MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: May 8, 2008]²

Bill No. and sponsor: H.R. 4568 (Mr. Robert E. Andrews of New Jersey).

Proponent name,³ location: Solvay Solexis, Inc., West Deptford, NJ.

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)):

Propanoic acid, 3-hydroxy-2-(hydroxymethyl)-2-, methyl polymers with 5-isocyanato-1-(isocyanatomethyl)-1,3,3-trimethylcyclohexane and reduced methyl esters of reduced

polymerized, oxidized tetrafluoroethylene, compounds with trimethylamine (CAS No. 328389-91-9) (provided for in subheading 3904.69.50).

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 synthetic organic chemical that is used as an oil and water repellent in the manufacture of food-contact paper and paperboard. Solvay Solexis imports the subject chemical from Italy.

¹ Industry analyst preparing report: Eric Land (202-205-3349); Tariff Affairs contact: David G. Michels (202-205-3440).

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

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

Estimated effect on customs revenue:

HTS subheading: <u>3904.69.50</u>									
\searrow	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	\$6,200,000	\$6,200,000	\$6,200,000	\$6,200,000	\$6,200,000				
Customs revenue loss	\$403,000	\$403,000	\$403,000	\$403,000	\$403,000				

Source of estimated dutiable import data: 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)	
Solvay Solexis, Inc. (Proponent) Max Turnipseed, <u>mcint@cox.net</u>	01/09/2008	No	No	No
Arkema Charles Kitchen, <u>charles.kitchen@arkema.com</u>	01/29/2008	No	No	No
Clariant Corporation Andrew Zamoyski, <u>az@azamoyski.com</u>	01/29/2008	No	No	No
DuPont Helen McMahon <u>Helen.C.McMahon@USA.dupont.com</u>	01/29/2008	No	No	No
LANXESS Corp. Jamie Schaeffer, jamie.schaeffer@lanxess.com	01/29/2008	No	No	No

Technical comments:⁴

The Commission staff suggests that the article description on page 1 of this report be used in the proposed new heading in order to correct the HTS subheading reference.

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.

110TH CONGRESS 1ST SESSION H.R. 4568

To suspend temporarily the duty on Propanoic acid, 3-hydroxy-2-(hydroxymethyl)-2-methyl-, polymers with 5-isocyanato-1-(isocyanatomethyl)-1,3,3trimethylcyclohexane and reduced methyl esters of reduced polymerized, oxidized tetrafluoroethylene, compounds with trimethylamine.

IN THE HOUSE OF REPRESENTATIVES

DECEMBER 13, 2007

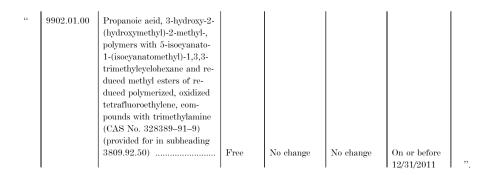
Mr. ANDREWS introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

- To suspend temporarily the duty on Propanoic acid, 3-hydroxy-2-(hydroxymethyl)-2-methyl-, polymers with 5-isocyanato-1-(isocyanatomethyl)-1,3,3-trimethylcyclohexane and reduced methyl esters of reduced polymerized, oxidized tetrafluoroethylene, compounds with trimethylamine.
 - 1 Be it enacted by the Senate and House of Representa-
 - 2 tives of the United States of America in Congress assembled,

1 SECTION 1. PROPANOIC ACID, 3-HYDROXY-2-(HYDROXY-2 METHYL)-2-METHYL-, POLYMERS WITH 5-ISO-3 CYANATO-1-(ISOCYANATOMETHYL)-1,3,3-TRI-4 METHYLCYCLOHEXANE AND REDUCED METH-5 ESTERS OF REDUCED POLYMERIZED, YL 6 OXIDIZED **TETRAFLUOROETHYLENE**, COM-7 POUNDS WITH TRIMETHYLAMINE. 8 (a) IN GENERAL.—Subchapter II of chapter 99 of the Harmonized Tariff Schedule of the United States is 9 amended by inserting in numerical sequence the following 10 11 new heading:

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(b) EFFECTIVE DATE.—The amendment made by
subsection (a) applies to articles entered, or withdrawn
from warehouse for consumption, on or after the 15th day
after the date of the enactment of this Act.

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