

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. 2326 (Mr. Kerry of Massachusetts et al.).

Proponent name,³ location: Harodite Industries, Inc., Taunton, MA.

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)):

Synthetic filament yarn (other than sewing thread) not put up for retail sale, single, of decitex sizes of 23 to 850, with from 4 through 68 filaments, with a twist of 100 to 300 turns/m, of nylon or other polyamides, containing 10 percent or more by weight of nylon 12 (provided for in subheading 5402.51.00).

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 bill covers synthetic filament single yarns of nylon or other polyamides (meaning that these materials predominate by weight in the yarns). In addition, these yarns contain 10 percent or more by weight of nylon 12 and are of decitex sizes 23 to 850. They are made with 4 or more, but not more than 68, filaments and with a twist of 100 to 300 turns per meter. Because of the nylon 12 content, the subject yarns melt at a low temperature and are used in fabric manufacturing. These yarns have two primary applications. First, they may be used as a separation yarn in the knitting industry. As a fabric is formed, the yarn is knitted into the fabric at certain points to separate the fabric into desired lengths or panels. Heat is applied and the continuous roll of fabric separates into the desired pieces as the subject yarns melt and shrink. Second, the yarns may be used to bind the edges or selvages of a fabric so the edges do not fray or may serve as a glue to add strength to a material. The subject yarns are imported from Switzerland.

¹ Industry analyst preparing report: Heidi Colby-Oizumi (202-205-3391); 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 9902.01.90, which expired at the end of 2009, had afforded duty-free entry to the subject goods.

Estimated effect on customs revenue for the subject product classifiable in HTS subheading 5402.51.00:

	2010	2011	2012	2013	2014
Col. 1-General rate of duty	8.8%	8.8%	8.8%	8.8%	8.8%
Estimated value <i>dutiable</i> imports ^a	\$95,395	\$85,855	\$77,270	\$69,543	\$62,588
Customs revenue loss ^b	\$8,395	\$7,555	\$6,800	\$6,120	\$5,508

a/ Dutiable import estimates were based on official U.S. Government statistics and estimates 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)	
Harodite Industries (Proponent) Dewey M. Rutledge Jr., 434-799-1771	1/7/2010	No	No	No
Invista Mary Vane, mary.vane@invista.com	1/7/2010	No	No	No
National Council of Textile Organizations Sarah Pierce, 202-822-8026	12/4/2009	No	No	No
Unifi Jane L. Johnson, 336-316-5278	1/7/2010	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. 2326

To extend the temporary suspension of duty on certain synthetic filament yarns.

IN THE SENATE OF THE UNITED STATES

OCTOBER 29, 2009

Mr. KERRY (for himself and Mr. KIRK) introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To extend the temporary suspension of duty on certain synthetic filament yarns.

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 SYNTHETIC FILAMENT YARNS.**

4 (a) IN GENERAL.—Heading 9902.01.90 of the Har-
5 monized Tariff Schedule of the United States (relating to
6 certain synthetic filament yarns) is amended by striking
7 “12/31/2009” and inserting “12/31/2011”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 subsection (a) applies with respect to goods entered, or

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

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