wood rods measuring over 1.5 mm or more but not greater than 3 mm in diameter, and/or paper rope, the foregoing woven with polyester yarn into a repeating pattern which may also include jute, polyester yarn or paper (provided for in subheading 4601.94.20) Free No change No change On or before 12/31/2015 '.

112TH CONGRESS
2D SESSION

H. R. 4591

To suspend temporarily the duty on certain window shade material.

IN THE HOUSE OF REPRESENTATIVES

APRIL 24, 2012

Mrs. MYRICK introduced the following bill; which was referred to the
Committee on Ways and Means

A BILL

To suspend temporarily the duty on certain window shade
material.

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 WINDOW SHADE MATERIAL.**

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	Plaiting material products suitable for use in window shades, in rolls each having an area measuring over 27.85 m ² but less than 46.46 m ² , of wood slats each measuring over 6 mm or more but not greater than 8 mm in width or over 22 mm or more but not to exceed 25 mm in width and measuring 1 mm or more but not greater than 2 mm in thickness, and/or bamboo reeds measuring 1 mm or more but not greater than 2.5 mm in width, and/or marupa wood rods measuring over 1.5 mm or more but not greater than 3 mm in diameter, and/or paper rope, the foregoing woven with polyester yarn into a repeating pattern which may also include jute, polyester yarn or paper (provided for in subheading 4601.94.20)	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.

○