

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 110th Congress¹**

[Date approved: July 29, 2008]²

Bill No. and sponsor: H.R. 5149 (Mr. John E. Peterson of Pennsylvania).

Proponent name,³ location: Arkema Inc., Philadelphia, 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)):

Piperazine co-polymerized copolyamide resin high-temperature melt adhesive pellets (CAS Nos. 118106-10-8, 1000189-84-3, or 1000189-29-6) (provided for in subheadings 3908.10.00 or 3908.90.70).

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 products are high-performance copolyamide resins of varying molecular weights that are based on four individual monomers, including piperazine. The inclusion of piperazine monomer in the reaction mixture results in properties particularly suited for high-end market applications such as hot melt adhesives, high melt adhesive films, webs or nets, and as an extrusion coating on various substrates. The products are imported from Germany.

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:

Total Estimated Revenue Loss for this Bill					
	2009	2010	2011	2012	2013
Customs revenue loss	\$89,400	\$98,950	\$108,500	\$118,050	\$127,600

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

HTS subheading: <u>3908.10.00</u>					
	2009	2010	2011	2012	2013
Col. 1-General rate of duty	6.3%	6.3%	6.3%	6.3%	6.3%
Estimated value <i>dutiable</i> imports	\$800,000	\$900,000	\$1,000,000	\$1,100,000	\$1,200,000
Customs revenue loss	\$50,400	\$56,700	\$63,000	\$69,300	\$75,600

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

HTS subheading: <u>3908.90.70</u>					
	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	\$600,000	\$650,000	\$700,000	\$750,000	\$800,000
Customs revenue loss	\$39,000	\$42,250	\$45,500	\$48,750	\$52,000

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)		
Arkema Inc. (Proponent) Charles Kitchen, 215-419-7615	04/28/2008	No	No	No
BASF Corporation Gregory Thies, gregory.thies@basf.com	05/07/2008	No	No	No
Bayer Corporation Karen Niedermeyer, 412-777-2058	05/07/2008	No	No	No

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
		(Yes/No)		
DuPont Helen McMahon, 302-992-2263 Elaine Olsen, 302-992-2263	05/06/2008	No	No	No
EMS-CHEMIE (North America), Inc. Guido Hobi, 803-481-6143	05/06/2008	No	No	No
LANXESS Corporation Jamie Schaeffer, 412-809-3666	05/07/2008	No	No	No
3M Company Jeff DeMichiel, jeff@bindingsource.com	05/06/2008	No	No	No

Technical comments:⁴

The Commission staff suggests that the article description of the proposed duty suspension be modified, as shown on page 1 of this report, by deleting “subheading 3809.10.00” and inserting “subheading 3908.10.00” in lieu thereof.

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. 5149

To suspend temporarily the duty on dry adhesive copolyamide pellets.

IN THE HOUSE OF REPRESENTATIVES

JANUARY 28, 2008

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

A BILL

To suspend temporarily the duty on dry adhesive copolyamide pellets.

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. DRY ADHESIVE COPOLYAMIDE PELLETS.**

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	Piperazine co-polymerized copolyamide resin high-temperature melt adhesive pellets (CAS Nos. 118106-10-8, 1000189-84-3, or 1000189-29-6) (provided for in sub-headings 3809.10.00 or 3908.90.70)	Free	No change	No change	On or before 12/31/2011	”.
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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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