WOOL SUIT FABRIC LABELING FAIRNESS AND INTERNATIONAL STANDARDS CONFORMING ACT

SEPTEMBER 8, 2006.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Barton of Texas, from the Committee on Energy and Commerce, submitted the following

REPORT

[To accompany H.R. 4583]

[Including cost estimate of the Congressional Budget Office]

The Committee on Energy and Commerce, to whom was referred the bill (H.R. 4583) to amend the Wool Products Labeling Act of 1939 to revise the requirements for labeling of certain wool and cashmere products, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

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AMENDMENT

The amendment is as follows:

Strike all after the enacting clause and insert the following:

This Act may be cited as the "Wool Suit Fabric Labeling Fairness and International Standards Conforming Act".

SEC. 2. LABELING OF WOOL AND CASHMERE PRODUCTS TO FACILITATE COMPLIANCE AND PROTECT CONSUMERS.

(a) In General.—Section 4(a) of the Wool Products Labeling Act of 1939 (15 U.S.C. 68b(a)) is amended by adding at the end the following new paragraphs:

"(5) In the case of a wool product stamped, tagged, labeled, or otherwise identified

"(A) 'Super 80's' or '80's', if the average diameter of wool fiber of such wool product does not average 19.5 microns or finer;

"(B) 'Super 90's' or '90's', if the average diameter of wool fiber of such wool product does not average 19.0 microns or finer;

"(C) 'Super 100's' or '100's', if the average diameter of wool fiber of such wool are due to average 18.5 microns or finer;

product does not average 18.5 microns or finer;
"(D) 'Super 110's' or '110's', if the average diameter of wool fiber of such wool

product does not average 18.0 microns or finer;
"(E) 'Super 120's' or '120's', if the average diameter of wool fiber of such wool

product does not average 17.5 microns or finer;
"(F) 'Super 130's' or '130's', if the average diameter of wool fiber of such wool

product does not average 17.0 microns or finer;

"(G) 'Super 140's' or '140's', if the average diameter of wool fiber of such wool

product does not average 16.5 microns or finer;
"(H) 'Super 150's' or '150's', if the average diameter of wool fiber of such wool

product does not average 16.0 microns or finer;
"(I) 'Super 160's' or '160's', if the average diameter of wool fiber of such wool

"(1) 'Super 160's' or '160's', if the average diameter of wool fiber of such wool product does not average 15.5 microns or finer;

"(J) 'Super 170's' or '170's', if the average diameter of wool fiber of such wool product does not average 15.0 microns or finer;

"(K) 'Super 180's' or '180's', if the average diameter of wool fiber of such wool product does not average 14.5 microns or finer;

"(L) 'Super 190's' or '190's', if the average diameter of wool fiber of such wool product does not average 14.0 microns or finer;

"(L) Super 190's or 190's, it the average diameter of wool fiber of such wool product does not average 14.0 microns or finer;
"(M) 'Super 200's' or '200's', if the average diameter of wool fiber of such wool product does not average 13.5 microns or finer;
"(N) 'Super 210's' or '210's', if the average diameter of wool fiber of such wool

product does not average 13.0 microns or finer;

"(O) 'Super 220's' or '220's', if the average diameter of wool fiber of such wool product does not average 12.5 microns or finer;

"(P) 'Super 230's' or '230's', if the average diameter of wool fiber of such wool fiber of such wool fiber of such wool fiber of such wool

product does not average 12.0 microns or finer;

"(Q) 'Super 240's' or '240's', if the average diameter of wool fiber of such wool product does not average 11.5 microns or finer; and "(R) 'Super 250's' or '250's', if the average diameter of wool fiber of such wool

product does not average 11.0 microns or finer. In each such case, the average fiber diameter of such wool product may be subject

to such standards or deviations as adopted by regulation by the Commission.

"(6) In the case of a wool product stamped, tagged, labeled, or otherwise identified

as cashmere, if-

"(A) such wool product is not the fine (dehaired) undercoat fibers produced by a cashmere goat (capra hircus laniger);

"(B) the average diameter of the fiber of such wool product exceeds 19 mi-

crons; or "(C) such wool product contains more than 3 percent (by weight) of cashmere

fibers with average diameters that exceed 30 microns.

The average fiber diameter may be subject to a coefficient of variation around the

mean that shall not exceed 24 percent.".

(b) Applicability Date.—The amendments made by this section shall apply to wool products manufactured on or after January 1, 2007.

