

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 111th Congress¹**

[Date approved: February 23, 2010]²

Bill No. and sponsor: S. 1979 (Mr. Robert Casey of Pennsylvania).

Proponent name,³ location: Armstrong World Industries, Lancaster, PA.

Other bills on product (111th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

Nonwoven fiberglass sheets, approximately 0.4 mm to 0.8 mm in thickness and with smooth surfaces, containing a blend of 8 micron and 10 micron glass fibers bound in an acrylic latex binder that is cross-linked with a melamine-formaldehyde resin, the foregoing of a kind primarily used as acoustical facing for ceiling panels (provided for in subheading 7019.32.00).

Check one: Same as that in bill as introduced.
 Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

The subject products are thin, smooth, nonwoven fiberglass sheets, approximately 0.4 mm to 0.8 mm thick. They are composed principally of a blend of 8 micron and 10 micron glass fibers that are bound in an acrylic latex binder, cross-linked with a melamine-formaldehyde resin. Such sheets must be of a kind primarily used as acoustical facing for ceiling panels.

According to the proponent, the subject products assist in sound proofing ceiling tiles. In 2008, the customs value of imports under HTS subheading 7019.32.00 totaled \$21.6 million. Products under this subheading were imported predominantly from the Netherlands, Germany, United Kingdom, and Canada in 2008. The proponent estimates that imports of the products specified in this bill account for approximately 33 percent of dutiable imports under HTS subheading 7019.32.00, by customs value, and believes that these products are also imported from the Netherlands and Germany.

¹ Industry analyst preparing report: Don Sussman (202-205-3331); Tariff Affairs contact: Jan Summers (202-205-2605).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tariff_affairs/congress_reports/.

³ The sponsor and proponent did not identify any additional beneficiaries of this bill.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 7019.32.00:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	4.3%	4.3%	4.3%	4.3%	4.3%
Estimated value <i>dutiable</i> imports ^a	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000	\$7,000,000
Customs revenue loss ^b	\$301,000	\$301,000	\$301,000	\$301,000	\$301,000

a/ Dutiable import estimates were provided by industry sources.

b/ At the request of Congress, customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Armstrong World Industries (Proponent) Nicole Bivens Collinson, 202-471-3232	11/24/2009	No	No	No
American Manufacturing Trade Action Coalition Sara Ormand, 202-452-0866	11/30/2009	No	No	No
Association of the Nonwoven Fabrics Industry Jessica Franken, 703-521-0545	11/30/2009	Yes	No	No
CertainTeed Corporation/St.-Gobain N.A. Karen Cawkwell, 610-341-7000	12/04/2009	Yes	Yes	Yes
Johns Manville Corporation Albert G. Dietz, III, 303-978-4150	12/04/2009	No	No	No
National Council of Textile Organizations Sarah Pierce, 202-822-8026	11/24/2009	No	No	No
Owens Corning Science & Technology James E. Loftus, 740-321-7579	12/04/2009	No	No	No
U.S. Industrial Fabric Institute Ruth Stephens, 651-222-2508	11/30/2009	No	No	No

Technical comments:⁴

It is suggested that the article description of the proposed heading be worded as shown on page 1.

⁴ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

-----Original Message-----

From: Cawkwell, Karen [mailto:Karen.Cawkwell@saint-gobain.com]
Sent: Friday, December 04, 2009 1:17 PM
To: Sussman, Donald
Cc: Harmon, Phil; Feagans, Tim L.
Subject: RE: DUTY ON FIBERGLASS SHEETS

Hello Don

Further to our telephone conversation this morning, I would like to confirm that Saint-Gobain is a U.S. manufacturer of fiberglass Glass Mat Products as described in the attached Senate bills.

We believe that the lifting of the import tariffs on these products could harm our competitiveness and have a negative effect on our ability to service the markets for either ceiling tile or vinyl flooring.

We would therefore oppose the suspension of the duty on these products.

Please let me know if you require further information about our products at this stage.

Best regards

Karen

Karen Cawkwell
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111TH CONGRESS
1ST SESSION

S. 1979

To suspend temporarily the duty on certain fiberglass sheets used to make ceiling tiles.

IN THE SENATE OF THE UNITED STATES

OCTOBER 28, 2009

Mr. CASEY introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on certain fiberglass sheets used to make ceiling tiles.

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 FIBERGLASS SHEETS USED TO MAKE**

4 **CEILING TILES.**

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

“	9902.01.00	Thin smooth nonwoven fiber-glass sheets, approximately 0.4 mm to 0.8 mm thick, comprised principally of a blend of 8 micron and 10 micron glass fibers bound in an acrylic latex binder cross-linked with a melamine-formaldehyde resin of a kind primarily used as acoustical facing for ceiling panels (provided for in subheading 7019.32.00)	Free	No change	No change	On or before 12/31/2011	”.
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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 the enactment of this Act.

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