

CFR 1205.510 (b)(2). This value is used to calculate supplemental assessments on imported cotton and the cotton content of imported products. Supplemental assessments are the second part of a two-part assessment. The first part of the assessment is levied on the weight of cotton produced or imported at a rate of \$1 per bale of cotton which is equivalent to 500 pounds or \$1 per 226.8 kilograms.

Supplemental assessments are levied at a rate of five tenths of one percent of the value of domestically produced cotton, imported cotton, and the cotton content of imported products. The agency adopted the use of the calendar year average price received by U.S. farmers for Upland cotton as a benchmark for the value of domestically produced cotton. The source for this statistic is "Agricultural Prices", a publication of the National Agricultural Statistics Service (NASS) of the Department of Agriculture. Use of the average price figure in the calculation of supplemental assessments on imported cotton and the cotton content of imported products yields an assessment that approximates assessments paid on domestically produced cotton.

The current value of imported cotton based on calendar year 1992 as published in the **Federal Register** (58 FR 52215) for the purpose of calculating supplemental assessments on imported cotton is \$1.197 per kilogram. Using the Average Price Received by U.S. farmers for Upland cotton for the calendar year 1994, which is \$0.683 per pound, the new value of imported cotton will be \$1.5057 per kilogram.

An example of the assessment formula and how the various figures are obtained is as follows:

One bale is equal to 500 pounds.
One kilogram equals 2.2046 pounds.
One pound equals 0.453597 kilograms.

One dollar per bale assessment converted to kilograms. A 500 pound bale equals 226.8 kg. (500×.453597). \$1 per bale assessment equals \$0.002000 per pound (1÷500) or \$0.004409 per kg. (1÷226.8).

Supplemental assessment of 5/10 of one percent of the value of the cotton converted to kilograms. Average price received \$0.683 per pound or \$1.5057 per kg. (0.683×2.2046)=1.5057.

5/10 of one percent of the average price in kg. equals \$0.007529 per kg. (1.5057×.005)

The total assessment per kilogram of raw cotton is obtained by adding the \$1 per bale equivalent assessment of \$0.004409 per kg. and the supplemental assessment \$0.007529 per kg. which equals \$0.011938 per kg.

Since the value of cotton is the basis of the supplemental assessment calculation and the figures shown in the right hand column of the Import Assessment Table 1205.510 (b)(3) are a

result of such a calculation, these figures have been revised. These figures indicate the total assessment per kilogram due for each Harmonized Tariff Schedule (HTS) number subject to assessment.

As a result of implementation of national trade agreements, several changes in the harmonized tariff schedule numbering have occurred. Modifications to the harmonized tariff schedule were published in the January 4, 1995, **Federal Register** at 60 FR 1007 (Proclamation 6763 of December 23, 1994, by the President of the United States of America). Therefore, revisions to the Import Assessment Table used in the Cotton Research and Promotion program were necessary. These changes are as follows:

Deleted numbers:

5201001000, 5201002000, 5702422090, 5702491010, 5702494090, 6002920000, 6116926020, 6116926030, 6116926040, 6116929000, 6116939010, 6208920010, 6208920030, 6211320080, 6211420050, 6211420080, 6211430090, 6216001220, 6216003910, 6216003920, 6303920000,

New Numbers:

5201000000, 5201000500, 5201001200, 5201001400, 5201001800, 5201002200, 5201002400, 5201002800, 5201003400, 5201003800, 5701104000, 5701109000, 5801210000, 5804291000, 5808107000, 6002921000, 6110909022, 6110909024, 6110909030, 6110909040, 6110909042, 6115199010, 6117809010, 6117809040, 6201999060, 6203399060, 6203498045, 6201198090, 6207199010, 6210109010, 6210403000, 6210405020, 6211118010, 6211118020, 6212105020, 6212109010, 6212109020, 6217109010, 6217109030, 6302215010, 6302215020, 6302217010, 6302219010, 6302217020, 6302219020, 6302217050, 6302219050, 6302313010, 6302313050, 6302315050, 6302317010, 6302319010, 6302317020, 6302319020, 6302317040, 6302319040, 6302317050, 6302319050,

A proposed rule was published in the **Federal Register** (60 FR 21999) on May 4, 1995. Comments were due on June 5, 1995. One comment regarding the proposed rule was received during the public comment period provided for in the proposal. A number of students attending the Florida International University in Miami, Florida, offered comments in general support of the proposal. Their support was based on their opinion that small businesses and the U.S. economy in general will benefit from self-help programs like the Cotton Research and Promotion Program.

List of Subjects in 7 CFR Part 1205

Advertising, Agricultural research, Cotton, Marketing agreements, Reporting and recordkeeping requirements.

For the reasons set forth in the preamble, 7 CFR part 1205 is amended as follows:

PART 1205—COTTON RESEARCH AND PROMOTION

1. The authority citation for part 1205 continues to read as follows:

Authority: 7 U.S.C. 2101–2118.

2. In § 1205.510 (b)(2) and (3) are revised to read as follows:

§ 1205.510 Levy of assessments.

* * * * *

(b) * * *

(2) The 12-month average of monthly average prices received by U.S. farmers will be calculated annually. Such average will be used as the value of imported cotton for the purpose of levying the supplemental assessment on imported cotton and will be expressed in kilograms. The value of imported cotton for the purpose of levying this supplemental assessment is \$1.5057 per kilogram.

(3) The following table contains Harmonized Tariff Schedule (HTS) classification numbers and corresponding conversion factors and assessments. The left column of the following table indicates the HTS classifications of imported cotton and cotton-containing products subject to assessment. The center column indicates the conversion factor for determining the raw fiber content for each kilogram of the HTS. HTS numbers for raw cotton have no conversion factor in the table. The right column indicates the total assessment per kilogram of the article assessed.

(i) Any line item entry of cotton appearing on Customs entry documentation in which the value of the cotton contained therein is less than \$220.99 will not be subject to assessments as described in this section.

(ii) In the event that any HTS number subject to assessment is changed and such change is merely a replacement of a previous number and has no impact on the physical properties, description, or cotton content of the product involved, assessments will continue to be collected based on the new number.

IMPORT ASSESSMENT TABLE
[Raw cotton fiber]

HTS classification	Conversion factor	Cents/ kg.
5201000500	0.0000	1.1938
5201001200	0.0000	1.1938
5201001400	0.0000	1.1938
5201001800	0.0000	1.1938
5201002200	0.0000	1.1938
5201002400	0.0000	1.1938