PURPOSE AND SUMMARY

The purpose of H.R. 4583, the Wool Suit Fabric Labeling Fairness and International Standards Conforming Act, is to amend the Wool Products Labeling Act of 1939 to revise the labeling requirements for certain wool and cashmere products. The bill will protect

consumers and industry participants from deceptively labeled or mislabeled wool or cashmere products by establishing a legal standard for labeling superfine wool and cashmere products based on internationally accepted standards.

Background and Need for Legislation

The Wool Products Labeling Act of 1939 requires that most textiles or wool products include a permanent tag conveying three pieces of information to the consumer: the fiber content, the country of origin, and the name of the manufacturer or other business

responsible for product distribution.

Wool products are subject to specific additional requirements beyond other textile products. While most fibers must be identified only when they meet or exceed 5 percent of product weight, products that contain any amount of wool must be labeled. Wool products must always be labeled by name and percentage of weight, re-

gardless of percentage weight.

The Wool Products Labeling Act of 1939 defines "wool" as fibers made from sheep or lamb fleece or from the hair of an Angora or cashmere goat. Fibers made from camel, alpaca, llama, and vicuna may also be considered wool. The Wool Products Labeling Act of 1939 requires only that these fibers be identified on textile labels as "wool," although they may also be identified as specialty fibers (mohair, cashmere, camel, alpaca, llama, vicuna).

Many wool products are now labeled as "Super 80s," "Super 90s," "Super 100s," or such designation through "Super 250s." These super grades identify the fineness of wool fibers. The higher the number, the finer the yarn, and, consequently, the higher the cost. Despite the common use of these labeling designations, the Wool Labeling Act of 1939 has not been amended to reflect the current marketing practice of using "super" terms as an identifier of qual-

ity wool products.

In 2000, the International Wool Trade Organization (IWTO), an organization representing the interests of the worldwide textile industry including the United States, adopted definitions and a code of practice regarding the use of superfine designations on wool products. The definitions codify the exact diameters that each level of "super" designations should contain. H.R. 4583 would amend the Wool Labeling Act of 1939 to include the definition of superfine wool designations adopted by the IWTO.

In addition to establishing legal standards for superfine wool designations, H.R. 4583 also amends the Wool Labeling Act of 1939 to include a specific definition of cashmere in order to protect the con-

sumer from deceptively labeled textiles.

HEARINGS

The Committee on Energy and Commerce has not held hearings on the legislation.

COMMITTEE CONSIDERATION

On Wednesday, July 26, 2006, the Committee on Energy and Commerce met in open markup session and ordered H.R. 4583 reported favorably to the House, amended, by a voice vote, a quorum being present.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the motion to report legislation and amendments thereto. There were no record votes taken in connection with ordering H.R. 4583 reported. A motion by Mr. Barton to order H.R. 4583 reported to the House, amended, was agreed to by a voice vote.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee has not held oversight or legislative hearings on this legislation.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

The goal of H.R. 4583 is to protect consumers and industry participants from deceptively labeled or mislabeled wool or cashmere products.

NEW BUDGET AUTHORITY, ENTITLEMENT AUTHORITY, AND TAX EXPENDITURES

In compliance with clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, the Committee finds that H.R. 4583, the Wool Suit Fabric Labeling Fairness and International Standards Conforming Act, would result in no new or increased budget authority, entitlement authority, or tax expenditures or revenues.

COMMITTEE COST ESTIMATE

The Committee adopts as its own the cost estimate prepared by the Director of the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974.

CONGRESSIONAL BUDGET OFFICE ESTIMATE

Pursuant to clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, the following is the cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974:

U.S. CONGRESS, CONGRESSIONAL BUDGET OFFICE, Washington, DC, August 24, 2006.

Hon. Joe Barton, Chairman, Committee on Energy and Commerce, House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 4583, the Wool Suit Fabric Labeling Fairness and International Standards Conforming Act.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is Susan Willie.

Sincerely,

ROBERT P. MURPHY. (Donald B. Marron, Acting Director).

Enclosure.

H.R. 4583—Wool Suit Fabric Labeling Fairness and International Standards Conforming Act

H.R. 4583 would amend the Wool Products Labeling Act to define certain grades of wool that are used to identify the quality of wool fabrics. The bill also would define the standards for labeling cashmere fabrics. Based on information from the Federal Trade Commission, CBO estimates that the cost of enforcing these new labeling requirements would be less than \$500,000 a year, assuming the availability of appropriated funds. Enacting H.R. 4583 would not affect direct spending or revenues.

