



## MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 112th Congress

Date approved

### I. Background

Bill number:

Sponsor name:

Sponsor state:

#### Interested entity:

Name

City

State

Other bills on product (112th Congress only):

Nature of bill:

Expiration date:

Current or previous chapter 99 heading:

Retroactive date:

CAS number (if applicable):

Industry analyst:

Telephone:

Tariff Affairs contact:

Telephone:

#### Note:

1. Access to an electronic copy of this memorandum is available at [http://www.usitc.gov/tariff\\_affairs/congress\\_reports/](http://www.usitc.gov/tariff_affairs/congress_reports/).
2. In regard to the country(ies) of origin listed in section III, this report focuses on dutiable imports and does not take into account any tariff preference programs or special rates of duty.

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

Textile fabrics of man-made fibers consisting of one or two layers of expanded polytetrafluoroethylene sheeting layered between an outer knitted fabric wholly of nylon and another outer woven fabric containing 65 percent or more by weight of micro fiber polyester (provided for in subheading 5903.90.25)

(If enacted, the tariff relief provided for in this bill would be available to any entity that imports the product that is covered by the bill.)

Description above compared with bill as introduced:

- Same  
 Different (see Technical Comments section)

## III. Other product information, including uses/applications and source(s) of imports

The subject product is fabric composed of three or four layers. The bottom layer (commonly called the substrate) is a woven fabric containing 65 percent or more by weight of micro fiber polyester. The top layer consists of a knitted fabric of nylon fibers. The middle of the product comprises one or two layers of polytetrafluoroethylene sheeting (often referred to as a membrane) to make the fabric waterproof. This fabric is used by the interested entity to produce fishing waders, but it can also be used to make jackets or other outerwear. Imports are primarily from Japan. Opposition to the bill is noted below in contacts table

## IV. Estimated effect on customs revenue

Subject product HTS subheading(s)	5903.90.25				
Item	2013	2014	2015	2016	2017
Col.1-general rate of duty or percentage point reduction (%)	2.7	2.7	2.7	2.7	2.7
Estimated value of <i>dutiable</i> imports (\$)	2,000,000	2,000,000	2,000,000	2,000,000	2,000,000
Customs revenue loss (\$)	54,000	54,000	54,000	54,000	54,000

Note: Customs revenue loss is provided for 5 years, although the effective period of the proposed legislation may differ. Regarding the HTS subheading listed in the article description of the bill, the Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only U.S. Customs and Border Protection is authorized to issue a binding ruling on this matter. The Commission believes that Customs should be consulted prior to enactment of the bill.

Dutiable imports were based on (more than one may apply):

- Official statistics of the U.S. Department of Commerce  
 Provided by industry sources  
 Industry information  
 Commission estimates

Duty reduction notes:

- This bill is not a duty reduction  
 This bill is a temporary duty reduction. Rates are shown below.

Col.1-general duty rate (%)  Temporary rate (%)  Percentage point reduction (%)

## V. Technical comments

The article description set forth above has been modified for greater clarity. We note that the term "micro fiber polyester" is not defined or used in the HTS and therefore could be difficult for U.S. Customs and Border Protection to interpret and apply.

**VI. Continuation**

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## VII. Contacts with domestic firms/organizations

	#	Firm/organization and contact name	Telephone number	Claims same or competing product made in the United States	Submission attached	Opposition noted
	1	Simms Fishing (Interested entity) Robert Gibson	406-585-3557	No	No	No
	2	American Manufacturing Trade Action Coalition Sara Beatty	202-452-0866	No	No	No
	3	DAK Americas LLC Ricky Lane	704-940-7540	No	Yes	Yes
	4	National Council of Textile Organizations Mike Hubbard	704-215-4540	No	Yes	Yes
	5	National Textile Association David Trumbell	617-542-8220	No	No	No
	6	U.S. Industrial Fabrics Institute Ruth Stephens	651-225-6920	No	No	No
	7	W.L. Gore & Associates Michael Ratchford	302-738-4880	No	No	No

**From:** Ricky A Lane [mailto:rlane@dakamericas.com]  
**Sent:** Friday, July 13, 2012 5:39 PM  
**To:** Freund, Kimberlie  
**Cc:** Mark J. Runday; Veronica Ramirez; Alejandro Gutierrez  
**Subject:** RE: DAK Americas Opposition of S. 2874

Kim,

DAK Americas opposes S. 2874 given the substrate fabric could be made out of Polyester Staple Fiber, which is the domestic produced fiber that we produce. This Polyester Staple Fiber is the raw material turned into Spun yarn that can be used in this substrate fabric.

Please let me know if you have any questions. Thanks you.

Ricky Lane  
Sr. Manager, Trade Relations  
DAK Americas LLC

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**Ricky Lane**

Public Affairs, Trade Relations and Global Communications

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1-800-432-2766

**From:** Mike Hubbard [mailto:MHubbard@ncto.org]  
**Sent:** Wednesday, July 18, 2012 11:17 AM  
**To:** Freund, Kimberlie  
**Subject:** S 2874

Kim,

NCTO opposes the inclusion of S 2874 for composite fabrics in the MTB. DAK Americas makes the fiber that go into this fabric for a U.S. customer.

Thank you for providing us the opportunity to comment. If you have any questions or need more information, please let me know.

Mike

**Mike Hubbard**  
**National Council of Textile Organizations**  
**469 Hospital Drive, Ste. C**  
**Gastonia, NC 28054**  
**Tel: +1-704-215-4540**  
**Fax: +1-704-671-2366**

112TH CONGRESS  
2D SESSION

# S. 2874

To suspend temporarily the duty on fabrics of man-made fibers consisting of one or two layers of expanded polytetrafluoroethylene sheeting layered between an outer knit fabric wholly of nylon and another outer woven fabric containing by weight 65 percent or more of micro fiber polyester.

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IN THE SENATE OF THE UNITED STATES

MAY 8, 2012

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

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## A BILL

To suspend temporarily the duty on fabrics of man-made fibers consisting of one or two layers of expanded polytetrafluoroethylene sheeting layered between an outer knit fabric wholly of nylon and another outer woven fabric containing by weight 65 percent or more of micro fiber polyester.

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

1 **SECTION 1. FABRICS OF MAN-MADE FIBERS CONSISTING**  
 2 **OF ONE OR TWO LAYERS OF EXPANDED**  
 3 **POLYTETRAFLUOROETHYLENE SHEETING**  
 4 **LAYERED BETWEEN AN OUTER KNIT FABRIC**  
 5 **WHOLLY OF NYLON AND ANOTHER OUTER**  
 6 **WOVEN FABRIC CONTAINING BY WEIGHT 65**  
 7 **PERCENT OR MORE OF MICRO FIBER POLY-**  
 8 **ESTER.**

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

|   |            |                                                                                                                                                                                                                                                                                                             |      |           |           |                         |    |
|---|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----------|-----------|-------------------------|----|
| “ | 9902.01.00 | Fabrics of man-made fibers consisting of one or two layers of expanded polytetrafluoroethylene sheeting layered between an outer knit fabric wholly of nylon and another outer woven fabric containing by weight 65 percent or more of micro fiber polyester (provided for in sub-heading 5903.90.25) ..... | Free | No change | No change | On or before 12/31/2015 | ”. |
|---|------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|-----------|-----------|-------------------------|----|

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

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