

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: March 25, 2010]²

Bill No. and sponsor: S. 2011 (Mr. John Barrasso of Wyoming).

Proponent name,³ location: American Sheep Industry Association, Centennial, CO.
Woolsacks Co., Fredericksburg, TX.

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

Nature of bill: Extension of temporary duty suspension through December 31, 2011.⁴

Retroactive effect: None.

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

Sacks and bags, of undyed woven fabric of nylon multifilament yarns not to exceed 10 decitex, used for packing wool for transport, storage, or sale (provided for in subheading 6305.39.00).

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 sacks or bags constructed of woven nylon fabric of a general type used for packing wool for transport, storage, or sale. According to the proponents, sourcing decisions for such bags (also referred to as woolpacks) are typically based on the recommendations of the Australian Wool Exchange, which the U.S. sheep industry follows. The proponents also indicated that the Exchange staff visited multiple wool sack manufacturing plants worldwide and recommended that the sheep industry only purchase wool sacks from approved factories, which are located in China, South Korea, and Thailand.⁵ Imports of the subject products are from China, South Korea, and Thailand. The proponents believe that, even with an extension of the duty suspension, imports of the subject wool sacks and bags will likely gradually decline (approximately 2-3 percent per year) because wool sheep numbers in the United States are projected to decline.

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.

⁴ Heading 9902.24.12, which expired at the end of 2009, had provided a temporary duty suspension to the subject goods.

⁵ Although Thailand is a designated beneficiary developing country under the Generalized System of Preferences, HTS subheading 6305.39.00 is not designated as eligible for duty-free entry under that program.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 6305.39.00:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	8.4%	8.4%	8.4%	8.4%	8.4%
Estimated value <i>dutiable</i> imports ^a	\$230,000	\$230,000	\$230,000	\$230,000	\$230,000
Customs revenue loss ^b	\$19,320	\$19,320	\$19,320	\$19,320	\$19,320

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)		
American Sheep Industry Association (Proponent) Peter Orwick, 303-771-3500	12/01/2009	No	No	No
Woolsacks Co. (Proponent) Timothy Koock, 830-997-9554	12/01/2009	No	No	No
American Fiber Manufacturers Association Frank Horn 703-875-0676	12/02/2009	No	No	No
National Textile Association David Trumbull 617-542-8220	12/01/2009	No	No	No
National Council of Textile Organizations Sarah Pierce, 202-822-8026	12/01/2009	No	No	No
Schneider Mills Hank Byrd, 828-632-8181	12/01/2009	Yes	Yes	Yes

Technical comments:⁶

None.

⁶ 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: Hank Byrd [mailto:hbyrd@schneidermills.com]
Sent: Wednesday, December 02, 2009 2:02 PM
To: Sussman, Donald
Subject: RE: s2011

We at Schneider Mills are a diversified weaver of greige, undyed nylon fabric. While we have had no inquiries to produce this fabric in the last 2 years we are more than capable of making this fabric in the U.S. Thus we would protest the extension of tariff relief for this type fabric. If we have an order we could produce this product within 5-6 week dependent upon nylon availability.

Sincerely

Hank Byrd
President
Schneider Mills, Inc.

111TH CONGRESS
1ST SESSION

S. 2011

To extend temporarily the suspension of duty on nylon woolpacks used to package wool.

IN THE SENATE OF THE UNITED STATES

OCTOBER 28, 2009

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

A BILL

To extend temporarily the suspension of duty on nylon woolpacks used to package wool.

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. NYLON WOOLPACKS USED TO PACKAGE WOOL.**

4 (a) IN GENERAL.—Heading 9902.24.12 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 nylon woolpacks used to package wool) is amended by
7 striking the date in the effective column period and insert-
8 ing “12/31/2011”.

9 (b) EFFECTIVE DATE.—The amendment made by
10 subsection (a) applies to goods entered, or withdrawn from

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- 1 warehouse for consumption, on or after the 15th day after
- 2 the date of the enactment of this Act.

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