

CORK INSULATION

APRIL 25, 1963.—Ordered to be printed

Mr. BYRD of Virginia, from the Committee on Finance, submitted the following

REPORT

[To accompany H.R. 2053]

The Committee on Finance, to whom was referred the bill (H.R. 2053) to provide for the temporary suspension of the duty on cork-board insulation and on cork stoppers, having considered the same, report favorably thereon with amendments, and recommend that the bill as amended do pass.

PURPOSE OF THE BILL

The purpose of H.R. 2053, as amended, is to suspend for a 3-year period the duties imposed under paragraph 1511 of the Tariff Act of 1930, on cork insulation.

GENERAL STATEMENT

Cork insulation is a material particularly suitable for low-temperature applications, such as cold storage rooms, refrigerator cars and trucks, warehouses, ice cream hardening rooms, fur storage vaults and similar purposes. After cutting and fitting, cork insulation is also used for pipe coverings and similar specialty purposes. For example, it is used in U.S. Navy vessels, for pipe coverings, for ammunition plugs for guns, etc.

Cork insulation is no longer produced in the United States. The former producers now join in requesting that it be imported free of duty.

The bill will be effective with respect to articles entered or withdrawn from warehouse for consumption, during the 3-year period beginning on the day after the date of enactment, and also with respect to articles covered by entries the liquidation of which has not become final on the date of enactment by virtue of the provisions of section 514 of the Tariff Act.

The bill as referred to the Finance Committee would have suspended the duty on certain cork stoppers and on cork insulation. The committee amendment would retain the present tariff treatment on all cork stoppers and suspend the duty only on cork insulation.

The fact that the House-passed bill did not include so-called shell corks in the suspension created some dissension in the industries affected and there was agitation either for the inclusion of shell corks or for the general exclusion of other cork stoppers. A shell cork is a hollow stopper-cover, generally used in connection with a glass stopper.

There were requests for hearings should attempts be made to include shell corks in the suspension and considerable opposition to the inclusion of other cork stoppers unless shell corks were restored as a part of the bill. The various firms concerned have generally agreed that requests for hearings will not be made and support will be given to the amendment excluding all cork stoppers from the bill and suspending the duty only on insulation.

The reports of the Departments of Treasury and State expressed no objection to the temporary suspension of import duty on corkboard insulation.

