UNITED STATES INTERNATIONAL TRADE COMMISSION Washington, DC 20436

MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110th Congress ¹

[Date approved: September 9, 2008]²

Bill No. and sponsor: H.R. 5052 (Mr. Scott Garrett of New Jersey).

Proponent name, location: Lonza Inc., Allendale, 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)):

Mixtures of N,N'-dimethylacetoacetamide (CAS No. 2044-64-6) with an additive that stabilizes color and diluted in water with a calculated assay of not less than 93% and not more than 99% (provided for in subheading 2924.19.11).

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 used in unsaturated polyester resins and gel coats. The product is imported from China and Switzerland.

Estimated effect on customs revenue:

HTS subheading: <u>2924.19.11</u>						
$\bigg\rangle$	2009	2010	2011	2012	2013	
Col. 1-General rate of duty	3.7%	3.7%	3.7%	3.7%	3.7%	
Estimated value <i>dutiable</i> imports	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	
Customs revenue loss	\$37,000	\$37,000	\$37,000	\$37,000	\$37,000	

Source of estimated dutiable import data: U.S. industry estimates.

¹ Industry analyst preparing report: Larry Johnson (202-205-3351); Tariff Affairs contact: Dave 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.

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

Name of firm/organization	Date	Claim US	Submission	
	contacted	makes same or competing	attached?	noted?
		product(s)?		
			(Yes/No)	
Lonza Inc. (Proponent)	06/19/2008	No	No	No
Greg McCue, 202-429-6421				
Abbott Laboratories	06/19/2008	No	No	No
Elaine Leavenworth, Fax: 202-783-6631				
American Chemistry Council	06/19/2008	No	No	No
Marty Durbin, Fax: 703-741-6097				
Apollo Color, Inc.	06/19/2008	No	No	No
Dave Klebine, Fax: 815-741-2599				
BASF	06/19/2008	No	No	No
David Bushnell, Fax: 301-654-8336				
Greg Thies, Fax: 202-558-5101				
Bayer Corporate & Business Services	06/19/2008	No	No	No
Karen L. Niedermeyer, Fax: 412-777-4740				
Biddle Sawyer Corp.	06/19/2008	No	No	No
William Thonack, Fax: 212-239-1089				
Chemtura Corporation	06/19/2008	No	No	No
Lloyd Moon, Fax: 203-573-2686				
Ciba Specialty Chemicals	06/19/2008	No	No	No
Robert Hurley, Fax: 202-289-3588				
Clariant Corporation	06/19/2008	No	No	No
Andrew Zamoyski, Fax: 202-248-9043				
Dow	06/19/2008	No	No	No
Lisa Schroeter, Fax: 202-429-3467				
Dupont	06/19/2008	No	No	No
Helen McMahon, Fax: 302-355-2994				
Eastman Chemical	06/19/2008	No	No	No
Greg Riddle, Fax: 212-835-1621				
Emerald Performance Materials	06/19/2008	No	No	No
Tom Dirmyer, Fax: 330-315-6480				
Galaxie Chemical Corp.	06/19/2008	No	No	No
Michael Santoro, Jr., Fax: 973-790-7104				
Honeywell	06/19/2008	No	No	No
Art Simonetti, Fax: 202-662-2675				
Huntsman Corp.	06/19/2008	No	No	No
John Deming, Fax: 302-479-5499				
Monsanto Corp.	06/19/2008	No	No	No
Grant Erdel, Fax: 202-789-1867				
PMC Inc.	06/19/2008	No	No	No
Gordon McCollough, Fax: 513-482-7884				

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
Rhodia	06/19/2008	No	No	No
Dominick Cangiano, Fax: 609-860-2256				
Solutia, Inc.	06/19/2008	No	No	No
Kassie D. Wooten, Fax: 314-674-1585				
Sun Chemical Corp.	06/19/2008	No	No	No
Steve Schmidt. Fax: 513-681-4960				

Technical comments:⁴

The Commission staff notes that there should be a single prime symbol after the second N, and "dimethylacetoacetamide" should not be capitalized, as shown on page 1 of this report.

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 2D SESSION

H. R. 5052

To suspend temporarily the duty on certain mixtures of N,N-Dimethylacetoacetamide.

IN THE HOUSE OF REPRESENTATIVES

January 17, 2008

Mr. Garrett of New Jersey introduced the following bill; which was referred to the Committee on Ways and Means

A BILL

To suspend temporarily the duty on certain mixtures of N,N-Dimethylacetoacetamide.

- 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. CERTAIN MIXTURES OF N,N-
- 4 DIMETHYLACETOACETAMIDE.
- 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:

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"	9902.01.00	Mixtures of N,N-					
		Dimethylacetoacetamide					
		(CAS No. 2044-64-6) with					
		an additive that stabilizes					
		color and diluted in water					
		with a calculated assay of					
		not less than 93% and not					
		more than 99% (provided					
		for in subheading					
		2924.19.11)	Free	No change	No change	On or before	
						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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