

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

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

[Date approved: May 3, 2010]²

Bill No. and sponsor: S. 2082 (Mr. James M. Inhofe of Oklahoma).

Proponent name,³ location: Hobby Lobby Stores, Inc., Oklahoma City, OK.

Other bills on product (111th Congress only): S. 2083, S. 2084, S. 2370, S. 2371, S. 2372, S. 2465, S. 2466, S. 2599, and S. 2600.

Nature of bill: Temporary duty suspension through December 31, 2011.⁴

Retroactive effect: None.

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

Artificial flowers of man-made fibers assembled as floral sprays (provided for in subheading 6702.90.35).

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 floral sprays assembled from artificial flowers of man-made fibers. Floral sprays are composed of a flower or flowers of the same or different appearance either alone or together with greenery and/or other elements in one main stem. The source of U.S. imports of these products is China.

¹ Industry analyst preparing report: Dennis Fravel (202-205-3404); Tariff Affairs contact: Dan Shepherdson (202-205-2598).

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

³ The sponsor/proponent did not identify any additional beneficiaries of this bill. USITC staff identified five additional beneficiaries of this bill that were not identified by the sponsor/proponent, and those beneficiaries submitted a written representation that they would benefit from this bill.

⁴ This bill would create a temporary duty suspension for products that likely were covered by the temporary duty suspension on artificial flowers of man-made fibers under HTS 9902.25.65.10 that expired on December 31, 2009.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 6702.90.35:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	9%	9%	9%	9%	9%
Estimated value <i>dutiable</i> imports ^a	\$4,200,000	\$4,400,000	\$4,800,000	\$4,800,000	\$4,700,000
Customs revenue loss ^b	\$378,000	\$396,000	\$432,000	\$432,000	\$423,000

a/ Dutiable import estimates were based on official U.S. Government statistics, industry information, and Commission estimates.

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)	
Hobby Lobby Stores, Inc. (Proponent) John Graham, 405-745-1752	12/02/2009	No	No	No
A.C. Moore, Inc. Bob Senft, 856-768-4949	12/02/2009	No	No	No
Aldik Zury Segal, 800-442-5345	12/02/2009	No	No	No
Caffco International (CCC Associates) Lamar Thompson, 334-272-2140	12/02/2009	No	No	No
Dollar General Corp. Rob Stephenson, 615-855-5169	01/04/2010	No	No	No
Dollar Tree Stores, Inc. Robert H. Rudman, 757-321-5000	12/02/2009	No	No	No
Family Dollar Stores, Inc. Debbie Cline, 704-847-6961	01/04/2010	No	No	No
Jo-Ann Stores, Inc. Bob Icsman, 330-463-3409	12/01/2009	No	No	No
Michaels Stores, Inc. Michael Veitenheimer, 972-409-1655 Edward Krenik, 202-828-5877	12/01/2009	No	No	No
National Retail Federation Erik Autor, 202-626-8104	12/04/2009	No	No	No
Pier 1 Imports, Inc. Ruby Sevcik, 817-252-6051	01/04/2010	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Raz Imports, Inc. Tammy Greene, 800-443-3540	12/02/2009	No	No	No
Retail Industry Leaders Association Stephanie Lester, 703-841-2300	12/02/2009	No	No	No
Sears Holdings Corp. (Kmart is a wholly owned subsidiary) Brad Shorser, 847-286-2757	01/04/2010	No	No	No
Sierra Pacific Crafts Heather Corvey, 503-685-6161	12/02/2009	No	No	No
Target Corp. Susan Flack, 202-863-7265 Marguerite Trossevin, 202-251-6170	12/03/2009	No	No	No
Teters Floral Products, Inc. Rick Looker, 800-999-5996	12/02/2009	No	No	No
Tuesday Morning Nina Kerchof, 972-387-3562	12/02/2009	No	No	No
Wal-Mart Stores, Inc. Sarah Thorn, 202-434-0714	01/04/2010	No	No	No
Windward Renee Cozzette, 800-888-8898	12/02/2009	No	No	No

Technical comments:⁵

None.

⁵ 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.

111TH CONGRESS
1ST SESSION

S. 2082

To suspend temporarily the duty on artificial flowers of man-made fibers assembled as floral sprays.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

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

A BILL

To suspend temporarily the duty on artificial flowers of man-made fibers assembled as floral sprays.

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. ARTIFICIAL FLOWERS OF MAN-MADE FIBERS**

4 **ASSEMBLED AS FLORAL SPRAYS.**

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	Artificial flowers of man-made fibers assembled as floral sprays (provided for in subheading 6702.90.35)	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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