### MEMORANDUM ON PROPOSED TARIFF LEGISLATION of the 110<sup>th</sup> Congress <sup>1</sup>

[Date approved: August 25, 2008]<sup>2</sup>

Bill No. and sponsor: H.R. 5252 (Mr. Melvin L. Watt of North Carolina).

Proponent name,<sup>3</sup> location: Quality Colors LLC, High Point, NC.

Other bills on product (110<sup>th</sup> Congress only): None.

Nature of bill: Extension of temporary duty suspension through December 31, 2011.

Retroactive effect: None.

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

Direct Black 22 (trisodium

6-[(2,4-diaminophenyl)azo]-3-[[4-[[4-[[7-[(2,4-diaminophenyl)azo]-1-hydroxy-3-sulphonato-2-naphthyl] azo]phenyl]amino]-3-sulphonatophenyl]azo]-4-hydroxynaphthalene-2-sulphonate) (CAS No. 6473-13-8) (provided for in subheading 3204.14.50).

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 dyestuff that is used to dye textiles. The product is imported from Germany, India, and Taiwan.

#### **Estimated effect on customs revenue:**

HTS subheading: <u>3204.14.50</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	\$2,300,000	\$2,300,000	\$2,300,000	\$2,300,000	\$2,300,000					
Customs revenue loss <u>1</u> /	\$0	\$149,500	\$149,500	\$149,500	\$149,500					

1/ There is an existing duty suspension under HTS heading 9902.25.25 that expires on December 31, 2009. Therefore, there will be no customs revenue loss related to this bill in 2009. Source of estimated dutiable import data: U.S. industry estimates.

<sup>&</sup>lt;sup>1</sup> Industry analyst preparing report: Larry Johnson (202-205-3351); Tariff Affairs contact: Dave Michels (202-205-3440).

<sup>&</sup>lt;sup>2</sup> Access to an electronic copy of this memorandum is available at <u>http://www.usitc.gov/tata/hts/other/rel\_doc/bill\_reports/</u>.

<sup>&</sup>lt;sup>3</sup> 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	Opposition	
	contacted	makes same or competing product(s)?	attached?	noted?	
		(Yes/No)			
Quality Colors LLC (Proponent)	05/01/2008	No	No	No	
Kent Williams, 704-517-7964					
Arkema	05/01/2008	No	No	No	
Charles Kitchen, Fax: 215-419-7075					
BASF Corp.	05/01/2008	No	No	No	
Greg Thies, 202-904-2332					
Bayer	05/01/2008	No	No	No	
Mike Gill, 202-508-8843					
Carey Industries, Inc.	05/01/2008	No	No	No	
Raymond J. Carey, Fax: 203-791-2762					
Ciba Specialty Chemicals Corp.	05/01/2008	No	No	No	
Michelle Forte, Fax: 914-785-4831					
Clariant Corp.	05/01/2008	No	No	No	
Andrew Zamoyski, 202-415-9159					
Color Resources Int'l Inc.	05/01/2008	No	No	No	
Wayne Jones, Fax: 864-862-6824					
Colorants & Textile Leather Chemicals	05/01/2008	No	No	No	
Michael Strumpp, Fax: 973-426-3542					
ColorChem	05/01/2008	No	No	No	
Steve Printz, Fax: 770-993-4780					
СРМА	05/01/2008	No	No	No	
Larry Robinson, Fax: 703-684-1795					
Day-Glo	05/01/2008	No	No	No	
Richard Thornton, Fax: 216-391-1408					
DyStar L.P.	05/01/2008	No	No	No	
Van Hawkins, Fax: 704-561-3005					
ESCO Company	05/01/2008	No	No	No	
Bruce Rice, 231-726-3106	0.7/01/2000				
ETAD	05/01/2008	No	No	No	
Tucker Helms, Fax: 202-296-8120	05/01/2000				
Everlight USA, Inc.	05/01/2008	No	No	No	
Scott Chen, Fax: 704-588-1004	05/01/2000	Ŋ	N	Ŋ	
Fanwood Chemical, Inc.	05/01/2008	No	No	No	
Jim DeLisi, Fax: 908-322-8494	04/04/2000	NT -	NT -	NT-	
Fuji Film Imaging Colorants Inc.	04/04/2008	No	No	No	
Michael Gill, 202-508-8843 Pat McGlinchey, Fax: 302-447-8103					
Huntsman International LLC	05/01/2008	No	No	No	
	03/01/2008	No	No	No	
John Deming, Johndeming@aol.com		1			

Name of firm/organization	Date contacted	Claim US makes same or competing product(s)?	Submission attached?	Opposition noted?
			(Yes/No)	
Kemira Chemicals Inc. Carolina Parez, Fax: 770-433-7672	05/01/2008	No	No	No
Milliken Industries Ray Sanders, Fax: 864-503-1618	05/01/2008	No	No	No
Monsanto Corp. Linda Strachan, Fax: 202-783-2467	05/01/2008	No	No	No
Nations Ford Chemical Co. John Dickson, 803-548-3210 (ext 14)	05/01/2008	No	No	No
Noveon Tom Dirmeyer, Fax: 512-841-4841	05/01/2008	No	No	No
Noviant Paul Schmidt, Fax: 512-841-4841	05/01/2008	No	No	No
Passaic Color John Wojciechowski, Fax: 973-279-3175	05/01/2008	No	No	No
Rohm & Haas Geoff Hurwitz, Fax: 703-741-5881	05/01/2008	No	No	No
Roma Color, Inc. Andrew Blum, Fax: 508-676-9011	05/01/2008	No	No	No
Sensient Technical Colors Dan Victor, Fax: 610-582-6663	05/01/2008	No	No	No
United Color Co. Tom Nowakowski, Fax: 215-860-8560	05/01/2008	No	No	No
Yorkshire Americas, Inc. Allen Hughes, Fax: 704-376-3091	05/01/2008	No	No	No

#### **Technical comments:**<sup>4</sup>

The Commission staff suggests that the article description of HTS heading 9902.25.25 be modified as shown on page 1 of this report in order to include the chemical name for the product.

<sup>&</sup>lt;sup>4</sup> 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.

# <sup>110TH CONGRESS</sup> 2D SESSION H.R. 5252

To extend the temporary suspension of duty on Direct Black 22.

#### IN THE HOUSE OF REPRESENTATIVES

February 7, 2008

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

## A BILL

To extend the temporary suspension of duty on Direct Black 22.

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. DIRECT BLACK 22.** 

4 (a) IN GENERAL.—Heading 9902.25.25 of the Har5 monized Tariff Schedule of the United States (relating to
6 Direct Black 22) is amended by striking "12/31/2009"
7 and inserting "12/31/2011".

8 (b) EFFECTIVE DATE.—The amendment made by9 subsection (a) applies to goods entered, or withdrawn from

- 1 warehouse for consumption, on or after the 15th day after
- $2 \ \ {\rm the \ date \ of \ the \ enactment \ of \ this \ Act.}$