UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: March 25, 2008]²

Bill No. and sponsor: H.R. 4354 (Mr. Charles W. Dent of Pennsylvania).

Proponent name, location: Air Products and Chemicals, Inc., Allentown, PA.

Other bills on product (110th Congress only): None.

Nature of bill: Temporary duty suspension through December 31, 2011.

Retroactive effect: None.

Suggested article description(s) for enactment (including appropriate HTS subheading(s)):

A modified aliphatic amine mixture containing: benzyl alcohol (CAS No. 100–51–6), formaldehyde, polymer with 1,3-benezenedimethanamine and phenol (CAS No. 57214–10–5), 1,3-benzenedimethanamine (CAS No. 1477–55–0), phenol, 4,4' -(1-methylethylidene)bis-, polymer with 2-(chloromethyl)oxirane, reaction products with ethylenediamine (CAS No. 72480–18–3), and ethylenediamine (CAS No. 107–15–3) (provided for in subheading 3824.90.28).

Check one:

___ Same as that in bill as introduced.

X Different from that in bill as introduced (see Technical comments section).

Product information, including uses/applications and source(s) of imports:

The subject product is a light yellow modified aliphatic amine liquid curing agent that is used in epoxy systems to make chemically-resistant coatings, mortar, floor coatings, and anchor bolt adhesive that is used in building bridges. The subject product is imported from the United Kingdom.

¹ Industry analyst preparing report: Ray Cantrell (202-205-3362); Tariff Affairs contact: David Michels (202-205-3440).

² Access to an electronic copy of this memorandum is available at http://www.usitc.gov/tata/hts/other/rel_doc/bill_reports/.

³ The sponsor/proponent did not identify any additional beneficiaries of this bill.

Estimated effect on customs revenue:

HTS subheading: <u>3824.90.28</u>								
\searrow	2009	2010	2011	2012	2013			
Col. 1-General rate of duty	6.5%	6.5%	6.5%	6.5%	6.5%			
Estimated value <i>dutiable</i> imports	\$700,000	\$720,000	\$750,000	\$800,000	\$850,000			
Customs revenue loss	\$45,500	\$46,800	\$48,750	\$52,000	\$55,250			

Source of estimated dutiable import data: Commission and industry estimates.

Contacts with domestic firms/organizations (including the proponent):

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Air Products and Chemicals, Inc. (Proponent) Steven Belaus, 610-481-4979 Molly Troutman, 610-481-4003 Steve Ziehm, 202-872-8181	01/23/2008	No	No	No
Bayer Corporation Karen Niedermeyer, 412-777-2058	01/26/2008	No	No	No
Dow Chemical Company Lisa Schroeter, 202-429-3400	01/25/2008	No	No	No
DuPont Helen McMahon, 302-992-2263	01/25/2008	No	No	No
Gabriel Performance Chemicals, LLC Leonard Boehm, 440-992-3254	01/25/2008	No	No	No
Hexion Specialty Chemicals, Inc. Howard P. Franck, 832-366-2359 Paul W. Langemeier, 832-366-2385	01/25/2008	No	No	No
Huntsman Advanced Materials Petharnan Subramanian, 281-719-7563 Derek Kincaid, 281-719-7623 John Deming, 302-479-5499	01/25/2008	Yes	Yes	Yes
LANXESS Corporation Jamie Schaeffer, 412-809-3666	01/25/2008	No	No	No
Reichhold, Inc. Edward R. Leydon, 919-990-7816	01/25/2008	No	No	No

Technical comments:⁴

The staff suggests that the article description given on page 1 of this report be used in lieu of the article description in the bill in order to provide the correct classification for this mixture.⁵

⁴ The Commission may express an opinion on the HTS classification of a product to facilitate consideration of the bill. However, by law, only the U.S. Customs Service is authorized to issue a binding ruling on this matter. The Commission believes that the U.S. Customs Service should be consulted prior to enactment of the bill.

⁵ Per email communication with Frank Cantone, NIS-237, CBP, Dec 11, 2007.

----Original Message-----

From: Peter Chetcuti [mailto:peter_chetcuti@huntsman.com]

Sent: Monday, February 18, 2008 1:12 PM

To: Cantrell, Raymond

Cc: Derek S Kincaid; Carl Vos

Subject:

Dear Mr. Cantrell,

With respect to your email to Derek Kincaid below regarding the duty suspension of bills on three products imported by Air Products, H.R. 4256: Ancamine 2422 Curing Agent, a new entry; H.R. 4267: Epilink 701; and H.R. 4354: Ancamine 2432.

After consulting with various Huntsman associates we have concluded that we have domestically produced products that would compete with the products referenced in H.R. 4256 (Ancamine 2422) and H.R. 4354 (Ancamine 2432). Based on this information we would formally object to either of these products being given duty free status. We have no objection to H.R. 4267 (Eplink 701).

Thank you for bringing this to our attention.

Yours sincerely

Peter Chetcuti

Commercial Director Huntsman Advanced Material The Woodlands Tel: 281 719 4462 To suspend temporarily the duty on Ancamine® 2432 Curing Agent.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2007

Mr. Dent introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on Ancamine® 2432 Curing Agent.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. ANCAMINE® 2432 CURING AGENT.
- 4 (a) In General.—Subchapter II of chapter 99 of
- 5 the Harmonized Tariff Schedule of the United States is
- 6 amended by inserting in numerical sequence the following
- 7 new heading:

"	9902.01.00	A modified aliphatic amine					
	3302.01.00	mixture containing: benzyl					
		alcohol (CAS No. 100–51–					
		6), formaldehyde, polymer					
		with 1,3-					
		benezenedimethanamine and					
		phenol (CAS No. 57214-10-					
		5), 1,3-					
		benzenedimethanamine (CAS					
		No. 1477–55–0), phenol,					
		4,4'-(1-methylethylidene)bis-,					
		polymer with 2-					
		(chloromethyl)oxirane, reac-					
		tion products with ethylene-					
		diamine (CAS No. 72480-					
		18–3), and ethylenediamine					
		(CAS No. 107–15–3) (pro-					
		vided for in subheading		37 1	N7 1	0 1 6	
		3909.30.00)	Free	No change	No change	On or before	
	l					12/31/2011	".

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) applies to articles entered, or withdrawn
- 3 from warehouse for consumption, on or after the 15th day
- 4 after the date of the enactment of this Act.

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