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REPORT
No. 1170

DUTY-FREE TREATMENT FOR CERTAIN CORKBOARD INSULATION

MAY 18, 1966.—Ordered to be printed
Filed under authority of the order of the Senate of May 17, 1966

Mr. LONG of Louisiana, from the Committee on Finance, submitted
the following

R E P O R T

[To accompany H.R. 8376]

The Committee on Finance, to which was referred the bill (H.R. 8376) to amend title I of the Tariff Act of 1930 to make permanent the existing duty-free treatment for certain corkboard insulation, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

The purpose of H.R. 8376 is to amend the Tariff Schedules of the United States to make permanent the existing duty-free treatment for certain corkboard insulation.

GENERAL STATEMENT

The duty of 2.5 cents per board foot on insulation, coated or not coated, of compressed cork in boards, blocks, or slabs, as now provided for under item 220.30 of the Tariff Schedules of the United States, has been suspended for a 3-year period from May 30, 1963, to May 29, 1966, by Public Law 88-32. This suspension is reflected in item 904.40 of the Tariff Schedules. H.R. 8376 amends item 220.30 (and repeals item 904.40) to make permanent the present duty-free status of such corkboard insulation.

Corkboard insulation, because of its low thermal conductivity, is particularly suitable for low temperature applications, such as cold

storage rooms, refrigerator cars and trucks, refrigerated warehouses, and fur storage vaults. It is also used to insulate walls, ceilings, and cold-air ducts in air-conditioned buildings, and as insulation in ship construction.

There is no longer any production of corkboard insulation in the United States, such having ceased in 1962. Former domestic producers have now become importers in order to supply and continue their businesses as applicators and suppliers of corkboard insulations. These producers favored the temporary suspension of duty under Public Law 88-32 and support the present bill to make this suspension permanent.

The Committee on Finance agrees with the Committee on Ways and Means of the House that the benefits derived by domestic industry from the current temporary suspension of duty on corkboard insulation warrant continuation of the suspension on a permanent basis. H.R. 8376 would accomplish this objective.

CHANGES IN EXISTING LAW

In compliance with subsection 4 of rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill are shown as follows (existing law proposed to be omitted is enclosed in black brackets; new matter is printed in italic; existing law in which no change is proposed is shown in roman):

TARIFF ACT OF 1930

TITLE I—TARIFF SCHEDULES OF THE UNITED STATES

SCHEDULE 2. WOOD AND PAPER; PRINTED MATTER

Item	Articles	Rates of duty	
		1	2
	<p style="text-align: center;">PART 2.—CORK AND CORK PRODUCTS; BAMBOO, RATTAN, WILLOW AND CHIP; BASKETWORK, WICKERWORK, AND RELATED PRODUCTS OF FIBROUS VEGETABLE SUBSTANCES</p> <p style="text-align: center;">SUBPART A.—CORK AND CORK PRODUCTS</p> <p>Subpart A headnotes: 1. For the purposes of the Tariff Schedules— (a) the term "cork" embraces natural cork, compressed cork, and composition cork; (b) the term "compressed cork" means forms molded under heat and compression from cork particles without the addition of other materials; and (c) the term "composition cork" means forms molded from cork particles to which a binding material such as glue, gelatin, or synthetic resin has been added.</p>		
220.30	Insulation, coated or not coated, of compressed cork: In boards, blocks, or slabs.....	[2.5¢ per board ft.] Free	[2.5¢ per board ft.] Free
220.31	Fitting covers, lags, and pipe coverings.....	5¢ per lb.	5¢ per lb.

Free of duty if entered on or before May 29, 1966. See Appendix to Tariff Schedules.

APPENDIX TO THE TARIFF SCHEDULES

Item	Articles	Rates of duty		Effective period
		1	2	
	PART 1.—TEMPORARY LEGISLATION			
	SUBPART B.—TEMPORARY PROVISIONS AMENDING THE TARIFF SCHEDULES			
904.40	Insulation, coated or not coated, of compressed cork, in boards, blocks, or slabs (provided for in Item 220.30, part 2A, schedule 2).....	Free	Free	On or before 5/20/66.

