UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: May 2, 2008]²

Bill No. and sponsor: H.R. 4441 (Mr. Tim Holden 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)):

Mixtures of formaldehyde polymers with aniline (CAS No. 25214–70–4) and with 4,4'-methylendianiline (CAS No. 101–77–9) (provided for in subheading 3909.30.00).

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 liquid mixture of aromatic amines based on methylenedianiline (MDA) that is used in laminates, filament winding, pre-impregnated materials (prepregs), and casting applications. It is best suited for use as an epoxy curative in forced-cure applications to produce high-strength, chemically resistant, elevated temperature-tolerant epoxy parts. This product may also be processed into other epoxy curatives for electronics, laminates, castings, and filament-wound tanks and pipes. The proponent imports the subject product from Taiwan and Japan.

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>3909.30.00</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	\$3,837,400	\$4,111,500	\$4,385,600	\$4,700,000	\$5,000,000
Customs revenue loss	\$249,431	\$267,248	\$285,064	\$305,500	\$325,000

Source of estimated dutiable import data: Commission and U.S. 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	02/18/2008	Yes	No	No
BASF Corporation Greg Thies, 202-558-5100	02/18/2008	No	No	No
Dow Chemical Company Lisa Schroeter, 202-429-3400 Max Turnipseed, 225-338-0310	02/18/2008	No	No	No
DuPont Helen McMahon, 302-992-2263	02/18/2008	No	No	No
Gabriel Performance Chemicals, LLC Leonard Boehm, 440-992-3254	02/18/2008	No	No	No
Hexion Specialty Chemicals, Inc. Howard P. Franck, 832-366-2359 Paul W. Langemeier, 832-366-2385	02/18/2008	No	No	No
Huntsman Advanced Materials Petharnan Subramanian, 281-719-7563 Derek Kincaid, 281-719-7623 John Deming, 302-479-5499	02/18/2008	No	No	No
LANXESS Corporation Jamie Schaeffer, 412-809-3666	02/18/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Reichhold, Inc. Edward R. Leydon, 919-990-7816	02/18/2008	No	No	No

Technical comments:⁴

The staff suggests that the article description on page 1 be used in the proposed new provision in the bill in order to provide the correct chemical names.

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.

To suspend temporarily the duty on MDA50.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2007

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

A BILL

To suspend temporarily the duty on MDA50

	To suspend temporarny the duty on MDA30.						
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. MDA50.						
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 Mixtures of polymeric mda (CAS No. 25214-70-4) and 4,4'- diaminodiphenyl methane (CAS No. 101-77-9) (provided for in subheading 3909.30.00)						

- 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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