Calendar No. 207

## EXTENSION OF TEMPORARY DUTY SUSPENSION ON CERTAIN CLASSIFICATIONS OF YARN OF SILK

MAY 29, 1969.—Ordered to be printed

Mr. Long, from the Committee on Finance, submitted the following

# REPORT

[To accompany H.R. 2718]

The Committee on Finance, to which was referred the bill (H.R. 2718) to extend for an additional temporary period the existing suspension of duties on certain classifications of yarn of silk, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

#### PURPOSE

The purpose of H.R. 2718 is to continue for 3 years, until the close of November 7, 1971, the suspension of duties on certain classifications of spun silk yarn which expired on November 7, 1968.

### GENERAL STATEMENT

Public Law 86-235, approved September 8, 1959, suspended for 3 years (until the close of November 7, 1962) the import duties imposed under paragraph 1202 of the old tariff schedules of the Tariff Act of 1930 on spun silk or schappe silk yarn (not dyed or colored, singles of more than 58,800 yards per pound, or plied of more than 29,400 yards per pound). The period of suspension was continued for an additional 3 years by Public Law 87-602, approved August 24, 1962, and by Public Law 89-229, approved October 1, 1965.

H.Ř. 15798 of the 90th Congress, a similar bill to H.R. 2718, was unanimously approved by the House on June 4, 1968. The substance of H.R. 15798 was also approved by the Senate. However, due to a failure of the two Houses to agree on an unrelated Senate amendment to H.R. 15798, the bill was not enacted.

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Spun silk yarns are of two principal types: standard spun-silk (schappe) yarn and silk-noil (bourrette) yarn. Standard or schappe spun-silk yarns for general textile use are manufactured from long parallelized silk fiber stock recovered from waste cocoons and silk filature waste and are used for making sewing thread, decorative stripings for fine worsteds, lacing cord for cartridge bags, and, in combination with other fibers, certain types of necktie fabrics, shirtings, dress, and suiting fabrics, upholstery, and drapery materials.

The silk-noil type of yarn is made from shorter length, and hence cheaper, silk fiber stock than schappe and must be spun on wool-spinning machinery. The material used consists of silk noils discarded as byproducts in preparing silk waste for spinning in standard spun silk yarns. Such yarns have few civilian uses except in mixture fabrics containing other fibers. Their chief use is in the weaving of silk cartridge cloth for powder bags for large-caliber ordnance.

The suspension of the duty was made in order to enable domestic producers of fine-yarn fabrics to import fine silk yarns free of duty, thereby making it more economical to produce fine-yarn fabrics in competition with imported similar fabrics. The committee is advised that the same reasons which justified the original suspension of the duty justify the continuation of the suspension.

The bill provides that the entry or withdrawal of any article which was made after November 7, 1968 (the termination date of the last suspension of duty), and on or before the date of enactment, may be liquidated or reliquidated as though such entry or withdrawal had been made after the date of enactment. Such liquidation or reliquidation of an entry or withdrawal is subject to a request being filed therefor with the customs officer concerned on or before the 120th day after the date of enactment.

No objection to the continuation of the suspension of duty has been brought to the committee's attention.

### 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 SCHEDULES OF THE UNITED STATES

#### APPENDIX TO THE TARIFF SCHEDULES

Item	Articles	Rates of duty		Effective
		1	2	period
•	PART 1. TEMPORARY LEGISLATION	•	•	•
	Subpart B. Temporary Provisions Amending the Tariff Schedules	•		•
•	Yarns, wholly of noncontinuous silk fibers (pro- vided for in part 11), schedule 3):			On or before [11/7/68] 11/7/71.
<u>905.</u> 30	Singles, not bleached and not colored, meas- uring over 58,800 yards per pound (item 308,40).	Free	Free	11/1/11.
905, 31	Plied, not bleached and not colored, measur- ing over 29,400 yards per pound (item 308.50 and item 308.51).	Free	Free	

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