

UNITED STATES INTERNATIONAL TRADE COMMISSION
Washington, DC 20436

**MEMORANDUM ON PROPOSED TARIFF LEGISLATION
of the 109th Congress¹**

[Date approved: August 1, 2005]²

Bill No. and sponsor: S. 698 (Mr. Lautenberg)

Proponent name, location: Rhodia Inc.
259 Prospect Plains Road, CN 7500
Cranbury, New Jersey 08512-7500

Other bills on product (109th Congress only): H.R. 1392

Nature of bill: Temporary duty suspension through December 31, 2007.

Retroactive effect: None.

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

Mixtures of N-[2-(2-Oxo-1-imidazolidinyl)ethyl]methacrylamide (CAS No. 3089-19-8), methacrylic acid (CAS No. 79-41-4), and water (CAS No. 7732-18-5) (provided for in subheading 3824.90.91).

Check one: Same as that in bill as introduced
 Different from that in bill as introduced (explain differences in Technical comments section)

Product information, including uses/applications and source(s) of imports:

The product is used primarily to make polymer resins that are incorporated into architectural coatings. The product is imported from France.

¹ Industry analyst preparing report: Jack Greenblatt (202-205-3353); 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/index.htm

Estimated effect on customs revenue:

| HTS subheading: 3824.90.91 | | | | | |
|---|-------------|-------------|-------------|-------------|-------------|
| | 2005 | 2006 | 2007 | 2008 | 2009 |
| Col. 1-General rate of duty (AVE) <u>1/</u> | 5.0% | 5.0% | 5.0% | 5.0% | 5.0% |
| Estimated value <i>dutiable</i> imports | \$3,300,000 | \$3,300,000 | \$3,300,000 | \$3,300,000 | \$3,300,000 |
| Customs revenue loss | \$165,000 | \$165,000 | \$165,000 | \$165,000 | \$165,000 |

1/ The AVE is the ad valorem equivalent of a specific or compound duty rate expressed as a percent, using the most recent import data available.

Source of estimated dutiable import data: Industry estimates. The Customs revenue loss estimates provided in the above table assumes that the duty suspension will be renewed in 2008 and 2009.

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

| Name of firm/organization | Date contacted | US production of same or competitive product claimed? | Submission attached? | Opposition noted? |
|---|----------------|---|----------------------|-------------------|
| | | (Yes/No) | | |
| Rhodia (proponent) Preston Gates, Rick Valentine (202) 661-3802 | 6/6/2005 | No | No | No |
| Rohm & Haas Hank Stoebenau 215-628-4919 | 6/7/2005 | Yes | Yes | Yes |
| Perstorp Polyols, Inc. Mai Pham 202-293-8144 | 6/7/2005 | No | No | No |
| Bayer Corp. Karen Niedermeyer 412-777-2058 | 6/6/2005 | No | No | No |
| Avecia Limited (Crowell & Moring) Ms. Melissa Coyle 202-624-2500 | 6/6/2005 | No | No | No |
| Solutia, Inc. Mary Woodward 314-674-7211 | 6/7/2005 | No | No | No |

Technical comments:³ None.

³ 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.

109TH CONGRESS
1ST SESSION

S. 698

To suspend temporarily the duty on methacrylamido etheleneurae monomer.

IN THE SENATE OF THE UNITED STATES

APRIL 5, 2005

Mr. LAUTENBERG introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To suspend temporarily the duty on methacrylamido etheleneurae monomer.

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. METHACRYLAMIDO ETHELENEURAE MON-**
4 **OMER.**

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:

| | | | | | | | |
|---|------------|---|------|-----------|-----------|-------------------------|----|
| “ | 9902.06.03 | Mixtures of N-[2-(2-Oxo-1-imidazolidiny-1)ethyl]methacrylamide (CAS No. 3089-19-8), methacrylic acid (CAS No. 79-41-4), and water (CAS No. 7732-18-5) (provided for in subheading 3824.90.91) | Free | No change | No change | On or before 12/31/2007 | ”. |
|---|------------|---|------|-----------|-----------|-------------------------|----|

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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