

CONTINUED SUSPENSION OF DUTY ON CERTAIN ISTLE

AUGUST 30, 1966.—Ordered to be printed

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

R E P O R T

[To accompany H. R. 12461]

The Committee on Finance, to which was referred the bill (H. R. 12461) to continue for a temporary period the existing suspension of duty on certain istle, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

PURPOSE

The purpose of H. R. 12461 is to continue, until the close of September 5, 1969, the existing suspension on duty on processed istle fiber.

GENERAL STATEMENT

Crude istle fiber has always been afforded duty-free entry under the Tariff Act of 1930 (TSUS item 192.65). However, the processed fiber has been dutiable under the act at the rate of 20 percent ad valorem (TSUS item 192.70). Public Law 85-284, approved September 4, 1957, in effect suspended the duty applicable to processed fiber for a 3-year period expiring at the close of September 4, 1960. Public Law 86-456, approved May 13, 1960, and Public Law 88-90, approved August 8, 1963, have continued the suspension of the duty applicable to the processed fiber until the close of September 5, 1966. H. R. 12461 would amend item 903.90 of the Tariff Schedules of the United States to further extend the period for the suspension of the duty until the close of September 5, 1969.

Istle fiber is derived from several species of the agave plant which is indigenous to Mexico. It is one of the best known and most widely used of all vegetable brush fibers. Its principal use in the United States is in the manufacture of brushes.

The situation in 1957 at the time of enactment of Public Law 85-284 was that there was no domestic production of the raw fiber

and an insignificant production of the processed fiber from imported raw fiber; that good grades of raw fiber were in short supply; and that the brush industry and importing interests indicated that the prices of processed fiber had risen, with resulting increases in the cost of production and in the prices of the finished product. The object of the suspension was to reduce the burden of higher prices on domestic users of the fibers and of the finished products. Your committee, like the Committee on Ways and Means of the House, is convinced that conditions continue to warrant the suspension of this duty.

Favorable reports with respect to H.R. 12461 have been received from the Departments of State, Treasury, and Commerce. An informative report was received from the U.S. Tariff Commission.

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, as reported, 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

APPENDIX TO THE TARIFF SCHEDULES

Item	Articles	Rates of duty		Effective period
		1	2	
	PART I.—TEMPORARY LEGISLATION			
	* * *	*	*	*
	SUBPART B.—TEMPORARY PROVISIONS AMENDING THE TARIFF SCHEDULES			
	* * *	*	*	*
903.90	Istle, processed (provided for in Item 192.70 part 15G, schedule 1).....	Free	Free	On or before [9/5/66] 9/5/69
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