H.R. 4583 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not affect the budgets of state, local, or tribal governments.

The CBO staff contact for this estimate is Susan Willie. This estimate was approved by Jeffrey M. Holland, Chief, Projections Unit.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause 3(d)(1) of rule XIII of the Rules of the House of Representatives, the Committee finds that the Constitutional authority for this legislation is provided in Article I, section 8, clause 3, which grants Congress the power to regulate commerce with foreign nations, among the several States, and with the Indian tribes.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act.

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

Section 1 designates the title of the bill as the "Wool Suit Fabric Labeling Fairness and International Standards Conforming Act."

Section 2. Labeling of wool and cashmere products to facilitate compliance and protect consumers

Section 2 amends Section 4(a) of the Wool Products Labeling Act of 1939 by adding two new subparagraphs; (5) and (6). Subparagraph (5) adds a new definition of misbranding by establishing fiber diameter requirements for superfine wool designations "Super 80s" or "80s" through "Super 250s" or "250s." The fiber diameter requirements range from an average of 19.5 microns or less to an

average of 11.0 microns or less, depending on the specific superfine designation. Subparagraph (6) adds a new definition of misbranding by establishing which fibers may be considered cashmere, fiber diameter requirements for cashmere products, and a maximum percentage of fibers that may be used in cashmere products which exceed a certain diameter.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (new matter is printed in italic and existing law in which no change is proposed is shown in roman):

SECTION 4 OF THE WOOL PRODUCTS LABELING ACT OF 1939

MISBRANDED WOOL PRODUCTS

SEC. 4. (a) A wool product shall be misbranded—(1) * * *

(5) In the case of a wool product stamped, tagged, labeled, or oth-

erwise identified as—

(A) "Grand 200" or "200" if the amount of most of the control of the cont

(A) "Super 80's" or "80's", if the average diameter of wool fiber of such wool product does not average 19.5 microns or finer;

(B) "Super 90's" or "90's", if the average diameter of wool fiber of such wool product does not average 19.0 microns or finer;

(C) "Super 100's" or "100's", if the average diameter of wool fiber of such wool product does not average 18.5 microns or finer:

(D) "Super 110's" or "110's", if the average diameter of wool fiber of such wool product does not average 18.0 microns or finer;

(E) "Super 120's" or "120's", if the average diameter of wool fiber of such wool product does not average 17.5 microns or finer;

(F) "Super 130's" or "130's", if the average diameter of wool fiber of such wool product does not average 17.0 microns or finer:

(G) "Super 140's" or "140's", if the average diameter of wool fiber of such wool product does not average 16.5 microns or finer;

(H) "Super 150's" or "150's", if the average diameter of wool fiber of such wool product does not average 16.0 microns or finer:

(I) "Super 160's" or "160's", if the average diameter of wool fiber of such wool product does not average 15.5 microns or finer:

(J) "Super 170's" or "170's", if the average diameter of wool fiber of such wool product does not average 15.0 microns or finer;

(K) "Super 180's" or "180's", if the average diameter of wool fiber of such wool product does not average 14.5 microns or finer;

(L) "Super 190's" or "190's", if the average diameter of wool fiber of such wool product does not average 14.0 microns or

(M) "Super 200's" or "200's", if the average diameter of wool fiber of such wool product does not average 13.5 microns or

(N) "Super 210's" or "210's", if the average diameter of wool fiber of such wool product does not average 13.0 microns or finer;

(O) "Super 220's" or "220's", if the average diameter of wool fiber of such wool product does not average 12.5 microns or

(P) "Super 230's" or "230's", if the average diameter of wool fiber of such wool product does not average 12.0 microns or finer;

(Q) "Super 240's" or "240's", if the average diameter of wool fiber of such wool product does not average 11.5 microns or finer; and

(R) "Super 250's" or "250's", if the average diameter of wool fiber of such wool product does not average 11.0 microns or finer.

In each such case, the average fiber diameter of such wool product may be subject to such standards or deviations as adopted by regulation by the Commission.

(6) In the case of a wool product stamped, tagged, labeled, or otherwise identified as cashmere, if-

(A) such wool product is not the fine (dehaired) undercoat fi-

bers produced by a cashmere goat (capra hircus laniger);
(B) the average diameter of the fiber of such wool product exceeds 19 microns; or

(C) such wool product contains more than 3 percent (by weight) of cashmere fibers with average diameters that exceed 30 microns.

The average fiber diameter may be subject to a coefficient of variation around the mean that shall not exceed 24 percent.