MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 109th Congress

[Date approved: April 20, 2006]

Bill No. and sponsor: H.R. 3310 (Mr. Mike Ross of Arkansas).


Other bills on product (109th Congress only): None.


Retroactive effect: None.

Suggested article descriptions for enactment (including appropriate HTS subheading):

Artificial flowers, of other than man-made textile fibers (provided for in subheading 6702.90.65).

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

Product information, including uses/applications and sources of imports:

The artificial flowers noted above are those that are produced from other than plastics, feathers, and man-made fibers such as silk, glass, mulberry paper, latex, hand-made paper, wood, and clay. In addition to artificial flowers, this subheading also covers artificial foliage, fruit, and parts thereof (including stems and leaves). All of the articles noted above are principally used in decorative floral displays. The principal sources of U.S. imports of these articles are China and France.

Estimated effect on customs revenue:

<table>
<thead>
<tr>
<th>HTS subheading: 6702.90.65</th>
<th>2005</th>
<th>2006</th>
<th>2007</th>
<th>2008</th>
<th>2009</th>
</tr>
</thead>
<tbody>
<tr>
<td>Col. 1-General rate of duty</td>
<td>17%</td>
<td>17%</td>
<td>17%</td>
<td>17%</td>
<td>17%</td>
</tr>
<tr>
<td>Estimated value dutiable imports</td>
<td>$4,000,000</td>
<td>$4,500,000</td>
<td>$4,500,000</td>
<td>$4,500,000</td>
<td>$4,500,000</td>
</tr>
<tr>
<td>Customs revenue loss</td>
<td>$680,000</td>
<td>$765,000</td>
<td>$765,000</td>
<td>$765,000</td>
<td>$765,000</td>
</tr>
</tbody>
</table>


---

1 Industry analyst preparing report: Ralph Watkins (202-205-3492); Tariff Affairs contact: Jan Summers (202-205-2605).
2 An electronic copy of this memorandum is available at [http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm](http://usitc.gov/tata/hts/other/rel_doc/bill_reports/index.htm).
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.

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

<table>
<thead>
<tr>
<th>Name of firm/organization</th>
<th>Date contacted</th>
<th>US production of same or competitive product claimed?</th>
<th>Submission attached?</th>
<th>Opposition noted?</th>
</tr>
</thead>
<tbody>
<tr>
<td>Wal-Mart Stores, Inc. (Proponent) Mr. Tres Bailey, 202-737-2806</td>
<td>11/08/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Floral Marketing Assn. Ms. Kathy Means, 302-738-7100</td>
<td>11/04/2005</td>
<td>No</td>
<td>No</td>
<td>No</td>
</tr>
</tbody>
</table>

Technical comments:³

Because artificial flowers, foliage, and fruit made from man-made fibers are classified in HTS subheading 6702.90.35, the words “of other than” should be inserted after the parenthesis and before “man-made fibers” in the suggested article description for proposed subheading 9902.05.70 to accurately reflect the product coverage of HTS subheading 6702.90.65.

³ 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.
A BILL

To suspend temporarily the duty on artificial flowers.

Be it enacted by the Senate and House of Representa-
tives of the United States of America in Congress assembled,

SECTION 1. ARTIFICIAL FLOWERS.

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

```
9902.05.70 Artificial flowers (man-made fibers) (provided for in sub-
heading 6702.90.65) Free No change No change On or before
12/31/2008```. 

(b) EFFECTIVE DATE.—The amendment made by
subsection (a) applies to goods entered, or withdrawn from
warehouse for consumption, on or after the 15th day after
the date of enactment of this Act.