



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)):

Warp knit open-work fabrics of synthetic fibers, unbleached or bleached, other than fabrics of headings 6001 to 6004 (provided for in subheading 6005.31.00)

(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 subject products are warp knit open-work fabrics in which synthetic fibers predominate by weight. They may be used in a variety of applications, including fasteners for disposable baby diapers (the use of the interested entity), anti-hail netting used to cover crops, and reinforcing scrim used in the production of sails. The largest supplier of the subject fabric is Israel, imports of which enter duty-free under the U.S.-Israel Free Trade Agreement. The next largest supplying countries are Portugal, China, and Korea. Opposition to this bill is noted in the Contacts table below.

IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	6005.31.00				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	10	10	10	10	10
Estimated value of <i>dutiable</i> imports (\$)	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
Customs revenue loss (\$)	500,000	500,000	500,000	500,000	500,000

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 set forth above was modified for greater clarity and for consistency with permanent tariff provisions.

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	Proctor & Gamble (Interested entity) Matt Mattingley	202-841-5601	No	No	No
2	American Manufacturing Trade Action Coalition Sara Beatty	202-452-0866	Yes	Yes	Yes
3	Milliken & Company Kathi Dutilh	202-775-0084	Yes	Yes	Yes
4	National Council of Textile Organizations Mike Hubbard	704-215-4540	Yes	Yes	Yes
5	National Textile Association David Trumbull	617-542-8220	No	Yes	Yes

From: Sara Beatty [mailto:sbeatty@amtacdc.org]
Sent: Friday, June 29, 2012 9:24 AM
To: Colby, Heidi
Cc: TX.CH.ID; atantillo@amtacdc.org; lwood@amtacdc.org
Subject: Re: Current MTBs on textiles and apparel

Heidi,

Our positions on Batch 6 are as follows;

- H.R. 5300-5302 (These are not on the Ways and Means list and appear to be duplicates for 5491-5493.) No position.
- H.R. 5379 (Reusable grocery bags) AMTAC objects. Unifi produces recycled yarns for this end use.
- H.R. 5459 (Non-woven fiberglass sheets) AMTAC has no position. Note - there is no HTS code given in the bill making it difficult to fully vet.
- H.R. 5485 (Narrow woven fabrics) AMTAC objects. Unifi makes yarn for this product. It is also our understanding that there are numerous U.S. narrow fabric producers including: Aplix Inc, Asheboro Elastic Corp, Bo Buck Mills Inc, DMI Industries, Franklin Braid Mfg Co, Interstate Narrow Fabrics Inc, Joe-Anne Narrow Fabrics, Julius Koch Usa Inc, Leedon Webbing Co Inc, North East Knitting Inc., Southern Weaving Company, and Stretch Products Corp.
- H.R. 5489 (Cases for toys/electronic games) AMTAC has no position.
- H.R. 5490 (Cases for toys/electronic games) AMTAC has no position.
- H.R. 5491-5493 (Viscose rayon yarn) AMTAC has no position.
- H.R. 5496 (Sanitary items/ diapers) AMTAC has no position.
- H.R. 5497 (Warp knit open-work fabrics) AMTAC opposes. Milliken makes this product.

From: Kathi Dutilh [mailto:kdutilh@millikendc.com]
Sent: Wednesday, July 11, 2012 11:02 AM
To: Jones, Jackie
Subject: Re: hr5497

Dear Jackie,

Milliken makes both open-work warp knit and warp knit for apparel. Our scrimms, used in many applications, are an example of open-work warp knit, which could be captured in this definition. If the bill could be written with more detail to exclude our products, we would not object. However, in this state, we will have to object to HR 5497.

[Kathi Dutilh](#)

Manager, Government Relations
Milliken & Company
202-775-0084
kdutilh@millikendc.com

www.milliken.com

The logo for Milliken, featuring the word "Milliken" in a blue, cursive script font.

From: Mike Hubbard
[\[mailto:MHubbard@ncto.org\]](mailto:MHubbard@ncto.org)
Sent: Tuesday, June 19,
2012 12:11 PM
To: Jones, Jackie
Cc: Sarah Pierce
Subject: MTB batches 5-6

Jackie,

Here are Batches 5-6 on the
MTBs. I am working on 7
now.

Best regards,

Mike

Mike Hubbard

**National Council of Textile
Organizations**

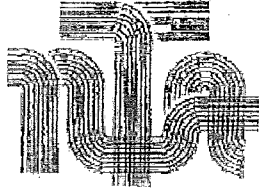
469 Hospital Drive, Ste. C

Gastonia, NC 28054

Tel: +1-704-215-4540

Fax: +1-704-671-2366

6 hr5497 Schmidt 6005.31.00 Warp knit open-work fabrics
Oppose - US manufacturers: among others, Fairystone Fabrics (www.fairystone.com), Gehring Textiles
(www.gehringtextiles.com), Darlington Fabrics (www.darlingtonfabrics.com); US fibers and yarns are
produced for these fabrics



NATIONAL TEXTILE ASSOCIATION

6 Beacon St., Ste. 1125
Boston, MA 02108

(617) 542-8220 • www.nationaltextile.org • (617) 542-2199 fax

June 21, 2012

Subj.: MTB Comment Submission - Oppose H.R. 5497

To whom it may concern:

The National Textile Association opposes H.R. 5497, which would suspend temporarily the duty on certain knit fabrics like or competitive with those made in the United States by members who produce knitted fabric for use in the production of wearing apparel.

Yours,

A handwritten signature in black ink, appearing to read 'David Trumbull'.

David Trumbull
Vice President, International Trade
National Textile Association
6 Beacon St., #1125
Boston, MA 02108
617-542-8220
dtrumbull@nationaltextile.org

112TH CONGRESS
2D SESSION

H. R. 5497

To suspend temporarily the rate of duty on certain warp knit open-work fabrics.

IN THE HOUSE OF REPRESENTATIVES

MAY 7, 2012

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

A BILL

To suspend temporarily the rate of duty on certain warp knit open-work fabrics.

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 WARP KNIT OPEN-WORK FABRICS.**

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	Warp knit open-work fabrics (provided for in sub-heading 6005.31.00)	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 articles entered, or withdrawn
3 from warehouse for consumption, on or after the 15th day
4 after the date of the enactment of this Act.

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