

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress**¹

[Date approved: May 5, 2008]²

Bill No. and sponsor: H.R. 4448 (Mr. John W. Olver of Massachusetts).

Proponent name,³ location: Steinerfilm, Inc., Williamstown, MA.

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

Nature of bill: Temporary duty suspension through December 31, 2010.

Retroactive effect: None.

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

Capacitor grade homopolymer polypropylene resin in primary form (CAS No. 9003-07-0), certified by the importer as intended for use in manufacturing capacitor film, and having an ash content less than 50 ppm (provided for in subheading 3902.10.00).

Check one: Same as that in bill as introduced.
 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 specialty grade of low ash capacitor grade polypropylene resin. Resin that has an extremely low ash content (i.e., below 50 ppm) is required to meet high purity standards for capacitor production. Otherwise the metal residues from the polymerization catalysts will interfere with the insulating (dielectric) properties critical to high efficiency capacitor operation.⁴ A capacitor is an electronic device that can store and discharge electrical energy. Capacitor films made from the subject resin are used in high power transmission systems or low voltage systems such as microwave ovens and hybrid car batteries. Low voltage capacitor films typically are aluminized on one side, while high voltage systems contain layers of capacitor film sandwiched between aluminum foil. The proponent and other identified beneficiaries import the subject resin from Belgium, France, and Japan. This resin is also known to be manufactured in Korea.

Estimated effect on customs revenue:

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 identified two additional beneficiaries of this bill. USITC staff sent inquiries to the additional beneficiaries and received responses from two. Two submitted a written representation that they would benefit from this bill. In addition, USITC staff identified one additional beneficiary of this bill that was not identified by the sponsor/proponent, and that beneficiary submitted a written representation that it would benefit from this bill.

⁴ Standard commodity grade polypropylene resin has an ash content of about 100 ppm.

HTS subheading: 3902.10.00					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty (AVE)	6.5%	6.5%	6.5%	6.5%	6.5%
Estimated value <i>dutiable</i> imports	\$8,200,000	\$8,350,000	\$8,500,000	\$8,700,000	\$8,850,000
Customs revenue loss	\$533,000	\$542,750	\$552,500	\$565,500	\$575,250

Source of estimated dutiable import data: Commission estimates based on official U.S. Government statistics, and growth rates based on 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)		
Steinerfilm, Inc. (Proponent) Stan Cichanowski, 413-458-9525	02/19/2008	No	Yes	No
Dow Chemical Company Jan Neuenfeldt, 989-636-8427 Lisa Schroeter, 202-429-3400	02/19/2008	No	No	No
ExxonMobil Chemical Company Russ A. Spiller, 281-834-5516	02/19/2008	No	No	No
GE Energy Services Debra McGinty, 518-746-5466	02/22/2008	No	No	No
MIRWEC Film, Incorporated Kyle Massey, 812-331-7194, ex. 101 Emily Williams, 812-331-7194	02/22/2008	No	No	No
Toray Plastics (America) Incorporated Todd Eckles, 401-667-2207	02/19/2008	No	No	No

Technical comments:⁵

The word “Capacitor” in the article description should be capitalized.

⁵ 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.

110TH CONGRESS
1ST SESSION

H. R. 4448

To suspend temporarily the duty on capacitor grade homopolymer polypropylene resin in primary form.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 11, 2007

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

A BILL

To suspend temporarily the duty on capacitor grade homopolymer polypropylene resin in primary form.

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. CAPACITOR GRADE HOMOPOLYMER POLY-**
4 **PROPYLENE RESIN IN PRIMARY FORM.**

5 (a) IN GENERAL.—Subchapter II of chapter 99 of
6 the Harmonized Tariff Schedule of the United States is
7 amended by inserting in numerical sequence the following
8 new heading:

“	9902.____	capacitor grade homopolymer polypropylene resin in primary form (CAS No. 9003-07-0), certified by the importer as intended for use in manufacturing capac- itor film and having an ash content less than 50 ppm (provided for in subheading 3902.10.00)	Free	No change	No change	On or before 12/31/2010	”.
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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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